**DRAFT RED HERRING PROSPECTUS**
Dated August 12, 2021
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
Please read section 32 of the Companies Act, 2013
**Book Built Offer**

# TRACXN TECHNOLOGIES LIMITED

Our Company was incorporated in Bengaluru as 'Tracxn Technologies Private Limited' pursuant to a certificate of incorporation dated August 11, 2012 issued by the Registrar of Companies, Karnataka at Bengaluru (the "**RoC**"). Thereafter, pursuant to the conversion of our Company to a public limited company, the name of our Company was changed to 'Tracxn Technologies Limited', and a fresh certificate of incorporation dated July 28, 2021 was issued to our Company by the RoC. For further details on the changes in the name and registered office of our Company, see "*History and Certain Corporate Matters*" on page 154.

**Registered Office:** 48, First Floor, DVG Road, Basavangudi, Bengaluru – 560 004, Karnataka, India; **Telephone:** +91 90360 90116
**Corporate Office:** L-248, 2nd Floor, 17th Cross, Sector 6, HSR Layout, Bengaluru 560 102, Karnataka, India
**Contact Person**: Megha Bohra, Company Secretary and Compliance Officer; **E-mail:** compliance-officer@tracxn.com
**Website:** www.tracxn.com; **Corporate Identity Number**: U72200KA2012PLC065294

**OUR PROMOTERS: NEHA SINGH AND ABHISHEK GOYAL**

**INITIAL PUBLIC OFFERING OF UP TO 38,672,208 EQUITY SHARES OF FACE VALUE OF ₹ 1 EACH ("EQUITY SHARES") OF TRACXN TECHNOLOGIES LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ [●] THOUSAND (THE "OFFER") THROUGH AN OFFER FOR SALE COMPRISING UP TO 7,662,655 EQUITY SHARES AGGREGATING UP TO ₹ [●] THOUSAND BY ABHISHEK GOYAL AND UP TO 7,662,655 EQUITY SHARES AGGREGATING UP TO ₹ [●] THOUSAND BY NEHA SINGH (COLLECTIVELY, THE "PROMOTER SELLING SHAREHOLDERS"), UP TO 1,263,096 EQUITY SHARES AGGREGATING UP TO ₹ [●] THOUSAND BY BINNY BANSAL, UP TO 1,263,096 EQUITY SHARES AGGREGATING UP TO ₹ [●] THOUSAND BY SACHIN BANSAL, UP TO 207,548 EQUITY SHARES AGGREGATING UP TO ₹ [●] THOUSAND BY SAHIL BARUA, UP TO 315,774 EQUITY SHARES AGGREGATING UP TO ₹ [●] THOUSAND BY DEEPAK SINGH, UP TO 10,980,885 EQUITY SHARES AGGREGATING UP TO ₹ [●] THOUSAND BY ELEVATION CAPITAL, UP TO 267,915 EQUITY SHARES AGGREGATING UP TO ₹ [●] THOUSAND BY TRUSTEES, KOLLURI LIVING TRUST, UP TO 147,976 EQUITY SHARES AGGREGATING UP TO ₹ [●] THOUSAND BY MILLIWAYS FUND LLC, UP TO 295,952 EQUITY SHARES AGGREGATING UP TO ₹ [●] THOUSAND BY RATHNAGIRISH MATHRUBOOTHAM, UP TO 147,976 EQUITY SHARES AGGREGATING UP TO ₹ [●] THOUSAND BY APOLETTO ASIA LTD, UP TO 591,904 EQUITY SHARES AGGREGATING UP TO ₹ [●] THOUSAND BY THE TRUSTEES, NRJN FAMILY TRUST, UP TO 147,976 EQUITY SHARES AGGREGATING UP TO ₹ [●] THOUSAND BY MANOJ KUMAR GANDHI, UP TO 881,602 EQUITY SHARES AGGREGATING UP TO ₹ [●] THOUSAND BY WGG INTERNATIONAL LIMITED, UP TO 4,017,506 EQUITY SHARES AGGREGATING UP TO ₹ [●] THOUSAND BY ACCEL INDIA IV (MAURITIUS) LIMITED AND UP TO 2,181,692* EQUITY SHARES AGGREGATING UP TO ₹ [●] THOUSAND BY SCI INVESTMENTS V (COLLECTIVELY THE "INVESTOR SELLING SHAREHOLDERS"), AND UP TO 636,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] THOUSAND BY PRASHANT CHANDRA (THE "OTHER SELLING SHAREHOLDER", AND TOGETHER WITH THE PROMOTER SELLING SHAREHOLDERS AND THE INVESTOR SELLING SHAREHOLDERS, THE "SELLING SHAREHOLDERS") (THE "OFFER FOR SALE"). THE OFFER WILL CONSTITUTE [●]% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL.**

**THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE INVESTOR SELLING SHAREHOLDERS, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER, AND WILL BE ADVERTISED IN [●] EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), [●] EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND [●] EDITIONS OF [●] (A WIDELY CIRCULATED KANNADA DAILY NEWSPAPER, KANNADA BEING THE REGIONAL LANGUAGE OF KARNATAKA WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID / OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR UPLOADING ON THEIR RESPECTIVE WEBSITES.**

** Includes (i) 41,164 Equity Shares to be issued upon conversion of 28,614 Series A4 CCPS and 12,550 Series B1 CCPS held by SCI Investments V, and (ii) 2,140,528 Equity Shares to be issued by way of a bonus issue to SCI Investments V as on the date of conversion of Preference Shares to Equity Shares, prior to filing of the Red Herring Prospectus.*

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

This Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**") read with Regulation 31 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**SEBI ICDR Regulations**"). This Offer is being made through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations wherein not less than 75% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Portion**"), provided that our Company and the Investor Selling Shareholders, in consultation with the Book Running Lead Manager may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than Anchor Investor Portion). Further, 5% of the Net QIB 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 QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. If at least 75% of the Net Offer cannot be Allotted to QIBs, the Bid Amounts received by our Company shall be refunded. Further, not more than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Offer 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 Offer Price. All Bidders, other than Anchor Investors, are mandatorily required to participate in the Offer through the Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective ASBA Account, (including UPI ID in case of Retail Individual Bidders), in which the corresponding Bid Amounts will be blocked by the SCSBs or under the UPI Mechanism, as applicable, to participate in the Offer. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA Process. For details, see "*Offer Procedure*" on page 292.

## RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 1 each. The Offer Price and Price Band, as determined and justified by our Company and the Investor Selling Shareholders in consultation with the Book Running Lead Manager, in accordance with the SEBI ICDR Regulations, and as stated in "*Basis for Offer Price*" on page 90, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

## GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 25.

## ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

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

## LISTING

The Equity Shares to be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Offer, [●] shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) and Section 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid / Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 421.

| BOOK RUNNING LEAD MANAGER | REGISTRAR TO THE OFFER |
|---|---|
| **IIFL Securities Limited**<br>10th Floor, IIFL Centre<br>Kamala City, Senapati Bapat Marg<br>Lower Parel (West), Mumbai 400 013<br>Maharashtra, India<br>**Telephone:** +91 22 4646 4600<br>**E-mail:** tracxn.ipo@iiflcap.com<br>**Investor grievance e-mail:** ig.ib@iiflcap.com<br>**Website:** www.iiflcap.com<br>**Contact person:** Mukesh Garg<br>**SEBI registration number:** INM000010940 | **Link Intime India Private Limited**<br>C 101, 247 Park<br>L.B.S. Marg<br>Vikhroli (West), Mumbai 400 083<br>Maharashtra, India<br>**Telephone**: +91 22 4918 6200<br>**E-mail**: tracxn.ipo@linkintime.co.in<br>**Investor grievance e-mail**: tracxn.ipo@linkintime.co.in<br>**Website**: www.linkintime.co.in<br>**Contact person**: Shanti Gopalkrishnan<br>**SEBI registration number**: INR000004058 |

| BID / OFFER PROGRAMME | |
|---|---|
| **BID / OFFER OPENS ON** | [●]* |
| **BID / OFFER CLOSES ON** | [●]** |

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

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

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**TABLE OF CONTENTS**


**SECTION I - GENERAL** ..... **3**

DEFINITIONS AND ABBREVIATIONS ..... 3
CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION ..... 14
FORWARD-LOOKING STATEMENTS ..... 18

**SECTION II - SUMMARY OF THE OFFER DOCUMENT** ..... **20**

**SECTION III - RISK FACTORS** ..... **25**

**SECTION IV – INTRODUCTION** ..... **59**

THE OFFER ..... 59
SUMMARY FINANCIAL INFORMATION ..... 61
GENERAL INFORMATION ..... 66
CAPITAL STRUCTURE ..... 74

**SECTION V – PARTICULARS OF THE OFFER** ..... **88**

OBJECTS OF THE OFFER ..... 88
BASIS FOR THE OFFER PRICE ..... 90
STATEMENT OF SPECIAL TAX BENEFITS ..... 92

**SECTION VI - ABOUT OUR COMPANY** ..... **95**

INDUSTRY OVERVIEW ..... 95
OUR BUSINESS ..... 131
KEY REGULATIONS AND POLICIES IN INDIA ..... 149
HISTORY AND CERTAIN CORPORATE MATTERS ..... 154
OUR MANAGEMENT ..... 160
OUR PROMOTERS AND PROMOTER GROUP ..... 177
GROUP COMPANIES ..... 180
DIVIDEND POLICY ..... 181

**SECTION VII – FINANCIAL INFORMATION** ..... **182**

FINANCIAL STATEMENTS ..... 182
OTHER FINANCIAL INFORMATION ..... 233
CAPITALISATION STATEMENT ..... 234
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS ..... 235
FINANCIAL INDEBTEDNESS ..... 264

**SECTION VIII – LEGAL AND OTHER INFORMATION** ..... **265**

OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS ..... 265
GOVERNMENT AND OTHER APPROVALS ..... 269
OTHER REGULATORY AND STATUTORY DISCLOSURES ..... 271

**SECTION IX - OFFER INFORMATION** ..... **284**

TERMS OF THE OFFER ..... 284
OFFER STRUCTURE ..... 290
OFFER PROCEDURE ..... 292
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES ..... 311

**SECTION X – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION** ..... **313**

**SECTION XI - OTHER INFORMATION** ..... **421**

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION ..... 421
DECLARATION ..... 423

## SECTION I - GENERAL

## DEFINITIONS AND ABBREVIATIONS

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

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

*Notwithstanding the foregoing, terms in "Basis for the Offer Price", "Statement of Special Tax Benefits", "Industry Overview", "Key Regulations and Policies in India", "Financial Statements", "Outstanding Litigation and Other Material Developments", and "Main Provisions of the Articles of Association" on pages 90, 92, 95, 149, 182, 265, and 313, respectively, will have the meaning ascribed to such terms in those respective sections.*

### General terms

| Term | Description |
|---|---|
| our Company / the Company / we / us / our / the Issuer | Tracxn Technologies Limited, a public limited company incorporated under the Companies Act, 1956 and having its Registered Office at 48, First Floor, DVG Road, Basavangudi, Bengaluru 560 004, Karnataka, India |

### Company related terms

| Term | Description |
|---|---|
| Angel Investors | Collectively, Sachin Bansal, Binny Bansal, Mukul Singhal, Nita Goyal jointly with Ashish Gupta, Sahil Barua and Deepak Singh |
| AoA / Articles of Association / Articles | The articles of association of our Company, as amended |
| Audit Committee | Audit committee of our Company, described in "*Our Management – Corporate Governance*" on page 167 |
| Auditors / Statutory Auditors | The statutory auditors of our Company, namely Price Waterhouse Chartered Accountants LLP |
| Board / Board of Directors | The board of directors of our Company |
| Chief Financial Officer | Chief financial officer of our Company |
| Company Secretary | Company secretary of our Company |
| Compliance Officer | Compliance officer of our Company appointed in accordance with the requirements of the SEBI Listing Regulations and the SEBI ICDR Regulations |
| Corporate Office | The corporate office of our Company, situated at L-248, 2nd Floor, 17th Cross, Sector 6, HSR Layout, Bengaluru 560 102, Karnataka, India |
| Corporate Social Responsibility Committee | The corporate social responsibility committee of our Company, described in "*Our Management – Corporate Governance*" on page 167 |
| Director(s) | The director(s) on our Board |
| Elevation Capital | Elevation Capital V Limited (formerly SAIF Partners India V Limited) |
| Equity Shares | The equity shares of our Company of face value of ₹ 1 each |
| ESOP 2016 | Tracxn Employee Stock Option Plan 2016 |
| Executive Director(s) | Executive director(s) of our Company |
| Independent Director(s) | Independent director(s) of our Company |
| Investors | Collectively, the Angel Investors and the Other Investors |
| Investor Selling Shareholders | Collectively, Binny Bansal, Sachin Bansal, Sahil Barua, Deepak Singh, Elevation Capital, Trustees, Kolluri Living Trust, Milliways Fund LLC, Rathnagirish Mathrubootham, Apoletto Asia Ltd, Trustees, NRJN Family Trust, Manoj Kumar Gandhi, WGG International Limited, Accel India IV (Mauritius) Limited and SCI Investments V |
| IPO Committee | IPO committee of the board of directors of our Company, comprising Neha Singh, Abhishek Goyal and Vivek Kumar Mathur |
| Key Managerial Personnel | Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 and as further described in "*Our Management – Key Managerial Personnel*" on page 174 |

| Term | Description |
|---|---|
| Materiality Policy | The policy adopted by our Board on August 2, 2021 for identification of material (a) outstanding litigation proceedings; (b) group companies; and (c) creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus |
| MoA / Memorandum of Association | The memorandum of association of our Company, as amended |
| Nomination and Remuneration Committee | The nomination and remuneration committee of our Company, described in "*Our Management – Corporate Governance*" on page 167 |
| Non-Executive Director(s) | Non-executive, non-independent directors of our Company |
| Ordinary CCPS | Ordinary compulsorily convertible preference shares of our Company, of face value ₹ 10 each |
| Other Investors | Such persons as are holding Preference Shares of our Company, or have been issued Equity Shares pursuant to the conversion of Preference Shares held by them, currently comprising Elevation Capital, Trustees, Kolluri Living Trust, Ratan N. Tata, Beenext Pte. Limited, Milliways Fund LLC, VH Capital, Rathnagirish Mathrubootham, Apoletto Asia Ltd, Aneesh Reddy Boddu, Trustees, NRJN Family Trust, Ashish Gupta jointly with Nita Goyal, Gaurav Deepak, 3ONE4 Capital Fund – Scheme I, Manoj Kumar Gandhi, WGG International Limited, Seabright II Limited, Amit Ranjan, Trustees, Amitabh & Shilpa Singhal Living Trust, Accel India IV (Mauritius) Limited, SCI Investments V and KB Global Platform Fund |
| Other Selling Shareholder | Prashant Chandra |
| Preference Shares / CCPS | The preference shares of our Company having a face value of ₹ 10 each, including Series A CCPS, Ordinary CCPS, Series A2 CCPS, Series A3 CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS |
| Promoter Group | Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed in "*Our Promoters and Promoter Group*" on page 177 |
| Promoter(s) | The Promoter(s) of our Company, namely Neha Singh and Abhishek Goyal. For details, see "*Our Promoters and Promoter Group*" on page 177 |
| Promoter Selling Shareholders | Collectively, Neha Singh and Abhishek Goyal |
| Registered Office | The registered office of our Company, situated at 48, First Floor, DVG Road, Basavangudi, Bengaluru 560 004, Karnataka, India |
| Restated Financial Information | The restated financial information of our Company, which comprises the restated statement of assets and liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019; and the restated statement of profit and loss; the restated statement of changes in equity and restated statement of cash flows for the years ended March 31, 2021, March 31, 2020 and March 31, 2019, notes to the restated financial information and statement of adjustments to audited financial statements. The Restated Financial Information has been compiled by our Company for the year ended March 31, 2021 from the audited financial statements of our Company prepared in accordance with Ind AS and for the years ended March 31, 2020 and March 31, 2019 based on audited financial statement prepared in accordance with Previous GAAP, as amended, adjusted in conformity with Ind AS. |
| Risk Management Committee | Risk management committee of our Company, described in "*Our Management – Corporate Governance*" on page 167 |
| RoC / Registrar of Companies | The Registrar of Companies, Karnataka at Bengaluru |
| Selling Shareholders | Collectively, the Promoter Selling Shareholders, the Investor Selling Shareholders and the Other Selling Shareholder |
| Series A CCPS | Series A compulsorily convertible preference shares of our Company, of face value ₹ 10 each |
| Series A2 CCPS | Series A2 compulsorily convertible preference shares of our Company, of face value ₹ 10 each |
| Series A3 CCPS | Series A3 compulsorily convertible preference shares of our Company, of face value ₹ 10 each |
| Series A4 CCPS | Series A4 compulsorily convertible preference shares of our Company, of face value ₹ 10 each |
| Series B1 CCPS | Series B1 compulsorily convertible preference shares of our Company, of face value ₹ 10 each |
| Series B2 CCPS | Series B2 compulsorily convertible preference shares of our Company, of face value ₹ 10 each |
| Shareholders | The holders of the Equity Shares from time to time |
| Shareholders Agreement | Shareholders' agreement dated December 10, 2020 between our Company, the Promoters and the Investors, as amended |
| Stakeholders' Relationship Committee | The stakeholders' relationship committee of our Company, described in "*Our Management – Corporate Governance*" on page 167 |

## Offer-related terms

| Term | Description |
|---|---|
| Acknowledgement Slip | The slip or document issued by a Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form |
| Allot / Allotment / Allotted | Unless the context otherwise requires, allotment or transfer, as the case may be of Equity Shares offered pursuant to the transfer of the Offered Shares by the Selling Shareholders pursuant to the Offer for Sale 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 the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange |
| Allottee | A successful Bidder to whom the Equity Shares are Allotted |
| Anchor Investor(s) | A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus |
| Anchor Investor Allocation Price | The price at which Equity Shares will be allocated to Anchor Investors in terms of the Red Herring Prospectus, which will be decided by our Company and the Investor Selling Shareholders, in consultation with the Book Running Lead Manager during the Anchor Investor Bidding Date |
| 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 Prospectus |
| Anchor Investor Bidding Date | The day, being one Working Day prior to the Bid / Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed |
| Anchor Investor Offer Price | Final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company and the Investor Selling Shareholders, in consultation with the Book Running Lead Manager |
| Anchor Investor Portion | Up to 60% of the QIB Portion which may be allocated by our Company and the Investor Selling Shareholders, in consultation with the Book Running Lead Manager, to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations<br><br>One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price |
| Anchor Investor Pay-in Date | With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid / Offer Closing Date |
| Application Supported by Blocked Amount / ASBA | An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorize an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB or to block the Bid Amount using the UPI Mechanism |
| ASBA Account | A bank account maintained with an SCSB which may be blocked by such SCSB or the account of the RIBs blocked upon acceptance of UPI Mandate Request by the RIBs using the UPI Mechanism to the extent of the Bid Amount of the ASBA Bidder |
| ASBA Bidders | 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 |
| Banker(s) to the Offer | Collectively, the Escrow Collection Bank(s), Refund Bank(s), Sponsor Bank and Public Offer Account Bank(s) |
| Basis of Allotment | Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, as described in "*Offer Procedure*" on page 292 |
| Bid | An indication to make an offer during the Bid / Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations. The term "**Bidding**" shall be construed accordingly |
| Bid Amount | The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case maybe, upon submission of the Bid in the Offer, as applicable |
| Bid cum Application Form | The Anchor Investor Application Form or the ASBA Form, as the context requires |

| Term | Description |
|---|---|
| Bid Lot | [●] Equity Shares and in multiples of [●] Equity Shares thereafter |
| Bid / Offer 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, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper), and [●] editions of [●] (a widely circulated Kannada daily newspaper, Kannada being the regional language of Karnataka, where our Registered Office is located). In case of any revisions, the extended Bid / Offer Closing Date shall also be notified on the websites and terminals of the members of the Syndicate, as required under the SEBI ICDR Regulations and communicated to the Designated Intermediaries and the Sponsor Bank |
| Bid / Offer Opening Date | Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper), and [●] editions of [●] (a widely circulated Kannada daily newspaper, Kannada being the regional language of Karnataka, where our Registered Office is located) |
| Bid / Offer Period | Except in relation to Anchor Investors, the period between the Bid / Offer Opening Date and the Bid / Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors<br><br>Our Company and the Investor Selling Shareholders may, in consultation with the Book Running Lead Manager, consider closing the Bid / Offer Period for the QIB Category one Working Day prior to the Bid / Offer Closing Date in accordance with the SEBI ICDR Regulations |
| Bidder | Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor |
| Bidding Centres | Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs |
| Book Building Process | Book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made |
| Book Running Lead Manager / BRLM | The book running lead manager to the Offer namely, IIFL Securities Limited |
| Broker Centres | Broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker<br><br>The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) |
| 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, on / after the Anchor Investor Bidding Date |
| Cap Price | The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted |
| Cash Escrow and Sponsor Bank Agreement | Agreement to be entered into by our Company, the Selling Shareholders, the Registrar to the Offer, the Book Running Lead Manager and the Banker(s) to the Offer for the appointment of the Sponsor Bank in accordance with the UPI Circulars, the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account(s) and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof |
| Client ID | Client identification number maintained with one of the Depositories in relation to demat account |
| Collecting Depository Participant(s) / CDP | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations as per the list available on the websites of BSE and NSE |
| Collecting Registrar and Share Transfer Agents / CRTAs | Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of the UPI Circulars |
| Cut-off Price | Offer Price, finalised by our Company and the Investor Selling Shareholders, in consultation with the Book Running Lead Manager, which shall be any price within the Price Band<br><br>Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs, including Anchor Investors, and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price |

| Term | Description |
|---|---|
| Demographic Details | Details of the Bidders including the Bidder's address, name of the Bidder's father / husband, investor status, occupation and bank account details and UPI ID, where applicable |
| Designated CDP Locations | Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) |
| Designated Date | The date on which funds are transferred from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account(s) or the Refund Account(s), as appropriate, in terms of the Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Offer |
| Designated Intermediaries | In relation to ASBA Forms submitted by RIBs by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.<br><br>In relation to ASBA Forms submitted by RIBs where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such RIB using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate / agents, Registered Brokers, CDPs, SCSBs and RTAs.<br><br>In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders, Designated Intermediaries shall mean Syndicate, sub-syndicate / agents, SCSBs, Registered Brokers, the CDPs and RTAs |
| Designated RTA Locations | Such locations of the RTAs 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 SCSB Branches | Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time |
| Designated Stock Exchange | [●] |
| Draft Red Herring Prospectus / DRHP | This draft red herring prospectus dated August 12, 2021 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto |
| Eligible NRI(s) | NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the ASBA Form and the Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares |
| Escrow Account(s) | Account(s) opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit / NEFT / RTGS / NACH in respect of the Bid Amount when submitting a Bid |
| Escrow Collection Bank(s) | The Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Account(s) will be opened, in this case being [●] |
| First Bidder | Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names |
| Floor Price | The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted |
| General Information Document | The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the Book Running Lead Manager |
| Mobile App | The mobile applications which may be used by RIBs to submit Bids using the UPI Mechanism as provided under 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. |
| Mutual Fund Portion | 5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price |
| Net QIB Portion | The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors |

| Term | Description |
|---|---|
| Non-Institutional Bidder / NIBs | All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs) |
| Non-Institutional Portion | The portion of the Offer being not more than 15% of the Offer, consisting of [●] Equity Shares, which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price |
| Non-Resident | A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs |
| Offer / Offer for Sale | Initial public offer of up to 38,672,208 Equity Shares for cash at a price of ₹ [●] each (including a share premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] thousand, through an offer for sale, comprising up to 7,662,655 Equity Shares at ₹ [●] per Equity Share aggregating up to ₹ [●] thousand by Abhishek Goyal, up to 7,662,655 Equity Shares aggregating up to ₹ [●] thousand by Neha Singh, up to 1,263,096 Equity Shares aggregating up to ₹ [●] thousand by Binny Bansal, up to 1,263,096 Equity Shares aggregating up to ₹ [●] thousand by Sachin Bansal, up to 207,548 Equity Shares aggregating up to ₹ [●] thousand by Sahil Barua, up to 315,774 Equity Shares aggregating up to ₹ [●] thousand by Deepak Singh, up to 10,980,885 Equity Shares aggregating up to ₹ [●] thousand by Elevation Capital, up to 267,915 Equity Shares aggregating up to ₹ [●] thousand by Trustees, Kolluri Living Trust, up to 147,976 Equity Shares aggregating up to ₹ [●] thousand by Milliways Fund LLC, up to 295,952 Equity Shares aggregating up to ₹ [●] thousand by Rathnagirish Mathrubootham, up to 147,976 Equity Shares aggregating up to ₹ [●] thousand by Apoletto Asia Ltd, up to 591,904 Equity Shares aggregating up to ₹ [●] thousand by the Trustees, NRJN Family Trust, up to 147,976 Equity Shares aggregating up to ₹ [●] thousand by Manoj Kumar Gandhi, up to 881,602 Equity Shares aggregating up to ₹ [●] thousand by WGG International Limited, up to 4,017,506 Equity Shares aggregating up to ₹ [●] thousand by Accel India IV (Mauritius) Limited, up to 2,181,692* Equity Shares aggregating up to ₹ [●] thousand by SCI Investments V and up to 636,000 Equity Shares aggregating up to ₹ [●] thousand by Prashant Chandra<br><br>** Includes (i) 41,164 Equity Shares to be issued upon conversion of 28,614 Series A4 CCPS and 12,550 Series B1 CCPS held by SCI Investments V, and (ii) 2,140,528 Equity Shares to be issued by way of a bonus issue to SCI Investments V as on the date of conversion of Preference Shares to Equity Shares, prior to filing of the Red Herring Prospectus.* |
| Offer Agreement | The agreement dated August 12, 2021 amongst our Company, the Selling Shareholders and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Offer |
| Offer Price | The final price at which Equity Shares will be Allotted to successful Bidders, other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus.<br><br>The Offer Price will be decided by our Company and the Investor Selling Shareholders, in consultation with the Book Running Lead Manager on the Pricing Date, in accordance with the Book Building Process and in terms of the Red Herring Prospectus |
| Offer Proceeds | The proceeds of the Offer for Sale which shall be available to the Selling Shareholders. For further information about use of the Offer Proceeds, see "*Objects of the Offer*" on page 88 |
| Offered Shares | The Equity Shares being offered for sale by the Selling Shareholders as part of the Offer comprising up to 7,662,655 Equity Shares by Abhishek Goyal, up to 7,662,655 Equity Shares by Neha Singh, up to 1,263,096 Equity Shares by Binny Bansal, 1,263,096 Equity Shares by Sachin Bansal, up to 207,548 Equity Shares by Sahil Barua, up to 315,774 Equity Shares by Deepak Singh, up to 10,980,885 Equity Shares by Elevation Capital, up to 267,915 Equity Shares by Trustees, Kolluri Living Trust, up to 147,976 Equity Shares by Milliways Fund LLC, up to 295,952 Equity Shares by Rathnagirish Mathrubootham, up to 147,976 Equity Shares by Apoletto Asia Ltd, up to 591,904 Equity Shares by the Trustees, NRJN Family Trust, up to 147,976 Equity Shares by Manoj Kumar Gandhi, up to 881,602 Equity Shares by WGG International Limited, up to 4,017,506 Equity Shares by Accel India IV (Mauritius) Limited, up to 2,181,692* Equity Shares by SCI Investments V, and up to 636,000 Equity Shares by Prashant Chandra.<br><br>** Includes (i) 41,164 Equity Shares to be issued upon conversion of 28,614 Series A4 CCPS and 12,550 Series B1 CCPS held by SCI Investments V, and (ii) 2,140,528 Equity Shares to be issued by way of a bonus issue to SCI Investments V as on the date of conversion of Preference Shares to Equity Shares, prior to filing of the Red Herring Prospectus.* |

| Term | Description |
|---|---|
| Price Band | Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) including any revisions thereof. The Price Band and the minimum Bid Lot for the Offer will be decided by our Company and the Investor Selling Shareholders in consultation with the Book Running Lead Manager, and will be advertised in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Kannada daily newspaper, Kannada being the regional language of Karnataka, where our Registered Office is located) at least two Working Days prior to the Bid / Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites |
| Pricing Date | The date on which our Company and the Investor Selling Shareholders in consultation with the Book Running Lead Manager, will finalise the Offer Price |
| Promoters' Contribution | Aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company that is eligible to form part of the minimum promoters' contribution, as required under the provisions of the SEBI ICDR Regulations, held by our Promoters, which shall be locked-in for a period of three years from the date of Allotment |
| Prospectus | The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, *inter alia*, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto |
| Public Offer Account(s) | Bank account(s) to be opened with the Public Offer Account Bank(s) under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date |
| Public Offer Account Bank(s) | The banks with which the Public Offer Account(s) is opened for collection of Bid Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being [●] |
| QIB Category / QIB Portion | The portion of the Offer (including the Anchor Investor Portion) being not less than 75% of the Offer, consisting of [●] Equity Shares which shall be Allotted to QIBs (including Anchor Investors) |
| Qualified Institutional Buyers / QIBs / QIB Bidders | Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations |
| Red Herring Prospectus / RHP | The red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer including any addenda or corrigenda thereto<br><br>The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid / Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date |
| Refund Account(s) | The account(s) opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made |
| Refund Bank(s) | The Banker(s) to the Offer with whom the Refund Account(s) will be opened, in this case being [●] |
| Registered Brokers | Stock brokers registered with the stock exchanges having nationwide terminals, other than the Book Running Lead Manager and the Syndicate Members and eligible to procure Bids |
| Registrar Agreement | The agreement dated August 6, 2021 among our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer |
| Registrar and Share Transfer Agents / RTAs | Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations as per the lists available on the websites of BSE and NSE |
| Registrar to the Offer / Registrar | Link Intime India Private Limited |
| Retail Individual Bidder(s) / RIB(s) | Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their *karta* and Eligible NRIs and does not include NRIs other than Eligible NRIs) |
| Retail Portion | The portion of the Offer being not more than 10% of the Offer, consisting of [●] Equity Shares, which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price |

| Term | Description |
|---|---|
| Revision Form | Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable<br><br>QIB Bidders 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 / Offer Period and withdraw their Bids until Bid / Offer Closing Date |
| Self-Certified Syndicate Bank(s) / SCSB(s) | The banks registered with SEBI, offering services: (a) in relation to ASBA (other than using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40, or such other website as may be prescribed by SEBI from time to time |
| Share Escrow Agent | Escrow agent appointed pursuant to the Share Escrow Agreement, namely, [●] |
| Share Escrow Agreement | Agreement to be entered into amongst the Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer by such Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees |
| Specified Locations | Bidding Centres where the Syndicate shall accept ASBA Forms from Bidders |
| Sponsor Bank | The Banker to the Offer registered with SEBI, which has been appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the RIBs, using the UPI Mechanism and carry out any other responsibilities in terms of the UPI Circulars, in this case being [●] |
| Stock Exchanges | Collectively, BSE and NSE |
| Syndicate / members of the Syndicate | The Book Running Lead Manager and the Syndicate Members |
| Syndicate Agreement | Agreement to be entered into among our Company, the Selling Shareholders, the Book Running Lead Manager and the Syndicate Members in relation to collection of Bid cum Application Forms by Syndicate |
| Syndicate Member(s) | Intermediaries (other than the Book Running Lead Manager) registered with SEBI who are permitted to accept bids, applications and place order with respect to the Offer and carry out activities as an underwriter |
| Systemically Important Non-Banking Financial Company / NBFC-SI | Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations |
| Underwriters | [●] |
| Underwriting Agreement | Agreement to be entered into among the Underwriters, our Company and the Selling Shareholders on or after the Pricing Date, but prior to filing of the Prospectus |
| UPI | Unified Payments Interface, which is an instant payment mechanism developed by NPCI |
| UPI Circulars | SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL-2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and any subsequent circulars or notifications issued by SEBI in this regard. |
| UPI ID | ID created on UPI for single-window mobile payment system developed by the NPCI |
| UPI Mandate Request | A request (intimating the RIB by way of a notification on the UPI Mobile App and by way of a SMS directing the RIB to such UPI Mobile App) to the RIB initiated by the Sponsor Bank to authorise blocking of funds in the relevant ASBA Account through the UPI Mobile App equivalent to the Bid Amount and subsequent debit of funds in case of Allotment |
| UPI Mechanism | The mechanism that may be used by an RIB to make a Bid in the Offer in accordance with the UPI Circulars |
| UPI PIN | Password to authenticate UPI transaction |
| UPI Streamlining Circular | SEBI circular number SEBI/HO/CFD/DIL-2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 |

| Term | Description |
|---|---|
| Wilful Defaulter | A company or person, as the case may be, categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI |
| Working Day | All days on which commercial banks in Mumbai are open for business; provided, however, with reference to (a) announcement of Price Band; and (b) Bid / Offer Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Bid / Offer 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 circulars issued by SEBI |

## Conventional and general terms and abbreviations

| Term | Description |
|---|---|
| AIF(s) | Alternative Investment Funds |
| BSE | BSE Limited |
| CAGR | Compound Annual Growth Rate, which is computed by dividing the value as at the year-end by its value at the beginning of that period, raise the result to the power of one divided by the period length, and subtract one from the subsequent result ((End Value / Start Value) ^ (1 / Periods) - 1) |
| CCI | Competition Commission of India |
| Category I AIF | AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations |
| Category I FPIs | FPIs who are registered as "Category I Foreign Portfolio Investors" under the SEBI FPI Regulations |
| Category II AIF | AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations |
| Category III AIF | AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations |
| CDSL | Central Depository Services (India) Limited |
| CIN | Corporate Identity Number |
| Companies Act, 1956 | The erstwhile Companies Act, 1956 along with the relevant rules made thereunder |
| Companies Act / Companies Act, 2013 | Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder, as amended to the extent currently in force |
| Competition Act | Competition Act, 2002 |
| Consolidated FDI Policy | The consolidated FDI Policy, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time |
| CSR | Corporate Social Responsibility |
| Depositories | NSDL and CDSL, collectively |
| Depositories Act | The Depositories Act, 1996 |
| DIN | Director Identification Number |
| DP ID | Depository Participant's identity number |
| DPIIT | The Department for Promotion of Industry and Internal Trade (earlier known as Department of Industrial Policy and Promotion) |
| EPF Act | Employees' Provident Fund and Miscellaneous Provisions Act, 1952 |
| EPS | Earnings per share |
| ESI Act | Employees' State Insurance Act, 1948 |
| ESIC | Employees' State Insurance Corporation |
| Euro | Euro, the official currency of the European Union |
| 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 NDI Rules | Foreign Exchange Management (Non-debt Instruments) Rules, 2019 |
| FEMA Regulations | Foreign Exchange Management (Transfer of Issue of Security by a Person Resident outside India) Regulations, 2017 |
| Financial Year / Fiscal / Fiscal Year | 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 | Foreign Portfolio Investors, as defined under SEBI FPI Regulations |
| FVCI | Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI |
| GDP | Gross Domestic Product |
| GoI / Government / Central Government | Government of India |

| Term | Description |
|---|---|
| GST | Goods and Services Tax |
| HUF(s) | Hindu Undivided Family(ies) |
| ICAI | Institute of Chartered Accountants of India |
| IFRS | International Financial Reporting Standards as issued by the International Accounting Standards Board |
| IGST | Integrated Goods and Services Tax |
| Income Tax Act | Income Tax Act, 1961 |
| Ind AS | The Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013 |
| Ind AS 24 | Indian Accounting Standard 24, notified by the Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013 |
| INR / Rupee / ₹ / Rs. | Indian Rupee, the official currency of the Republic of India |
| IRDAI | Insurance Regulatory and Development Authority of India |
| IT | Information Technology |
| KYC | Know Your Customer |
| MAT | Minimum Alternate Tax |
| MCA | The Ministry of Corporate Affairs, Government of India |
| MoU | Memorandum of Understanding |
| Mutual Funds | Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 |
| NEFT | National Electronic Fund Transfer |
| NPCI | National Payments Corporation of India |
| Non-resident | A person resident outside India, as defined under the FEMA and includes an NRI |
| NRI | Non-Resident Indian as defined under the FEMA Regulations |
| NSDL | National Securities Depository Limited |
| NSE | National Stock Exchange of India Limited |
| OCB | Overseas Corporate Body |
| PAN | Permanent account number |
| PAT | Profit after tax |
| Payment of Bonus Act | Payment of Bonus Act, 1965 |
| Payment of Gratuity Act | Payment of Gratuity Act, 1972 |
| Previous GAAP | Accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended), specified under section 133 and other relevant provisions of the Companies Act, 2013 |
| RBI | The Reserve Bank of India |
| Regulation S | Regulation S under the U.S. Securities Act |
| Return on capital employed | Aggregate of restated profit / (loss) for the year / period, tax expense, exceptional items, and finance costs divided by total assets less current liabilities |
| Return on equity | Net profit, as restated, attributable to the owners of the company / the aggregate of equity share capital and other reserves |
| Return on net worth | Net profit, as restated, attributable to the owners of the company / net worth |
| RTGS | Real Time Gross Settlement |
| Rule 144A | Rule 144A under the U.S. Securities Act |
| SCRA | Securities Contract (Regulation) Act, 1956 |
| SCRR | Securities Contracts (Regulation) Rules, 1957 |
| SEBI | Securities and Exchange Board of India constituted under the SEBI Act |
| SEBI Act | Securities and Exchange Board of India Act, 1992 |
| SEBI AIF Regulations | Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 |
| SEBI FPI Regulations | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 |
| SEBI FVCI Regulations | Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 |
| SEBI ICDR Regulations | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 |
| SEBI Listing Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 |
| SEBI VCF Regulations | Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 |
| STT | Securities Transaction Tax |
| Takeover Regulations | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 |
| Trademarks Act | Trademarks Act, 1999 |
| US$ / USD / US Dollar | United States Dollar, the official currency of the United States of America |

| Term | Description |
|---|---|
| USA / U.S. / US | United States of America and its territories and possessions, including any state of the United States of America, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands and the District of Columbia |
| U.S. GAAP | Generally Accepted Accounting Principles in the United State of America |
| U.S. Securities Act | U.S. Securities Act of 1933, as amended |
| VAT | Value Added Tax |
| VCFs | Venture capital funds as defined in and registered with the 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 |

**Technical / industry-related terms**

| Term | Description |
|---|---|
| AI | Artificial intelligence |
| APAC | Asia Pacific |
| API | Application programming interface |
| AUM | Assets under management |
| B2B | Business-to-business |
| BI | Business intelligence |
| CRM | Customer relationship management |
| Contract Price | Invoice value towards services to be provided for a given period of time, as agreed under the subscription agreement with the customer; includes provisions for the sales cancelled in the subsequent year. |
| Customer Accounts | Customer accounts refers to the distinct contracts entered into by our Company with each customer at the time of computation. Paid subscriptions may include access for a single or multiple number of Users of the customer |
| EMEA | Europe, Middle East and Africa |
| Feeds | Feeds refers to list of companies having a common theme, where the themes are based on one or more of the following; industry, sectors, sub-sectors. geographies, affiliations and networks, to help the Users view and scan though the data as per their requirement |
| F&S | Frost & Sullivan (India) Private Limited |
| F&S Report | Report titled "*Global Information Services Market*" dated August 2021 prepared and issued by F&S |
| HTTPS | Hypertext transfer protocol secure |
| IoT | Internet of things |
| LPs | Limited partners |
| M&A | Mergers and acquisitions |
| ML | Machine learning |
| SaaS | Software as a service |
| SOP | Standard operating procedure |
| Users | Users refers to the number of user accesses available to a Customer Account on the platform at the time of computation and does not include educational/student accounts |
| VC | Venture capital |

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

### Certain conventions

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

All references herein to the "US", the "U.S.", the "USA", or the "United States" are to the United States of America and its territories and possessions, including any state of the United States of America, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands and the District of Columbia.

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

### Financial data

Unless stated or the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from our Restated Financial Information.

The Restated Financial Information has been compiled by our Company, for the year ended March 31, 2021 from the audited financial statements of our Company prepared in accordance with Ind AS and for the years ended March 31, 2020 and March 31, 2019, based on audited financial statements prepared in accordance with Previous GAAP, as amended, adjusted in conformity with Ind AS. For further information on our Company's financial information, see "*Financial Statements*" on page 182. We have not explained significant differences that exist between the Previous GAAP and Ind AS and any reliance by persons not familiar with Indian accounting practices, Ind AS, the Companies Act, the SEBI ICDR Regulations on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

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

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

There are significant differences between Ind AS, US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. For details in connection with risks involving differences between Ind AS, U.S. GAAP and IFRS see "*Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition.*" on page 51. The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

### Non-GAAP financial measures

Certain non-GAAP measures such as EBITDA ("**Non-GAAP Measures**") presented in this Draft Red Herring Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS. Further, these Non-GAAP Measures are not a measurement of our financial performance

or liquidity under Ind AS, and should not be considered in isolation or construed as an alternative to cash flows, profit / (loss) for the year / period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS. In addition, these Non-GAAP Measures are not a standardised term and, therefore, a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting their usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us because these are widely used measures to evaluate a company's operating performance. See "*Risk Factors – We have in this Draft Red Herring Prospectus included certain non-GAAP financial and operational measures and certain other industry measures related to our operations and financial performance that may vary from any standard methodology that is applicable across the SaaS industry. We rely on certain assumptions and estimates to calculate such measures, therefore such measures may not be comparable with financial, operational or industry related statistical information of similar nomenclature computed and presented by other similar companies.***"** on page 45.

**Industry and market data**

Unless stated otherwise, industry and market data used throughout this Draft Red Herring Prospectus has been obtained from publicly available information, as well as various government publications and industry sources. Further, the information has also been derived from a report titled "*Global Information Services Market*" dated August 2021 (the "**F&S Report**") that has been prepared and issued by F&S, appointed by us on April 5, 2021 and commissioned by and paid for by us in connection with the Offer. Industry publications generally state that the information contained in such publications has been obtained from sources generally believed to be reliable, but their accuracy, adequacy, completeness or underlying assumptions are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be made based on such information. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

Although we believe that the industry and market data used in this Draft Red Herring Prospectus is reliable, industry sources and publications may base their information on estimates and assumptions that may prove to be incorrect. The data used in these sources may also have been reclassified by us for the purposes of presentation and may also not be comparable. The extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends upon the reader's familiarity with, and understanding of, the methodologies used in compiling such information. There are no standard data gathering methodologies in the industry in which our Company conducts business and methodologies and assumptions may vary widely among different market and industry sources. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors – Industry information included in this Draft Red Herring Prospectus has been derived from an industry report prepared by F&S, commissioned by and paid for by us for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate*." on page 45.

Unless the context otherwise indicates, any percentage amounts as set forth in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Conditional and Results of Operations*" on pages 25, 131 and 235, respectively, and elsewhere in this Draft Red Herring Prospectus, except for certain operational metrics, have been calculated on the basis of amounts based on or derived from our Restated Financial Information.

**Disclaimer of F&S**

This Draft Red Herring Prospectus contains data and statistics from the F&S Report, which is subject to the following disclaimer:

> "*This independent market research study "Global Information Services Market" has been prepared for the proposed initial public offering of equity shares by Tracxn Technologies Limited (the "**Company**").*
>
> *This study has been undertaken through extensive primary and secondary research, which involves discussing the status of the industry with leading market participants and experts, and compiling inputs from publicly available sources, including official publications and research reports. Estimates provided by Frost & Sullivan (India) Private Limited ("**Frost & Sullivan**") and its assumptions are based on varying levels of quantitative*

*and qualitative analyses, including industry journals, company reports and information in the public domain.*

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

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

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

**Currency and Units of Presentation**

All references to:

- '**Rupees**' or '**₹**' or '**Rs.**' are to Indian Rupees, the official currency of the Republic of India.
- '**U.S.$**', '**U.S. Dollar**', '**USD**' or '**$**' are to United States Dollars, the official currency of the United States of America.
- '**EUR**' or '**€**' are to Euro, the official currency of the European Union.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in thousands. One thousand represents 1,000. Figures sourced from third-party industry sources may be expressed in denominations other than thousands or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

**Time**

All references to time in this Draft Red Herring Prospectus are to Indian Standard Time.

**Exchange rates**

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

The exchange rates of USD and EUR into Indian Rupees for the periods indicated are provided below:

*(in ₹)*

| Currency | Exchange Rate as on | | |
|---|---|---|---|
| | March 29, 2019[(1)] | March 31, 2020 | March 31, 2021 |
| 1 USD | 69.17 | 75.39 | 73.50 |
| 1 EUR | 77.70 | 83.05 | 86.10 |

*Source: RBI / Financial Benchmark India Private Limited*

*(1) Exchange rate as on March 29, 2019, as RBI reference rate is not available for March 31, 2019 and March 30, 2019 being a Sunday and a Saturday, respectively.*

**Notice to Prospective Investors in the United States**

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of

this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act) pursuant to Section 4(a) of the U.S. Securities Act and (b) outside the United States in offshore transactions as defined in and in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales are made.

**Notice to Prospective Investors in the European Economic Area and the United Kingdom**

This Draft Red Herring Prospectus has been prepared on the basis that all offers of Equity shares in Member States of the European Economic Area ("**EEA**") (each a "**Member State**") or the United Kingdom ("**UK**") will be made pursuant to an exemption under the Prospectus Regulation from the requirement to produce a prospectus for offers of Equity Shares. The expression "Prospectus Regulation" means Regulation (EU) 2017/1129 of the European Parliament and Council EC (and amendments thereto). Accordingly, any person making or intending to make an offer within the EEA or the UK of Equity Shares which are the subject of the placement contemplated in the Draft Red Herring Prospectus should only do so in circumstances in which no obligation arises for our Company or any of the members of the BRLM to produce a prospectus for such offer. None of our Company and the BRLM have authorized, nor do they authorize, the making of any offer of Equity Shares through any financial intermediary, other than the offers made by the members of the Syndicate which constitute the final placement of Equity Shares contemplated in the Draft Red Herring Prospectus.

**Information to Distributors**

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Equity Shares have been subject to a product approval process, which has determined that such Equity Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, "distributors" (for the purposes of the MiFID II Product Governance Requirements) ("**Distributors**") should note that: the price of the Equity Shares may decline and investors could lose all or part of their investment; the Equity Shares offer no guaranteed income and no capital protection; and an investment in the Equity Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal, or regulatory selling restrictions in relation to the Issue. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Equity Shares. Each Distributor is responsible for undertaking its own target market assessment in respect of the Equity Shares and determining appropriate distribution channels.

## FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain statements which are not statements of historical fact and may be described as "forward-looking statements". These forward-looking statements include statements which can generally be identified by words or phrases such as "aim", "anticipate", "are likely", "believe", "continue", "can", "could", "expect", "estimate", "intend", "may", "likely", "objective", "plan", "propose", "seek to", "will achieve", "will continue", "will likely", "will pursue" or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could be materially different from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's belief and assumptions, current plans, estimates and expectations, which in turn are based on currently available information.

Although we believe that the assumptions on which such statements are based are reasonable, any such assumptions as well as statements based on them could prove to be inaccurate. Actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. This may be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries we cater to, and our ability to respond to them, our ability to successfully implement our strategies, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and / or acts of violence.

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

- Inability to attract new customers, maintain our existing Customer Account base or expand Users within existing Customer Accounts of our platform.
- Our customers not renewing or expanding their subscriptions or renewing their subscriptions on less favourable terms.
- Interruptions or performance problems associated with our platform.
- Competition from, and loss of market share to our competitors.
- Inability to obtain and maintain accurate, comprehensive, or reliable data.
- Failure to effectively maintain, promote and enhance our brand.
- Inability to expand the use of our platform by customers globally, and risks associated with international operations.

For a further discussion of factors that could cause our actual results to differ, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 25, 131 and 235, respectively.

Neither our Company, nor the Selling Shareholders, nor the Book Running Lead Manager, nor any Syndicate Member, nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company will ensure that investors in India are informed of material developments pertaining to our Company and the Equity Shares forming part of the Offer for Sale from the date of the Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges. In accordance with the requirements of SEBI, the Selling Shareholders shall, severally and not jointly, to the extent of statements specifically made or confirmed by them in relation to their respective portion of Offered Shares in this Draft Red Herring Prospectus, ensure that investors in India are informed of material developments in relation to statements and undertakings specifically made or confirmed by such Selling Shareholder in the Red Herring Prospectus until the time of grant of listing and trading permission by the Stock Exchanges for the Offer.

## SECTION II - SUMMARY OF THE OFFER DOCUMENT

*This section is a general summary of certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled "Risk Factors", "The Offer", "Capital Structure", "Our Business", "Industry Overview", "Our Promoters and Promoter Group", "Objects of the Offer" and "Outstanding Litigation and Other Material Developments" on pages 25, 59, 74, 131, 95, 177, 88 and 265, respectively.*

### Summary of Business

We are among the leading global market intelligence providers for private company data and rank among the top five players globally in terms of number of companies profiled offering data of private market companies across sectors and geographies. We have one of the largest global coverage of private companies in emerging technology sectors (*Source: F&S Report*). We operate a Software as a Service-based platform, *Tracxn*, that scanned over 550 million web domains, and profiled over 1.4 million entities across 1,805 Feeds categorized across industries, sectors, sub-sectors, geographies, affiliations and networks globally, as of May 31, 2021.

### Industry in which our Company operates

The global B2B information services market which was close to around USD 140 billion in 2020 is estimated to be a USD 190 billion market in 2025 growing at compound annual growth rate of around 6.16% according to Frost and Sullivan estimates. The total available market for private market data service industry is expected to grow at a rate of close to 6.79%. The growth of the market is expected to be mainly dependent on the growth of number of PE, VC and other investment firms, large corporates and other entities who will be willing to invest in private companies.

### Name of Promoters

As on the date of this Draft Red Herring Prospectus, our Promoters are Neha Singh and Abhishek Goyal. For further details, see "*Our Promoters and Promoter Group*" on page 177.

### The Offer

The following table summarizes the details of the Offer. For further details, see "*The Offer*" and "*Offer Structure*" on pages 59 and 290, respectively.

| | |
|---|---|
| Offer of Equity Shares by way of the Offer for Sale [(1)(2)] | Up to 38,672,208 Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] thousand |

*(1) The Offer has been authorized by a resolution of our Board dated August 2, 2021.*

*(2) The Equity Shares being offered by the Selling Shareholders are eligible for being offered for sale in terms of the SEBI ICDR Regulations. Each of the Selling Shareholders has authorized the sale of its respective portion of the Offered Shares. For details on the authorisation of the Selling Shareholders in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures – Authority for the Offer" on page 271.*

### Objects of the Offer

The objects of the Offer are to achieve the benefits of listing the Equity Shares on the Stock Exchanges and the sale of up to 38,672,208 Equity Shares by the Selling Shareholders. For further details, see "*Objects of the Offer*" on page 88.

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

(a) The aggregate pre-Offer shareholding of our Promoters, as a percentage of the pre-Offer paid-up Equity Share capital of our Company is set out below:

| S. No. | Name of Shareholder | No. of Equity Shares | % of total pre-Offer paid up Equity Share capital* |
|---|---|---|---|
| ***Promoters*** | | | |
| 1. | Neha Singh | 25,542,184 | 25.46 |
| 2. | Abhishek Goyal | 25,542,184 | 25.46 |
| | **Total** | **51,084,368** | **50.93** |

**Assuming (i) conversion of 28,614 Series A4 CCPS and 12,550 Series B1 CCPS held by SCI Investments V to 41,164 Equity Shares, and (ii) issuance of 2,140,528 Equity Shares by way of a bonus issue to SCI Investments V as on the date of conversion of Preference Shares held by them to Equity Shares, prior to filing of the Red Herring Prospectus.*

As on the date of this Draft Red Herring Prospectus, none of the members of our Promoter Group (other than our Promoters) hold any of the issued, subscribed and paid-up Equity Share capital of our Company.

(b) The aggregate pre-Offer shareholding of Investor Selling Shareholders and the Other Selling Shareholder as a percentage of the pre-Offer paid-up Equity Share capital of our Company is set out below:

| S. No. | Name of Shareholder | No. of Equity Shares / Preference Shares | % of total pre-Offer paid up Equity Share capital* |
|---|---|---|---|
| 1. | Binny Bansal | 1,263,096 | 1.26 |
| 2. | Sachin Bansal | 1,263,096 | 1.26 |
| 3. | Sahil Barua | 631,548 | 0.63 |
| 4. | Deepak Singh | 631,548 | 0.63 |
| 5. | Elevation Capital | 21,961,769 | 21.89 |
| 6. | Trustees, Kolluri Living Trust | 267,915 | 0.27 |
| 7. | Milliways Fund LLC | 295,952 | 0.30 |
| 8. | Rathnagirish Mathruboothan | 295,952 | 0.30 |
| 9. | Apoletto Asia Ltd | 147,976 | 0.15 |
| 10. | Trustees, NRJN Family Trust | 591,904 | 0.59 |
| 11. | Manoj Kumar Gandhi | 147,976 | 0.15 |
| 12. | WGG International Limited | 915,204 | 0.91 |
| 13. | Accel India IV (Mauritius) Limited | 4,017,506 | 4.01 |
| 14. | SCI Investments V | 2,181,692* | 2.17 |
| 15. | Prashant Chandra | 1,915,632 | 1.91 |
| | **Total** | **36,528,766** | **36.42** |

** Assuming (i) conversion of 28,614 Series A4 CCPS and 12,550 Series B1 CCPS held by SCI Investments V to 41,164 Equity Shares, and (ii) issuance of 2,140,528 Equity Shares by way of a bonus issue to SCI Investments V as on the date of conversion of Preference Shares held by them to Equity Shares, prior to filing of the Red Herring Prospectus. For details, please see "Capital Structure" on page 74.*

**Financial information**

The following information has been derived from our Restated Financial Information for the last three Fiscals:

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

| Particulars | As at and for the Fiscal ended | | |
|---|---|---|---|
| | March 31, 2019 | March 31, 2020 | March 31, 2021 |
| Share capital | 2,026.05 | 2,026.05 | 8,960.35 |
| Net worth | (828,969.05) | (1,352,426.74) | 222,231.77 |
| Revenue | 331,871.44 | 373,342.21 | 437,786.71 |
| Profit / (loss) after tax | 123,991.78 | (540,328.37) | (53,476.60) |
| Earnings per share (basic) (in ₹) | 1.27 | (5.54) | (0.55) |
| Earnings per share (diluted) (in ₹) | (1.75) | (5.54) | (1.52) |
| Net Asset Value per share (in ₹) | (8.50) | (13.87) | 2.28 |
| Total borrowings | - | - | - |

**Auditor qualifications**

There are no qualifications by the Statutory Auditors which have not been given effect to in the Restated Financial Information.

**Outstanding litigation**

A summary of outstanding litigation proceedings as on the date of this Draft Red Herring Prospectus as disclosed in the section titled "*Outstanding Litigation and Other Material Developments*" in terms of the SEBI ICDR Regulations is provided below:

*(₹ in thousand)*

| Nature of cases | Number of cases | Total amount involved (to the extent quantifiable) |
|---|---|---|
| **Litigation involving our Company** | | |
| ***Proceedings against our Company*** | **1** | **3,179.04** |
| Material civil | - | - |
| Criminal | - | - |
| Tax | 1 | 3,179.04 |
| Action by statutory or regulatory authorities | - | - |
| ***Proceedings by our Company*** | **-** | **-** |
| Material civil | - | - |
| Criminal | - | - |
| **Litigation involving our Promoters** | | |
| ***Proceedings against our Promoters*** | - | - |
| Material civil | - | - |
| Criminal | - | - |
| Tax | - | - |
| Action by statutory or regulatory authorities | - | - |
| Disciplinary action in the last five Fiscals | - | - |
| ***Proceedings by our Promoters*** | - | - |
| Material civil | - | - |
| Criminal | - | - |
| **Litigation involving our Directors** | | |
| ***Proceedings against our Directors*** | **1** | **137.98** |
| Material civil | - | - |
| Criminal | - | - |
| Tax | 1 | 137.98 |
| Action by statutory or regulatory authorities | - | - |
| ***Proceedings by our Directors*** | - | - |
| Material civil | - | - |
| Criminal | - | - |

For further details, see "*Outstanding Litigation and Other Material Developments*" on page 265.

**Risk factors**

Specific attention of the Bidders is invited to "*Risk Factors*" on page 25 to have an informed view before making an investment decision.

**Summary of contingent liabilities**

As of March 31, 2021, our contingent liabilities that have not been provided for were as follows:

| Particulars | Amount (₹ thousand) |
|---|---|
| **Claims against the company not acknowledged as debt** | |
| Income tax matters | 3,179.04 |
| **Total** | **3,179.04** |

***Note:***

*Our Company had issued equity shares in the Fiscal 2014 to certain individuals at a premium for which the Assessing officer had added income in the hands of our Company amounting to ₹ 8,903.37 thousand under Section 56(2)(vii b) of the Income Tax Act, 1961. During the year ended March 31, 2020, our Company has filed an appeal with the Income Tax Appellate Tribunal (ITAT), where the ITAT vide its order dated October 23, 2020 has ruled in the favour of our Company. Pending receipt of revised assessment order from the department, our Company continues to disclose the disputed amount as contingent liability. The amounts disclosed above is including interest amounting to ₹ 908.29 thousand.*

We have also evaluated the impact of the recent Supreme Court Judgment in case of *Vivekananda Vidyamandir and Others v. The Regional Provident Fund Commissioner (II) West Bengal* and the related circular (Circular

No,C 1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of 'basic wages' of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952, In the assessment of our management, this is not likely to have a significant impact and accordingly, no provision has been made in our Restated Financial Information.

For further information on our contingent liabilities, see "*Financial Statements – Annexure V – Note 27*" on page 223.

**Summary of related party transactions**

A summary of the related party transactions entered into by our Company in Fiscals 2019, 2020 and 2021 as per Ind AS 24 - Related Party Disclosures, related from our Restated Financial Information, is detailed below:

*(₹ in thousand)*

| Particulars | Fiscal | | |
|---|---|---|---|
| | 2019 | 2020 | 2021 |
| **Short-term employee benefits** | | | |
| - Director - Neha Singh | 5,055.00 | 6,046.67 | 6,339.23 |
| - Director - Abhishek Goyal | 5,055.00 | 6,046.67 | 4,839.23 |
| **Post-employment benefits** | | | |
| - Director - Neha Singh | 791.76 | 482.37 | 293.24 |
| - Director - Abhishek Goyal | 801.98 | 607.38 | (1,242.68) |

For further details, see "*Financial Statements*" on page 182.

**Financing arrangements**

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

**Weighted average price**

The weighted average price at which the Equity Shares of our Company were acquired by each of our Promoters and the Selling Shareholders, in the one year preceding the date of this Draft Red Herring Prospectus, are set forth below:

| S. No. | Name | Number of Equity Shares | Weighted average price of acquisition per Equity Share (in ₹)* |
|---|---|---|---|
| ***Promoter*** | | | |
| 1. | Neha Singh | 25,060,256 | - |
| 2. | Abhishek Goyal | 25,060,256 | - |
| ***Selling Shareholders (other than the Promoter Selling Shareholders)*** | | | |
| 3. | Binny Bansal | 1,239,264 | - |
| 4. | Sachin Bansal | 1,239,264 | - |
| 5. | Sahil Barua | 619,632 | - |
| 6. | Deepak Singh | 619,632 | - |
| 7. | Elevation Capital | 21,961,669 | 18.21 |
| 8. | Trustees, Kolluri Living Trust | 267,915 | 8.49 |
| 9. | Milliways Fund LLC | 295,952 | 21.96 |
| 10. | Rathnagirish Mathrubootham | 295,952 | 21.96 |
| 11. | Apoletto Asia Ltd | 147,916 | 21.96 |
| 12. | Trustees, NRJN Family Trust | 591,904 | 21.96 |
| 13. | Manoj Kumar Gandhi | 147,976 | 21.96 |
| 14. | WGG International Limited | 915,204 | 29.87 |
| 15. | Accel India IV (Mauritius) Limited | 4,017,506 | 40.32 |
| 16. | SCI Investments V | 2,181,692^ | 37.36 |
| 17. | Prashant Chandra | 1,879,488 | - |

** As certified by Saini Pati Shah & Co LLP, Chartered Accountants by way of their certificate dated August 12, 2021.*

*^ Includes (i) 41,164 Equity Shares to be issued upon conversion of 28,614 Series A4 CCPS and 12,550 Series B1 CCPS held by SCI Investments V, and (ii) 2,140,528 Equity Shares to be issued by way of a bonus issue to SCI Investments V as on the date of conversion of Preference Shares to Equity Shares, prior to filing of the Red Herring Prospectus.*

**Average cost of acquisition**

The average cost of acquisition of Equity Shares by our Promoters and the Selling Shareholders as at the date of this Draft Red Herring Prospectus is set forth below:

| S. No. | Name | Number of Equity Shares | Average cost of acquisition per Equity Share (in ₹)[#] |
|---|---|---|---|
| ***Promoter*** | | | |
| 1. | Neha Singh | 25,542,184 | 0.02 |
| 2. | Abhishek Goyal | 25,542,184 | 0.02 |
| ***Selling Shareholders (other than the Promoter Selling Shareholders)*** | | | |
| 3. | Binny Bansal | 1,263,096 | 1.58 |
| 4. | Sachin Bansal | 1,263,096 | 1.58 |
| 5. | Sahil Barua | 631,548 | 1.58 |
| 6. | Deepak Singh | 631,548 | 1.58 |
| 7. | Elevation Capital | 21,961,769 | 18.22 |
| 8. | Trustees, Kolluri Living Trust | 267,915 | 8.49 |
| 9. | Milliways Fund LLC | 295,952 | 21.96 |
| 10. | Rathnagirish Mathrubootham | 295,952 | 21.96 |
| 11. | Apoletto Asia Ltd | 147,916 | 21.96 |
| 12. | Trustees, NRJN Family Trust | 591,904 | 21.96 |
| 13. | Manoj Kumar Gandhi | 147,976 | 21.96 |
| 14. | WGG International Limited | 915,204 | 29.87 |
| 15. | Accel India IV (Mauritius) Limited | 4,017,506 | 40.32 |
| 16. | SCI Investments V | 2,181,692^ | 37.36 |
| 17. | Prashant Chandra | 1,915,632 | 0.02 |

*[#] As certified by Saini Pati Shah & Co LLP, Chartered Accountants by way of their certificate dated August 12, 2021.*

*^ Includes (i) 41,164 Equity Shares to be issued upon conversion of 28,614 Series A4 CCPS and 12,550 Series B1 CCPS held by SCI Investments V, and (ii) 2,140,528 Equity Shares to be issued by way of a bonus issue to SCI Investments V as on the date of conversion of Preference Shares to Equity Shares, prior to filing of the Red Herring Prospectus.*

For further details of the average cost of acquisition of our Promoters, see "*Capital Structure – Build-up of our Promoters' shareholding in our Company*" on page 81.

**Details of pre-IPO placement**

Our Company is not contemplating a pre-IPO placement.

**Issue of Equity Shares for consideration other than cash in the last one year**

Our Company has not issued any Equity Shares for consideration other than cash, other than through bonus issues, in the one year preceding the date of this Draft Red Herring Prospectus.

**Split or consolidation of Equity Shares in the last one year**

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

## SECTION III - RISK FACTORS

*An investment in equity shares involves a high degree of risk. Potential investors should carefully consider all the information in the Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, the industry in which we operate or to India. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any or some combination of the following risks, or other risks that are not currently known or believed to be material, actually occur, our business, results of operations and financial condition could suffer, the trading price of, and the value of your investment in, our Equity Shares could decline and you may lose all or part of your investment. To the extent the COVID-19 pandemic adversely affects our business and financial results, it may also have the effect of heightening many of the other risks described in this section. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with "Industry Overview", "Our Business", "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 95, 131, 182 and 235, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Offer including the merits and risks involved.*

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

*This Draft Red Herring Prospectus also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For further information, see "Forward-Looking Statements" on page 18.*

*Unless otherwise indicated or the context otherwise requires, the financial information for Fiscals 2019, 2020 and 2021 included herein is derived from the Restated Financial Information, included in this Draft Red Herring Prospectus, which have been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time. For further information, see "Financial Statements" on page 182.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Global Information Services Market" dated August 2021 (the "**F&S Report**") prepared and issued by F&S, appointed by us on April 5, 2021, and exclusively commissioned by and paid for by us in connection with the Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the F&S Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

### INTERNAL RISK FACTORS

***1. If we are unable to attract new customers, maintain our existing Customer Account base or expand Users within existing Customer Accounts of our platform, our revenue growth and profitability may be adversely affected.***

In order to grow our revenues and profitability, we constantly look to increase the number of customers, maintain our existing Customer Account base and expand the number of Users within existing Customer Accounts of our platform. While we have experienced growth in the number of Customer Accounts on our platform, we cannot assure that we will continue to achieve similar account or user growth rates in the future in a timely manner or at all. Our Customer Accounts have increased at a CAGR of 34.73%, from 471 Customer Accounts as of March 31, 2019 to 642 Customer Accounts as of March 31, 2020 and to 855 Customer Accounts as of March 31, 2021. Similarly, the number of Users has increased from 1,861 Users, as of March 31, 2019 to 2,075 Users, as of March 31, 2020 and we had 2,358 Users as of March 31, 2021. However, we had 2,574 Users as of May 31, 2021.

Our ability to attract new customers, maintain existing Customer Accounts and expand Users within our existing Customer Accounts of our platform depends in large part on our ability to continually enhance and improve our platform and features, timing of development, integrations, and capabilities we offer, our continued market acceptance, and our ability to identify use cases for our existing features and capabilities that are attractive to different categories of customers. The success of any enhancement to our platform depends on several factors, including addition of new entities and sectors, new data points for existing entities, update of existing data on our platform, additional coverage of new and emerging sectors and different jurisdictions, competitive pricing, integration with existing and upcoming technologies, our ability to identify relevant use cases for such enhancements, and overall market acceptance. If we are unable to increase our sales and marketing efforts or successfully develop new features, integrations, and capabilities to enhance our platform to meet requirements of our customers, in a timely manner or at all, our business, results of operations, and financial condition may be adversely affected. If we are unable to continue to meet demands of customers or trends in preferences or to achieve more widespread acceptance of our platform, our business, results of operations, and financial condition could be harmed. In addition, some current and potential customers, particularly large organizations, may develop internal capabilities, tools or software, which may reduce or eliminate the demand for our platform. Further, a portion of the data we provide on our platform may become freely available on the internet, which may render our platform redundant. If demand for our platform and services declines for any of these or other reasons, our business, results of operations and financial condition could be adversely affected.

Numerous other factors may also impede our ability to add new customers including our failure to attract and effectively train new sales and marketing personnel, especially as we increase our sales efforts, failure to retain and motivate our current sales and marketing personnel, obsolescence of our current marketing strategies or an inability on our part to evolve newer and more effective marketing strategies, or failure to ensure the effectiveness of our marketing programs. Increasing our sales to large organizations requires increasingly sophisticated and costly sales efforts targeted at senior management and other personnel. The timing of our sales is difficult to predict. Our sales efforts involve educating our customers about the use, technical capabilities and benefits of our platform and solutions. Customers often undertake a prolonged evaluation process prior to using our platform. Some of our customers initially deploy our platform on a trial basis, with no guarantee that these customers will deploy our platform widely enough across their organization to justify our substantial pre-sales investment. As a result, it is difficult to predict exactly when, or even if, we will make a sale to a potential customer or if we can increase sales to our existing customers. See also " – *If we do not effectively hire, retain, train and oversee our direct sales force, we may be unable to add new customers or increase sales to our existing customers, and our business may be adversely affected.*" on page 35.

***2. We derive, and expect to continue to derive all of our revenues from operations from subscription by customers of our Tracxn platform. If our customers do not renew or expand their subscriptions, or if they renew on less favourable terms, our future revenue and operating results may be adversely affected.***

We derive, and expect to continue to derive all of our revenue from operations from subscription by customers of our Tracxn platform. In Fiscals 2019, 2020 and 2021, we generated total income of ₹ 331,871.44 thousand, ₹ 373,342.21 thousand and ₹ 437,786.71 thousand, respectively, from subscription towards our platform. Our future success depends, in part, on our ability to sell renewals of subscriptions and expand the deployment of our platform with existing customers. Our subscriptions from annual billing accounts comprised 42.25%, 58.21% and 58.50% of our total subscriptions billed to customers for Fiscals 2019, 2020 and 2021 respectively, and our customers have the right to terminate the subscription following a one-month notice. A substantial portion of our revenues is generated from repeat business and our customer retention rate (calculated for a particular Fiscal as the number of annual billing accounts renewed divided by the total number of annual billing accounts due for renewal in that Fiscal) and in Fiscals 2019, 2020 and 2021, our customer retention rate was 67.68%, 73.39% and 74.38%, respectively.

Our customers may not renew or expand the use of their subscriptions after the expiration of their current subscription. In addition, our customers may renew subscriptions for a lower number of users per account or for a shorter period than their existing subscription, in the event they do not believe they derive sufficient utility from our platform to sustain a larger number of users. Our existing customers generally have no contractual obligation to expand or renew their subscriptions after the expiration of the committed subscription period and given our limited operating history, we may not be able to accurately predict customer renewal rates. Our costs associated with renewals and upsells are substantially lower than costs associated with generating new unique subscriptions. Therefore, a reduction in retention of our unique subscriptions, even if offset by an increase in new unique subscriptions, could adversely impact our business, financial condition and results of operations.

Our customers' renewal and/or expansion rates may decline or fluctuate as a result of factors, including, but not limited to, their satisfaction with our platform and our customer support, the availability of updated data on our platform, the frequency and severity of software and implementation errors, the functioning and utility of our platform, our ability to generate more private market data for our customers and achieving success with data-driven initiatives, the amount and quality of data available on the internet for free, the pricing of our subscriptions and services, or competing solutions or services, the effects of global economic conditions and their ability to continue their operations and spending levels. We cannot assure you that our customers will renew or expand their subscriptions, and if our customers do not renew their subscription or renew their subscription for a lower number of users or for a shorter period than their existing subscription, our revenue may grow more slowly than expected or decline and our business could suffer.

***3. If there are interruptions or performance problems associated with our platform our business and financial condition may be adversely affected.***

Our business, brand, reputation, and ability to attract and retain customers depend upon the satisfactory performance, reliability, and availability of our platform, which in turn depend upon the availability of the internet and our service providers. Our continued growth depends, in part, on the ability of our existing and potential customers to access our platform 24 hours a day, seven days a week, without interruption or degradation of performance. Interruptions in these systems, whether due to system failures, computer viruses, software errors, physical or electronic break-ins, or malicious hacks or attacks on our systems (such as denial of service attacks), could affect the security and availability of our services on our platform and prevent or inhibit the ability of users to access our platform or services. In addition, the software, internal applications, and systems underlying our platform are complex and may not be error-free. We may encounter technical problems when we attempt to enhance our software, internal applications, and systems. Any inefficiencies, errors, or technical problems with our software, internal applications, and systems could reduce the quality of our products and services or interfere with our customers' use of our products and services, which could reduce demand, lower our revenues, and increase our costs.

We have in the past and may in the future experience disruptions, data loss, outages, and other performance problems with our infrastructure due to a variety of factors, including infrastructure changes, introductions of new functionality, human or software errors, capacity constraints, denial-of-service attacks, ransomware attacks, or other security-related incidents. For example, though our uptime percentage in Fiscal 2021 was 99.99%, there were four instances of downtime of our platform that resulted in a total downtime of 48 minutes with the maximum downtime in a particular instance being 28 minutes. In some instances, we may not be able to identify the cause or causes of these performance problems immediately or in a short time. We may not be able to maintain the level of service and performance required by our customers. If our platform is unavailable or if customers are unable to access our platform within a reasonable amount of time, or at all, our business and financial condition would be adversely affected.

Our systems and operations are vulnerable to damage or interruption from fire, flood, power loss, security breaches, computer viruses, telecommunications failure, terrorist attacks, acts of war, electronic and physical break-ins, earthquakes, and similar events. The occurrence of any of the foregoing events could result in damage to or failure of our systems and hardware. In addition, we currently do not have specific insurance that covers such events or instances. Problems faced or caused by our IT service providers, including content distribution network service providers, private network providers, internet service providers, and third-party web-hosting providers and third party software and services or with the systems by which they allocate capacity among their customers (as applicable), could adversely affect the experience of our users leading to our business and financial condition being adversely affected.

We also rely on third parties for cloud server hosting facilities and cloud computing platforms. Any interruption in these third-party services or deterioration in the performance of these services, regardless of the cause, could also be disruptive to our business. For further information, see " *– Interruptions or delays in the services provided by third-party cloud servers or internet service providers could impair the ability of our platform to operate and our business could suffer*" on page 37.

***4. We face competition from and could lose market share to our competitors, which could adversely affect our business, financial condition and results of operations.***

The market for private market data platforms is competitive and characterized by rapid changes in technology, customer requirements, industry standards and frequent new product introductions and improvements. We

anticipate continued challenges from current competitors, which in many cases are more established and enjoy greater resources than us, as well as by new entrants into the industry. If we are unable to anticipate or effectively react to these competitive challenges, our competitive position could weaken, and we could experience a decline in our growth rate or revenue that could adversely affect our business and results of operations. Many of our existing competitors have, and some of our potential competitors could have, competitive advantages such as:

- greater name recognition, longer operating histories and larger customer bases;
- larger sales and marketing budgets and resources and the capacity to leverage their sales efforts and marketing expenditures across a broader portfolio of products;
- broader, deeper or otherwise more established relationships with technology, channel and distribution partners and customers;
- improved and more technologically advanced platform
- lower labour and research and development costs;
- wider geographic presence or greater access to larger customer bases;
- greater focus in specific geographies;
- access to more powerful algorithms or technological tools;
- access to databases from which to source data that may not be available to us;
- larger and more mature intellectual property portfolios; and
- substantially greater financial, technical and other resources to provide support, to make acquisitions and to develop and introduce new products

In addition, some of our larger competitors have more diverse product and service offerings and may be able to leverage their relationships with distribution partners and customers based on other products or incorporate functionality into existing products to gain business in a manner that discourages users from purchasing our platform, including by selling at zero or negative margins, product bundling or offering closed technology platforms. These larger competitors often have broader product lines and market focus or greater resources and may therefore not be as susceptible to economic downturns or other significant reductions in capital spending by customers. Similarly, certain competitors may use marketing strategies that enable them to acquire users more rapidly or at a lower cost than us, or both. Our competitors may also evolve use cases for their services which are outside our contemplation, and may accordingly tap into customer bases which we may not otherwise consider. If we are unable to sufficiently differentiate our solutions from the products or solutions of our competitors, we may see a decrease in demand for our platform, which could adversely affect our business, operating results and financial condition.

In addition, larger companies that are making significant investments in research and development may introduce products that have greater performance or functionality, are easier to implement or use, or incorporate technological advances that we have not yet developed or implemented or may invent similar or superior products and technologies that compete with our platform. Our current and potential competitors may also establish cooperative relationships among themselves or with third parties that may further enhance their resources.

Some of our competitors have made or could make acquisitions of businesses that allow them to offer more competitive and comprehensive solutions. As a result of such acquisitions, our current or potential competitors may be able to accelerate the adoption of new technologies that better address customer needs, devote greater resources to bring these products and services to market, initiate or withstand substantial price competition, or develop and expand their product and service offerings more quickly than we do. These competitive pressures in our market or our failure to compete effectively may result in fewer orders, reduced revenue and gross margins and loss of market share. Further, we may face increased competition due to changes to our competitors' products and services, including modifications to their terms, conditions, and pricing that could materially adversely impact our business, results of operations, and overall financial condition in future periods.

We may not compete successfully against our current or potential competitors. If we are unable to compete successfully, or if competing successfully requires us to take costly actions in response to the actions of our competitors, our business, financial condition and results of operations could be adversely affected. In addition, companies competing with us may have an entirely different pricing or distribution model. Increased competition could result in fewer customer orders, price reductions, reduced operating margins and loss of market share. Further, we may be required to make substantial additional investments in research, development, marketing and sales in order to respond to such competitive threats, and we cannot assure you that we will be able to compete successfully in the future.

***5. If we are not able to obtain and maintain accurate, comprehensive, or reliable data, we could experience reduced demand for our platform and services.***

Our success depends on our customers' confidence in the depth, breadth, and completeness of our private market data. The task of establishing and maintaining accurate data, and processing data in a manner that makes it meaningful to our customers, is challenging and expensive. The depth, breadth, and accuracy of our data differentiates us from our competitors. In order to gather private market data, we primarily rely on online sources, and there is no assurance that the information provided therein is accurate or reliable. If the information we obtain from public sources and our data extraction, curation, and insights, are not current, accurate, comprehensive, or reliable, it would increase the likelihood of negative customer experiences, which in turn would reduce the likelihood of customers renewing or upgrading their subscriptions and harm our reputation, making it more difficult to obtain new customers. We cannot assure you that customers will not cancel their subscription in future as a result of inaccurate or insufficient data. In addition, if we are no longer able to maintain our current levels of quality and completeness of data, we may face situations where our customers terminate their existing subscriptions or do not renew their subscriptions which could have an adverse effect on our business, results of operations, and financial condition.

***6. Our brand is integral to our success. If we fail to effectively maintain, promote and enhance our brand, our business and competitive advantage may be harmed.***

We believe that maintaining, promoting and enhancing our *Tracxn* brand is critical to maintaining and expanding our business. Maintaining and enhancing our brand depends largely on our ability to continue to provide high-quality, well-designed, useful, reliable, and innovative services, which we cannot assure you we will do successfully.

We believe the importance of brand recognition will increase as competition in our market increases. In addition to our ability to provide reliable information and useful solutions at competitive prices, the successful promotion of our brand will also depend on the effectiveness of our marketing efforts. We market our platform through our direct sales force, social media, and a number of unpaid marketing sources, including customers' word-of-mouth referrals. We cannot assure you, however, that our sales and marketing expenses will lead to increasing revenue, and even if they did, such increases in revenue might not be sufficient to offset the expenses incurred.

We expect to continue to invest in our sales and marketing activities going forward as we seek to grow the numbers of our customers. Our methods of marketing and advertising may not be successful in increasing brand awareness or, ultimately, be cost-effective. If we are unable to maintain or enhance user awareness of our brand, or if we are unable to recover our marketing costs through increased usage of our platform and services, our business, results of operations and financial condition could be adversely affected.

***7. Our success depends, in part, on our ability to expand use of our platform by customers globally and accordingly, our business is susceptible to risks associated with international operations.***

We currently have a significantly large customer base outside India that uses our platform. In Fiscals 2019, 2020, and 2021, 74.56%, 71.38% and 70.48%, respectively, of our total revenue from operations were generated by our customers located outside India. We expect to continue to expand our international customer base, which may include opening offices in new jurisdictions. Any additional international expansion efforts that we are undertaking and may undertake may not be successful. In addition, conducting international operations subjects us to new risks, some of which we have not generally faced in India.

These risks include, among other things:

- unexpected costs and errors in the localization including translation into foreign languages and adaptation for local culture, practices, and regulatory requirements;
- lack of familiarity and burdens of complying with foreign laws, legal standards, privacy standards, regulatory requirements, tariffs, and other barriers, and the risk of penalties to our users and individual members of management or employees if our practices are deemed to be out of compliance;
- practical difficulties of enforcing intellectual property rights in countries with varying laws and standards and reduced or varied protection for intellectual property rights in some countries;
- competition from local service providers in such markets; and

- an evolving legal framework and additional legal or regulatory requirements for data privacy, which may necessitate the establishment of systems to maintain data in local markets, requiring us to invest in hosting in data centers locally and network infrastructure.

Additionally, operating in international markets requires significant management attention and financial resources. We cannot be certain that the investment and additional resources required in establishing operations in other countries will produce desired levels of revenue or profitability.

Our limited experience in operating our business internationally increases the risk that any potential future expansion efforts that we may undertake will not be successful. If we invest substantial time and resources to expand our international operations and are unable to do so successfully and in a timely manner, our business, results of operations, and financial condition will suffer. We may be unable to keep up with changes in government requirements as they change from time to time. Failure to comply with these regulations could harm our business, financial condition and results of operation.

***8. Any fluctuations in foreign exchange rates may have an impact on our profits generated from overseas markets.***

We transact business in various currencies other than the Indian rupee and generate revenues from customers outside India, which subjects us to currency exchange risks while a large portion of our expenses are denominated in Indian rupee. A substantial portion of our international sales are denominated in United States Dollar, which has been volatile against the Indian rupee. Since we have significant international sales, any fluctuations in the foreign currency exchange rates resulting from, inter alia, economic, geo-political or social factors may impact our ability to optimise the equation between maintaining customer lifetime value and customer acquisition cost, as per our targets, which may result in an asymmetric and disproportional impact on our profits, revenue, results of operations and cash flows. Presently, we have not entered into any hedging arrangements to account for any adverse changes to the foreign currency exchange rate, and there can be no assurance that in the absence of such arrangements, any changes in the foreign exchange rates in the future will not have an impact on our business condition and profitability.

***9. We use open source software, which could negatively affect our ability to offer our platform and subject us to litigation or other actions.***

We use open source software in connection with our platform. Companies that incorporate open source software into their products and services have, from time to time, faced claims challenging the ownership of open source software and compliance with open source license terms. As a result, we could be subject to suits by parties claiming ownership of what we believe to be open source software or non-compliance with open source licensing terms. Some open source software licenses require customers who distribute open source software as part of their software to publicly disclose all or part of the source code and make available any derivative works of the open source code on unfavourable terms or at no cost. If we inappropriately use open source software, or if the license terms for open source software that we use change, we may be required to re-engineer our platform, or certain aspects of our platform, incur additional costs, discontinue certain features, integrations, or capabilities of our platform, or take other remedial actions. Any requirement to disclose our source code, pay royalties to the licensor or pay damages for breach of contract could be harmful to our business, financial condition, cash flows and results of operations.

In addition, if we were to combine our proprietary source code or software with open source software in a certain manner, we could, under certain open source licenses, be required to release the source code of our proprietary software to the public. This would allow our competitors to create similar products with less development effort and time. In addition, many of the risks associated with usage of open source software, such as the lack of warranties or assurances of title, cannot be eliminated, and could, if not properly addressed, negatively affect our business. We cannot assure you that all of our use of open source software is in a manner that is consistent with our current policies and procedures, or will not subject us to liability which could have a material adverse effect on our revenue, business, results of operations and financial condition and the market price of our Equity Shares.

***10. We may fail to determine optimal pricing and packaging of our services.***

We have limited experience in determining the optimal pricing and packaging of our services, and we may need to change our pricing model from time to time. Further, the market for similar products and services is limited and our ability to benchmarking our pricing to other competitors is therefore, to that extent also limited. We

typically maintain a uniform pricing model for most of our customers and we may, therefore, have limited flexibility to cater to customers with different pricing requirements. Demand for our services is sensitive to price, and current or prospective customers may choose not to subscribe or renew or upgrade their subscriptions due to costs. We cater to a wide variety of customers with differing requirements and accordingly, pricing models that are suitable for one category of customers may not be suitable for another. Further, certain of our competitors offer, or may in the future offer, lower-priced or free products or services that compete with our services or may bundle functionality compatible with their services and offer a broader range of services. As we further expand internationally, we may find that pricing and packaging appropriate in our current market is not acceptable to prospective customers in certain new markets. In addition, if the mix of features, integrations, and capabilities of our services changes or we develop additional versions for specific use cases, then we may need or choose to revise our pricing. Any inability or our failure to determine the optimal pricing for our services may have an adverse impact on our business, financial condition, cash flows and results of operations.

***11. Security breaches and attacks against our systems and network, and any potentially resulting breach or failure to otherwise protect personal, confidential and proprietary information, could damage our reputation and negatively impact our business, as well as materially and adversely affect our financial condition and results of operations.***

Our cybersecurity measures may not detect, prevent or control all attempts to compromise our systems, including distributed denial-of-service attacks, viruses, Trojan horses, malicious software, break-ins, phishing attacks, third-party manipulation, security breaches, employee misconduct or negligence or other attacks, risks, data leakage and similar disruptions that may cause service interruptions or jeopardize the security of data stored in and transmitted by our systems or that we otherwise maintain. For example, our platform has experienced crawling attempts and denial of service attacks. Many of our employees are currently working remotely in view of the COVID-19 pandemic, using their household or personal internet networks, which increases our vulnerability to security breaches and cyber-attacks. Additionally, we utilise third party cloud servers to store our data and host our platform, and any security issues that may arise in the systems of our cloud service provider or with their application programming interfaces may impact our Company. Breaches of our cybersecurity measures could result in unauthorized access to our systems, misappropriation of information or data, deletion or modification of user information, or a denial-of-service or other interruption to our business operations. For example, on February 17, 2021, a certain system port was left open on account of a manual error and certain user activity such as the webpage being visited by the user, the account name and the user email ID was recorded. In another instance in Fiscal 2019, dummy test data of our database was copied from our servers on account of our server port accidentally left open. Both these instances did not result in any material impact to our platform or our service. As techniques used to obtain unauthorized access to or sabotage systems change frequently and may not be known until launched against us or our third-party service providers, there can be no assurance that we will be able to anticipate, or implement adequate measures to protect against, these attacks. If we are unable to avert these attacks and security breaches, we could be subject to significant legal and financial liability, our reputation and business would be harmed and we could sustain substantial revenue loss from lost sales and customer dissatisfaction.

***12. If we fail to innovate in response to changing customer needs and new technologies and other market requirements, our business, financial condition, and results of operations could be adversely affected.***

The market for private market data requires continuous innovation. It is highly competitive, rapidly evolving, and fragmented. There are evolving customer requirements and strategies, and frequent introductions of new technologies and new products and services. Many prospective customers have invested substantial resources to implement, and gained substantial familiarity with, competing solutions and therefore may be reluctant or unwilling to migrate from their current solution to ours. Many prospective customers may not appreciate differences in quality between our products and services and those of lower-priced competitors, and many prospective and current customers may not learn the best ways to use our products and services, making them less likely to subscribe to them or renew their subscriptions. New technologies and products may be or become better or more attractive to current or prospective customers than our products and services in one or more ways. Many current or prospective customers may find competing products or services more attractive if we do not keep pace with market innovation or changes in response to COVID-19, and many may choose or switch to competing products even if we do our best to innovate and provide superior products and services.

These risks could be exacerbated by weak economic conditions and lower customer spending on sales and marketing. Weakened economic conditions could also disproportionately increase the likelihood that any given current or prospective customer would choose a lower-price alternative even if our products or services were superior, or would not renew existing subscriptions. Some current and potential customers, particularly large

organizations, have elected in the past, and may in the future elect, to rely on internal and home-grown databases, develop, or acquire their own software, programs, tools, and internal data quality teams that would reduce or eliminate the demand for our products and services. If demand for our platform declines for any of these or other reasons, our business, results of operations, and financial condition could be adversely affected.

***13. Our Company had restated losses in Fiscals 2020 and 2021. Any restated loss in future periods could adversely affect our operations and financial conditions and the trading price of our Equity Shares.***

In Fiscals 2020 and 2021, our Company had losses of ₹ 540,328.37 thousand and ₹ 53,476.60 thousand, respectively. This was primarily on account of fair value loss on compulsorily convertible preference shares measured at fair value in Fiscal 2020 and substantial expenses that we incurred to grow our platform and our overall operations. Any losses in future periods could adversely affect our operations and financial conditions and the trading price of our Equity Shares. For further information, see "*Financial Statements*" on page 182.

***14. We do not have any insurance coverage for our systems and operations. Further, our insurance coverage could prove inadequate to satisfy potential claims or protect us from potential operational hazards and losses which may have a material adverse effect on our financial condition, results of operations and cash flows.***

We have obtained a health insurance policy for our employees. Further, we have obtained a directors and officers' liability insurance. Also, see "*Our Business – Insurance*" on page 148. However, there can be no assurance that our current insurance policies will insure us fully against all risks and losses that may arise in the future. Further, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time.

We are subject to numerous obligations in our contracts with customers using our platform and services, as well as vendors and other entities with whom we do business. We may breach these commitments, whether through a weakness in our procedures, systems, and internal controls, negligence, or through the wilful act of an employee or contractor. Our lack of insurance or existing insurance policies may be inadequate to compensate us for the potentially significant losses that may result from claims arising from breaches of our contracts, as well as disruptions in our services, failures or disruptions to our infrastructure, catastrophic events and disasters, or otherwise. In addition, our insurance may not cover all claims made against us, and defending a suit, regardless of its merit, could be costly and divert management's attention. Further, such insurance may not be available to us in the future on economically reasonable terms, or at all.

Our systems and operations are vulnerable to damage or interruption from fire, flood, power loss, security breaches, computer viruses, telecommunications failure, terrorist attacks, acts of war, electronic and physical break-ins, earthquakes, and similar events. The occurrence of any of the foregoing events could result in damage to or failure of our systems and hardware. However, we do not have any insurance for our systems and operations.

In cases where certain loss or damages are not covered under our insurance policies, or even if such losses are insured, we are required to pay a significant deductible on any claim for recovery of such a loss, or the amount of the loss may exceed our coverage for the loss or the premium charged is significantly increased, our results of operations and cash flows could be adversely affected. In addition, our insurance policies are subject to annual review, and we cannot assure you that we will be able to renew these policies on similar or otherwise acceptable terms, or at all. If we were to incur a serious uninsured loss or a loss that significantly exceeds the limits of our insurance policies, it could have a material adverse effect on our financial condition, results of operations and cash flows.

***15. If we fail to maintain and improve our methods and technologies, or anticipate new methods or technologies, for data collection, organization and curation, competing products and services could surpass ours in depth, breadth, or accuracy of our data or in other respects.***

Current or future competitors may seek to develop new methods and technologies for more efficiently gathering, cataloguing, updating or analysing business information, which could allow a competitor to create a product comparable or superior to ours, or that takes substantial market share from us, or that creates or maintains databases at a lower cost that we experience. We can expect continuous improvements in computer hardware, network operating systems, programming tools, programming languages, operating systems, data matching, data filtering, data predicting, artificial intelligence and machine learning systems and other database technologies and the use of the internet. These improvements, as well as changes in customer preferences or regulatory

requirements, may require changes in the technology used to gather and process our data.

Our future success will depend, in part, upon our ability to internally develop and implement new and competitive technologies, use leading third-party technologies effectively and respond to advances in data collection, cataloguing and curating private market information. If we fail to respond to changes in data technology competitors may be able to develop products and services that will take market share from us, and the demand for our products and services, the delivery of our products and services, or our market reputation could be adversely affected.

***16. We are dependent on our Key Management Personnel and our senior management, and the loss of or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition.***

We are dependent upon the collective services of our Key Management Personnel and of all the members of our Company's senior management team, including, among others, our Promoters, who oversee our day-to-day operations, strategy and growth of our business. The loss of or inability to attract or retain, the services of any of these persons or several of these persons could have an adverse effect on our business. In particular, the expertise, experience and services of Neha Singh and Abhishek Goyal, our Promoters and Executive Directors and other members of our senior management team, including our Key Management Personnel helps us to execute our growth strategy and have been integral to our business. For instance, the practical experience of our Promoters in the private markets industry has been key in our ability to conceptualise features and products which are of considerable utility to our customers in the field of financial services. For further information, see "*Our Management*" on page 160. If one or more of these Key Management Personnel or members of our senior management team are unwilling or unable to continue in their present positions, we may not be able to replace them with persons of comparable skill and expertise promptly or at all, which could have a material adverse effect on our business, financial results and prospects. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting senior management personnel that our business requires. Moreover, we may be required to substantially increase the number of our senior management team in connection with any future growth plans, and we may face difficulties in doing so due to the competition and paucity in the industry for such personnel. Our failure to hire or retain senior management personnel could materially impair our ability to implement any plan for growth and expansion.

***17. We have experienced rapid growth in recent periods and our recent growth rates may not be indicative of our future growth.***

We have experienced rapid growth in recent periods. Our revenue from operations have grown at a CAGR of 14.85% from ₹ 331,871.44 thousand in Fiscal 2019 to ₹ 437,786.71 thousand in Fiscal 2021. In future periods, we may not be able to sustain revenue growth consistent with previous periods, or at all. Further, as we operate in a new and rapidly changing industry, widespread acceptance and use of our platform is critical to our future growth and success. Our revenue growth depends on a number of factors, including, but not limited to, our ability to attract new users and customers; provide quality customer experience; maintain the security and reliability of our platform; expand usage within customers on our platform; achieve widespread acceptance and use of our platform; adequately expand our sales and marketing team; expand features and capabilities of our platform, including through the creation and use of additional integrations; comply with existing and new applicable laws and regulations and price our service effectively so that we are able to attract and retain customers without compromising our profitability.

If we are unable to accomplish any of these tasks, our business and results of operation may be adversely affected. We have also encountered in the past, and expect to encounter in the future, risks and uncertainties frequently experienced by growing companies in evolving industries. If our assumptions regarding these risks and uncertainties, which we use to plan and operate our business, are incorrect or change, or if we do not address these risks successfully, our growth may be adversely impacted and our business, financial condition and results of operation would suffer.

***18. Our business, results of operations and our financial condition may be impacted by the COVID-19 pandemic and such impact could be materially adverse and continue for an unknown period of time.***

The COVID-19 pandemic has disrupted the economy and put unprecedented strains on governments, health care systems, educational institutions, businesses, and individuals around the world. The impact and duration of the COVID-19 pandemic are difficult to assess or predict. It is even more difficult to predict the impact on the global

economic market, which will depend upon the actions taken by governments, businesses, and other enterprises in response to the pandemic. The pandemic has already caused, and is likely to result in further, significant disruption of global financial markets and economic uncertainty. Adverse market conditions resulting from the spread of COVID-19 could materially adversely affect our business and the value of our Equity Shares.

Our customers or potential customers, particularly in industries most impacted by the COVID-19 pandemic may reduce their technology spending or spending on private market information services offerings or delay their M&A or other strategic initiatives, which could materially and adversely impact our business. Further, as a result of the COVID-19 pandemic, we may experience slowed growth or decline in new customer demand for our platform and lower demand from our existing customers for upgrades within our platform, as well as existing and potential customers reducing or delaying purchasing decisions.

In response to the COVID-19 pandemic, we have temporarily reduced substantial capacity at our office, enabled our employees to work remotely, implemented travel restrictions for all non-essential business, and shifted company events to virtual-only experiences, and we may deem it advisable to similarly alter, postpone, or cancel additional events in the future. If the COVID-19 pandemic worsens, our business activities could be adversely affected if our employees or their family members experience health issues, and we experience potential delays in hiring and on-boarding of new employees. We may take further actions that alter our business operations as may be required by local, state, or central government authorities or that we determine are in the best interests of our employees. Such measures could negatively affect our sales and marketing efforts, sales cycles, employee productivity, or customer retention, any of which could harm our financial condition and business operations. Recently, between March and May 2021, due to an increase in the number of daily COVID-19 cases, several state governments in India re-imposed lockdowns, curfews and other restrictions to curb the spread of the virus. As a result of the detection of new strains and subsequent waves of COVID-19 infections in several states in India as well as throughout various parts of the world, we may be subject to further reinstatements of lockdown protocols or other restrictions, which may adversely affect our business operations. Given the rapidly changing implications of the spread of COVID-19, it is difficult to assess its impact on our business and results of operations at this time and we may not be able to quantify or accurately predict such impact.

The COVID-19 pandemic could cause our third-party cloud servers and cloud computing platform providers, which are critical to our infrastructure, to shut down their business, experience security incidents that impact our business, disrupt performance or delivery of services, or experience interference with the supply chain of hardware required by their systems and services, any of which could materially adversely affect our business. Further, the COVID-19 pandemic has resulted in our employees and those of many of our customers working from home and conducting work *via* the internet, and if the network and infrastructure of internet providers becomes overburdened by increased usage or is otherwise unreliable or unavailable, our employees', and our customers' employees', access to the internet to conduct business could be negatively impacted. Limitations on access or disruptions to services provided by or to some of our customers upon which our platform and business operations relies, could interrupt our ability to provide our platform, decrease the productivity of our workforce, and significantly harm our business operations, financial condition, and results of operations.

Our platform and the other systems or networks used in our business may experience an increase in attempted cyber-attacks, targeted intrusion, ransomware, and phishing campaigns seeking to take advantage of shifts to employees working remotely using their household or personal internet networks and to leverage fears promulgated by the COVID-19 pandemic. The success of any of these unauthorized attempts could substantially impact our platform, the proprietary and other confidential data contained therein or otherwise stored or processed in our operations, and ultimately our business. Any actual or perceived security incident also may cause us to incur increased expenses to improve our security controls and to remediate security vulnerabilities.

The extent and continued impact of the COVID-19 pandemic on our business will depend on certain developments, including: the duration and spread of any outbreak; government responses to the pandemic; the impact on our customers; the impact on industry; all of which are uncertain and cannot be predicted. Because of our subscription-based business model, any effect of the COVID-19 pandemic may not be fully reflected in our results of operations and overall financial condition until future periods.

***19. Wage pressures in India may prevent us from sustaining our competitive advantage and may reduce our revenue.***

Employee benefit expenses, which typically include salaries, wages, bonus and incentives, contribution to provident and other funds, gratuity expenses and staff welfare expenses represent the largest annual expense for

us, and our ability to maintain or reduce such costs is critical for our business operations. Employee benefit expenses were ₹ 462,115.68 thousand, ₹ 512,792.12 thousand and ₹ 538,130.90 thousand and constituted 84.90%, 84.98% and 88.09% of our total expenses in Fiscals 2019, 2020 and 2021, respectively. We may need to continue to increase the levels of our employee compensation to remain competitive and manage attrition, and consequently we may need to increase the prices of our services. An increase in wages and salaries paid to our employees may result in a material adverse effect on our revenue in the event that we are unable to pass on such increased expenditure to our customers without losing their business to our competitors. Additionally, any new regulation or law requiring us to increase the retirement benefits that we offer to our employees may increase our expenses. Likewise, if we are unable to sustain or increase the number of employees as necessary to meet growing demand, our business, financial condition, results of operations and cash flows could be adversely affected.

***20. If the market for our private market data platform develops more slowly than we expect, our growth may slow down or stall, and it could result in decreased revenue and our business could be adversely affected.***

The market for collection, curation, management and analytics of private market information through a platform is relatively new and rapidly evolving. Our future success will depend in large part on our ability to penetrate the existing market for private market data, as well as the continued growth and expansion of that market. We may also be impacted if our existing market were to decline. It is difficult to predict customer adoption and renewals of our subscriptions, customer demand for our platform, the size, growth rate and expansion of this market, the entry of competitive products or the success of existing competitive products. Our ability to penetrate the existing market for private market data through our technology and analytics platforms and any expansion of that market depends on a number of factors, including the cost, performance and perceived value associated with our platform, our ability to conceptualise and demonstrate use cases which make our platform relevant to new types of customers, as well as potential customers' willingness to adopt an alternative approach to data collection and processing, quality of the data that we collect and curate and the extent and coverage of the data we collate. Furthermore, many potential customers have made significant investments in legacy data collection and processing software and may be unwilling to invest in new solutions. If platforms for data collection, curation and management do not achieve widespread adoption, or there is a reduction in demand caused by a lack of customer acceptance, technological challenges, weakening economic conditions, security or privacy concerns, competing technologies and products, decreases in corporate spending or otherwise, it could result in decreased revenue and our business could be adversely affected.

***21. Our customers or unauthorized parties could use our platform in a manner that is contrary to our values or applicable law, which could harm our relationships with our customers or expose us to litigation or harm our reputation.***

As our data includes various information points on companies, our platform and data could be misused by customers, or by parties who have obtained access to our data without authorization, to contact companies and their key personnel to harass or annoy individuals or to perpetrate scams. Our customers could use our platform and the data for purposes beyond the scope of their contractual terms or applicable laws or regulations. We may also be subject to litigation on account of our customers misusing data contained on our platform. In addition, third parties could gain access to our data or our platform through our customers or through malfeasance or cyber-attacks and use our platform and data for purposes other than its intended purpose or to create products that compete with our platform. Our customers' or unauthorised parties' misuse of our data, inconsistent with its permitted use, could result in reputational damage, adversely affect our ability to attract new customers and cause existing customers to reduce or discontinue the use of our platform, any of which could harm our business and operating results.

Our brand may be negatively affected by the actions of persons using our platform that are hostile or inappropriate, by the use of our products or services to disseminate information that is misleading (or intended to manipulate opinions), or by the use of our products or services for illicit, objectionable, or illegal ends. Further, we may fail to respond expeditiously or appropriately to the sharing of our platform and data, or to otherwise address customer and individual concerns, which could erode confidence in our business, thereby adversely impacting our financial condition and results of operation.

***22. If we do not effectively hire, retain, train and oversee our direct sales force, we may be unable to add new customers or increase sales to our existing customers, and our business may be adversely affected.***

We continue to be substantially dependent on our direct sales force to obtain new customers and increase sales with existing customers. There is significant competition for sales personnel with the skills and technical

knowledge that we require. Our ability to achieve significant revenue growth will depend, in large part, on our success in recruiting, training and retaining sufficient numbers of sales personnel to support our growth, particularly in international markets. In addition, a significant percentage of our sales force is new to our Company and 49.61% of our sales team, as of May 31, 2021 has joined our Company during the preceding 12 months. New hires require significant training and may take significant time before they achieve full productivity. Our recent hires and planned hires may not become productive as quickly as we expect, and we may be unable to hire or retain sufficient numbers of qualified individuals in the markets where we do business or plan to do business. Further, the ongoing COVID-19 pandemic may impact our ability to hire a sufficient number of sales personnel, or train them in the manner we consider appropriate. In addition, growth of our direct sales force leads to increasing difficulty and complexity in its organization, management and leadership, at which we may prove unsuccessful. If we are unable to hire and train a sufficient number of effective sales personnel, we are ineffective at overseeing a growing sales force, or the sales personnel we hire are otherwise unsuccessful in obtaining new customers or increasing sales to our existing customer base, our business will be adversely affected.

***23. Real or perceived errors, failures, vulnerabilities, or bugs in our platform could harm our business, results of operations, and financial condition.***

The technology underlying our platform is inherently complex and may contain material defects or errors, particularly when new features, integrations, or capabilities are released. In addition, our platform employs open source software and to the extent that our platform depends upon the successful operation of open source software, any undetected errors or defects in this open source software could impair the functionality of our platform. Errors, failures, vulnerabilities, or bugs have in the past, and may in the future, occur in our platform, especially when updates are deployed or new features, integrations, or capabilities are rolled out. Any such errors, failures, vulnerabilities, or bugs may not be found until after new features, integrations, or capabilities have been released to customers. Real or perceived errors, failures, vulnerabilities, or bugs in our platform could result in negative publicity, loss of data, loss of or delay in market acceptance of our platform, loss of competitive position, regulatory fines or claims by our customers for losses sustained by them as a result of using our platform and services, all of which could harm our business, results of operations, and financial condition.

***24. We may be unable to successfully protect our intellectual property rights from being infringed by others, including competitors.***

We have obtained registrations for 11 trademarks, including '*Minicorn*', '*Soonicorn*' and '*Tracxn.com*' under various classes in India. In addition, our trademark application to register the mark '*Tracxn*' is currently pending. The trademarks registry has received an objection to our application and we have filed a response to certain queries raised by the trademarks registry on our application. However, we cannot guarantee that any of our pending trademark applications will be approved by the applicable governmental authorities or that it will not be abandoned.

We protect our intellectual property in India through a combination of trademark statutes and laws and contract provisions. Our intellectual property is not limited to the trademarks we have registered but also includes our proprietary and in-house developed algorithms we use for our platform and the databases of information we maintain. Our employees are prohibited by the terms of their employment letters from disclosing confidential information, including proprietary information, to any person during or after their employment with us. However, there may still be instances where our employees may breach the terms of their agreements. Further, we retain ownership of all work product of our executives produced during the terms of their employment with us. Despite our efforts to protect our proprietary information by using automatic defense mechanisms built on our system, third parties may be able to obtain and use our proprietary information without authorization or to develop similar technology independently. Policing unauthorized use of our intellectual property is often difficult and the steps taken may not be sufficient to prevent the infringement by unauthorized third parties of our intellectual property.

We have registered domain names including tracxn.com, tracxn.in, tracxn.co, tracxn.us and tracxn.net among others, and have legal rights over the domain name for the period for which such domain names are registered. The acquisition and maintenance of domain names are generally regulated by internet regulatory bodies, which may modify their regulatory policies and the requirements for the holding of domain names. We may, therefore, be unable to obtain or maintain registration of relevant domain names in which we may propose to undertake business operations in the future. We may also face additional difficulties in expanding into any other country and may have to expend considerable time and other resources to obtain domain name registration in such countries. Any delay in acquiring our preferred domain names may provide our competitors the opportunity to obtain such domain names. We may be unable to prevent competitors from acquiring domain names that are similar to,

infringe upon or otherwise decrease the value of, our trademarks and other proprietary rights. We cannot assure you that our business strategy of creating a strong brand and reputation will be successful if we are unable to protect our domain names and trademarks and any such failure may have an adverse effect on our business and results of operations.

Our failure to protect our intellectual property rights in a meaningful manner or challenges to related contractual rights could result in erosion of brand value and limit our ability to control marketing on or through the internet using our various domain names or otherwise, which could adversely affect our business, financial condition and results of operations. Litigation may be necessary in the future to enforce our intellectual property rights and protect our branding and reputation. Any litigation of this nature, regardless of outcome or merit, could result in substantial costs and diversion of management and technical resources, any of which could adversely affect our business, financial condition and results of operations. If the outcome of any such legal proceedings is adverse to us, we may not be able to adequately protect our reputation, which could have a material adverse effect on our business operations.

Further, the mark '*Tracxn*' may be registered in other jurisdictions and we could therefore, be prevented from leveraging our brand in other jurisdictions where we intend to market our platform and services. Any such limitation, restriction or prohibition could require us to re-brand our platform in such jurisdictions or expend additional resources to acquire the brand from third parties in such jurisdictions. All or any of such actions could have a material adverse effect on our business operations, financial condition and results of operation.

***25. We may in the future be subject to intellectual property rights claims by third parties, which are extremely costly to defend, could require us to pay significant damages and could limit our ability to use certain technologies.***

Companies in the software and technology industries, including some of our current and potential competitors, own large numbers of patents, copyrights, trademarks and trade secrets and frequently enter into litigation based on allegations of infringement or other violations of intellectual property rights. In addition, many of these companies have the capability to dedicate substantially greater resources to enforce their intellectual property rights and to defend claims that may be brought against them. From time-to-time, third parties, including certain other companies, have asserted and may assert patent, copyright, trademark or other intellectual property rights against us, our partners or our customers.

There may be third-party intellectual property rights that cover significant aspects of our technologies, the technologies in our platform or business methods. We may be exposed to increased risk of being the subject of intellectual property infringement claims as a result of acquisitions and our incorporation of open source software into our platform, as, among other things, we have a lower level of visibility into the development process with respect to such technology or the care taken to safeguard against infringement risks. Any intellectual property claims, with or without merit, could be very time-consuming, could be expensive to settle or litigate and could divert our management's attention and other resources. These claims could also subject us to significant liability for damages if we are found to have wilfully infringed intellectual property rights. These claims could also result in our having to stop using, distributing or supporting technology found to be in violation of a third party's rights. We might be required to seek a license for the intellectual property, which may not be available on reasonable terms or at all. Even if a license were available, we could be required to pay significant royalties, which would increase our operating expenses. As a result, we may be required to develop alternative non-infringing technology, which could require significant effort and expense. If we cannot license or develop technology for any infringing aspect of our business, we could be forced to limit or stop sales of our offerings and may be unable to compete effectively. Any of these results could adversely affect our business operations and financial results.

As the numbers of products and competitors in our industry increase and overlaps occur, claims of infringement, misappropriation and other violations of intellectual property rights may increase which could adversely affect our business, results of operation and financial condition.

***26. Interruptions or delays in the services provided by third-party cloud servers or internet service providers could impair the ability of our platform to operate and our business could suffer.***

We currently host our platform and data that we provide to customers on third-party cloud servers. We also rely on the internet and, accordingly, depend upon the continuous, reliable, and secure operation of internet servers, related hardware and software, and network infrastructure. Our operations depend on protecting the virtual cloud infrastructure hosted by third parties maintaining their configuration, architecture, and interconnection

specifications, as well as the information stored in these cloud servers and which third-party internet service providers transmit. Furthermore, we have no physical access or control over the services provided by such third party cloud service providers. The cloud servers that we utilize are vulnerable to damage or interruption from human error, intentional bad acts, earthquakes, floods, fires, severe storms, war, terrorist attacks, power losses, hardware failures, systems failures, telecommunications failures, and similar events, many of which are beyond our control, any of which could disrupt our service, destroy user content, or prevent us from being able to continuously back up or record changes in our users' content. In the event of significant physical damage to one of these cloud servers, it may take a significant period of time to achieve full resumption of our services, and our disaster recovery planning may not account for all eventualities. Further, a prolonged service disruption affecting our platform for any of the foregoing reasons could damage our reputation with current and potential customers, expose us to liability or cause us to lose customers, or otherwise harm our business. We may also incur significant costs for using alternative equipment or taking other actions in preparation for, or in reaction to, events that damage the cloud infrastructure services we use. Damage or interruptions to these cloud servers could harm our business. We may not carry sufficient business interruption insurance to compensate us for losses that may occur as a result of any events that cause interruptions in our platform and our service.

These third party service providers enable us to order and reserve server capacity in varying amounts and sizes and also provide us with computing and storage capacity pursuant to an agreement that continues until terminated by either party. In some cases, they may terminate the agreement for cause upon 30 days' notice. Termination of these agreements may harm our ability to access cloud servers we need to host our platform or to do so on favourable terms. As we continue to expand the number of Users and Customer Accounts on our platform, we may not be able to scale our technology to accommodate the increased capacity requirements, which may result in interruptions or delays in providing data. In addition, the failure of cloud servers or third-party internet service providers to meet our capacity requirements could result in interruptions or delays in access to our platform or impede our ability to scale our operations. In the event that our service agreements are terminated, or there is a lapse of service, interruption of internet service provider connectivity or damage to such facilities, we could experience interruptions in access to our platform as well as delays and additional expense in arranging new facilities and services.

***27. If we fail to maintain an effective system of internal controls, we may not be able to successfully manage or accurately report our financial risk.***

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions. If internal control weaknesses are identified, our actions may not be sufficient to correct such internal control weaknesses. For example, there have been instances where external third parties have reached out to our employees seeking data from our platform in exchange for monetary benefits. However, we believe that there have been no instances where our employees have shared the data requested and have reported such instances to relevant department as per our Company's policies. There can be no assurance that additional deficiencies in our internal controls will not arise in the future, or that we will be able to implement and continue to maintain adequate measures to rectify or mitigate any such deficiencies in our internal controls. Such instances may also adversely affect our reputation, thereby adversely impacting our business, results of operations and financial condition.

***28. Negative publicity and allegations involving us, our shareholders, directors, officers and employees may affect our reputation and, as a result, our business, financial condition, and results of operations may be negatively affected.***

We, our shareholders, directors, officers and employees may be subject to negative media coverage and publicity from time to time. Such negative coverage in the media and publicity could change market perception that we are a trustworthy service provider. In addition, to the extent our employees were non-compliant with any laws or regulations, we may also suffer negative publicity or harm to our reputation. As a result, we may be required to spend significant time and incur substantial costs in response to allegations and negative publicity, and may not be able to diffuse them to the satisfaction of our investors and customers.

***29. We may be required to raise additional funds through equity or debt in the future to continue to grow our business, which may not be available on favourable terms or at all.***

Our strategy to grow our business may require us to raise additional funds for our working capital or long-term business plans. We cannot assure you that such funds will be available on favourable terms or at all. Any debt

financing may increase our costs. Our financing agreements may contain terms and conditions that may restrict our ability to operate and manage our business, such as terms and conditions that require us to maintain certain pre-set debt service coverage ratios and leverage ratios and require us to use our assets, including our cash balances, as collateral for our indebtedness. If we are unable to raise additional funds on favourable terms or at all as and when required, our business, financial condition, results of operations, cash flows and prospects could be adversely affected. We may also be required to finance our growth, whether organic or inorganic, through future equity offerings, which may lead to the dilution of investors' shareholdings in us. See, "*Risk Factors – Any future issuance of Equity Shares may dilute your shareholding and sale of Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares.*" on page 55. We may also be restrained from raising funds from foreign investors as a result of regulatory policies and frameworks.

***30. We may be unable to maintain or renew our statutory and regulatory permits, licences and approvals required to operate our business.***

Our failure to obtain and maintain requisite approvals, licenses or permits applicable to our business or any changes in government policies or regulations may have a material and adverse impact on our business, financial condition and operational results. Our business and operation has been subject to extensive regulations. We are required to obtain and maintain applicable licenses, permits and approvals from different regulatory authorities in order to conduct our existing or future business in connection with provision of services. For further information, see "*Government and Other Approvals*" on page 269. Government authorities may continue to pass new rules regulating such business and we may be required to obtain additional licenses, permits or approvals so that we can continue to operate our existing or future businesses or otherwise prohibit our operation of the types of businesses to which the new requirements apply. In addition, new regulations or new interpretations of existing regulations may increase our costs of doing business and prevent us from efficiently delivering services and expose us to potential penalties and fines. Lastly, our existing licenses may expire without proper renewal or be revoked due to violations of relevant licensure maintenance requirements. If any of our operations is deemed by governmental authorities to be operating without appropriate permits and licenses or outside of their authorized scopes of business or otherwise fail to comply with relevant laws and regulations, we may be subject to penalties and our business, financial condition, and results of operation may be materially and adversely affected.

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

There are outstanding legal proceedings against our Company and Directors, which are pending at various levels of adjudication before various courts, tribunals and other authorities. Below is a summary of outstanding matters involving our Company and Directors:

*(₹ thousand)*

| Nature of cases | Number of cases | Total amount involved (to the extent quantifiable) |
|---|---|---|
| **Litigation involving our Company** | | |
| ***Proceedings against our Company*** | **1** | **3,179.04** |
| Material civil | - | - |
| Criminal | - | - |
| Tax | 1 | 3,179.04 |
| Action by statutory or regulatory authorities | - | - |
| ***Proceedings by our Company*** | **-** | **-** |
| Material civil | - | - |
| Criminal | - | - |
| **Litigation involving our Promoters** | | |
| ***Proceedings against our Promoters*** | - | - |
| Material civil | - | - |
| Criminal | - | - |
| Tax | - | - |
| Action by statutory or regulatory authorities | - | - |
| Disciplinary action in the last five Fiscals | - | - |
| ***Proceedings by our Promoters*** | - | - |
| Material civil | - | - |
| Criminal | - | - |
| **Litigation involving our Directors** | | |
| ***Proceedings against our Directors*** | **1** | **137.98** |

| Nature of cases | Number of cases | Total amount involved (to the extent quantifiable) |
|---|---|---|
| Material civil | - | - |
| Criminal | - | - |
| Tax | 1 | 137.98 |
| Action by statutory or regulatory authorities | - | - |
| ***Proceedings by our Directors*** | - | - |
| Material civil | - | - |
| Criminal | - | - |

There can be no assurance that these legal proceedings will be decided in favour of our Company or our Directors. In addition, we cannot assure you that no additional liability will arise out of these proceedings that could divert our management's time and attention and consume financial resources. Any adverse order or direction in these cases by the concerned authorities even though not quantifiable, may have an adverse effect on our business, results of operations and financial condition. For further information, see "*Outstanding Litigation and Material Developments*" on page 265.

If a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition and results of operations.

***32. We may not be successful in implementing our growth strategies.***

To remain competitive, we have to grow our business by increasing the number of Customer Accounts and Users in existing and newer geographies within such customers that use our platform, include coverage of new sectors and geographies and expand into adjacent customer segments. Our success in implementing our growth strategies may be affected by our ability to grow our Customer Account base, continued growth in demand for our services, our ability to grow our brand and increasing awareness of the '*Tracxn*' brand, our ability to compete effectively with existing and future competitors, our ability to increase our subscription fees, our ability to successfully adapt to technological changes and developments, our ability to build and maintain IT infrastructure, the general condition of the global and Indian economies, the growth of the internet as a medium for the provision of information and changes in our regulatory environment.

Many of these factors are beyond our control and there can be no assurance that we will succeed in implementing our growth strategies. If we are not successful, our business, results of operations and prospects may be adversely affected.

Any growth we experience may place significant demands on our operational infrastructure. The scalability and flexibility of our platform depends on the functionality of our technology and network infrastructure and our ability to handle increased traffic and demand for bandwidth. Growth in the number of subscriptions on our platform may increase the amount of data we process. Any problems with the transmission of such increased data could result in harm to our brand or reputation. Moreover, as our business grows, we will need to devote additional resources to improving our operational infrastructure and continuing to enhance our scalability in order to maintain the performance of our platform.

While we continue to expand our business, there is no assurance that our revenue will continue to grow. We are likely to recognize the costs associated with these investments earlier than some of the anticipated benefits, and the return on these investments may be lower or may develop more slowly than we expect. Unless our growth results in an increase in our revenues that is proportionate to, or greater than, the increase in our costs associated with this growth, our profitability may be adversely affected.

***33. Action by governments outside India to restrict access to our platforms in their countries or to require us to disclose or provide access to information in our possession could harm our business, results of operations, and financial condition.***

Our platform depends on the ability of our customers to access the internet and our platform could be blocked or restricted in some countries for various reasons. Further, it is possible that governments of one or more foreign countries may seek to limit access to or certain features of our platform in their countries, or impose other restrictions that may affect the availability of our platforms, or certain features of our platform, in their countries for an extended period of time or indefinitely. In addition, governments in certain countries may seek to restrict or prohibit access to our platform if they consider us to be in violation of their laws (including privacy laws) and

may require us to disclose or provide access to information in our possession. If we fail to anticipate developments in the law or fail for any reason to comply with relevant law, our platforms could be further blocked or restricted and we could be exposed to significant liability that could harm our business. In the event that access to our platform is restricted, in whole or in part, in one or more countries or our competitors are able to successfully penetrate geographic markets that we cannot access, our ability to add new customers or renew or grow the subscriptions of existing customers may be adversely affected, we may not be able to maintain or grow our revenue as anticipated and our business, results of operations, and financial condition could be adversely affected.

***34. Failure to attract and retain highly skilled professionals may materially adversely affect our business, financial condition, cash flows and results of operations.***

Our success depends upon our ability to attract, train, motivate, retain and utilise highly skilled professionals. We are dependent upon software developers and our analyst and data operations team for the maintenance and expansion of our platform, and to curate information that we collect and manage. Increased hiring by technology companies and increasing worldwide competition for skilled professionals may lead to a shortage in the availability of suitable personnel. Additionally, we have experienced high employee attrition in the past and may incur additional costs to improve our employee retention rate in the future. Our attrition rate (both due to voluntary attrition and due to underperformance) in Fiscals 2019, 2020 and 2021 was 67.95%, 66.08% and 39.91%, respectively. We may encounter higher attrition rates in the future. A significant increase in the attrition rate among skilled professionals with specialised data analytics skills could decrease our operating efficiency and productivity and could lead to a decline in demand for our services. The competition for highly-skilled professionals may require us to increase salaries, and we may be unable to pass on these increased costs to our customers. This would increase our operational costs which may adversely affect our business, cash flows, results of operations and financial condition. Moreover, we may be unable to manage knowledge developed internally, which may be lost in the event we are unable to retain employees. High attrition rates of professionals would increase our hiring, reskilling, upskilling and training costs and could have an adverse effect on our ability to complete existing contracts in a timely manner, meet customer objectives and expand our business. Failure to hire, train and retain professionals in sufficient numbers could have a material adverse effect on our business, cash flows results of operations and financial condition.

***35. We are subject to an extensive regulatory framework and a failure to comply with existing laws and regulations and any changes to the regulations applicable to us may adversely affect our business, results of operations and prospects.***

We are subject to a broad range of laws, rules and regulations, including the IT Act and rules made thereunder, governing several aspects of our business and operations. In particular, we are required to comply with certain requirements including in respect of information available on our platform and ensuring that we do not knowingly host or publish prohibited or offending information including, among others, information that infringes intellectual property rights or violates any law in force, contains viruses or threatens the security or sovereignty of India. If we fail to comply with the provisions of the IT Act and the rules made thereunder, we may be subject to significant penalties, including fines and imprisonment.

In addition, we are also required to comply with various other regulations and laws. Furthermore, any future regulation or restriction calling activity in India may also increase our operational costs. We are also subject to several other laws and regulations, including the Companies Act, 2013, which substantially governs our operations, including in respect of issuance of securities, calling of and conducting meetings of our Board and shareholders as well as entering into related party transactions. Any non-compliance with the provisions of the Companies Act, 2013, may result in imposition of significant fines on us, which may have a negative impact on our business and financial condition.

Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. For instance, the Supreme Court of India has in a decision clarified the components of basic wages which need to be considered by companies while making provident fund payments, which resulted in an increase in the provident fund payments to be made by companies. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

In addition, in the event that we are unable to comply with applicable laws in the future, we may be subject to fines, penalties or other prosecution proceedings, which may negatively affect our brand, reputation, business, financial condition, results of operations and cash flows.

***36. Prolonged volatility or downturns affecting the financial sector, global financial markets, private equity markets, and the global economy may impact our business and financial condition.***

Our business results are partly driven by factors outside of our control, including general economic and financial market trends. Any unfavourable changes in the market environment in which we operate could cause a corresponding negative effect on our business results. As a result, we may experience lower revenue, operating income, and other financial results in the event of a market downturn. There is currently uncertainty regarding the duration and long-term economic and societal consequences of the COVID-19 pandemic, as well as the effects of unprecedented levels of fiscal and monetary stimulus, which may cause customers to modify spending decisions.

Further, a reduction or slowdown in funding activities by our customers or the overall general economic environment could also impact their decision to use or subscribe to our platform. Consolidation in the financial services sector may also reduce the number of potential customers for our platform and services. These trends could impact demand for our products and services or change the financial services landscape in which we operate. Our business may also be subject to cyclical trends specific to the private capital markets. Many of our customers are investment banks and other participants in the capital and M&A markets, which are subject to periodic business downturns driven by changes in such markets. During these downturns, they often seek to reduce spending on third-party services, which would directly affect the number of prospective customers for our platform. In addition, limited partners, sovereign wealth funds, hedge funds and other funds could reduce their allocation towards private markets as an asset class which may result in lower interest for our platform and services. As a data provider focusing on the private markets (including venture capital, private equity, and M&A), we may also be subject to volatility based on the amount of activity and market interest in these areas. Any sustained downturn in these sectors or in the global markets could adversely impact our business, financial condition and results of operations.

***37. Our Statutory Auditor has included certain emphasis of matters in our Restated Financial Information.***

Our Statutory Auditors have included certain emphasis of matters in relation to our Company in our Restated Financial Information:

- Annexure V - Note 11(b)(ii) to the restated financial information regarding the accounting treatment of certain compulsorily convertible cumulative preference shares ("**CCPS**") aggregating to ₹ 6,927.96 thousand and ₹ 6,219.24 thousand and securities premium thereon aggregating to ₹ 1,006,867.95 thousand and ₹ 798,115.89 thousand presented as other financial liabilities of ₹ 1,691,670.06 thousand and ₹ 1,138,464.70 thousand after fair valuation, for the years ended March 31, 2020 and March 31, 2019 respectively in accordance with Ind AS 32 'Financial Instruments: Presentation'. Such accounting treatment is not in accordance with the provisions of section 2(64) and section 43 read with Schedule III and section 52 of the Act, which requires the aggregate amount received on those shares shall be transferred to 'Preference share capital' and 'Securities Premium account'. Subsequently, shareholders' agreement was amended on March 30, 2021 with such preference shareholders agreeing to irrevocably revoke/ waive the buyback rights. From such date of the revision in Shareholders' Agreement, the said CCPS in their entirety meet the definition of an equity instrument and accordingly, other financial liabilities as at March 30, 2021 (including CCPS aggregating to ₹ 1,873.77 thousand issued during the year) have been remeasured and reclassified as equity of ₹ 6,934.30 thousand, securities premium of ₹ 1,008,735.38 thousand and retained earnings of ₹ 573,239.67 thousand, after adjusting for fair market value gain of ₹ 104,634.48 thousand for the period April 1, 2020 to March 30, 2021, in accordance with Ind AS 32. The resultant disclosure of equity and securities premium is in accordance with section 2(64), section 43 and section 52 of the Act as at March 31, 2021. Annexure V - Note 11(b)(ii) referred above corresponds to Note 11(b)(ii) in the financial statements for the year ended March 31, 2021 and an emphasis of matter paragraph has also been included in the independent auditor's report dated August 5, 2021 issued by us on the said financial statements of the Company for the year ended March 31, 2021.

- Note 33 to the restated financial information which explains the uncertainties and the management's assessment of the financial impact due to the lockdown and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent

period is highly dependent upon circumstances as they evolve. Annexure V - Note 33 referred above corresponds to Note 33 and Note 31 in the financial statements for the years ended March 31, 2021 and March 31, 2020 respectively and an emphasis of matter paragraph has also been included in the independent auditor's report dated August 5, 2021 and September 30, 2020 issued by us on the said financial statements of the company for the years ended March 31, 2021 and March 31, 2020 respectively.

The opinion of our Statutory Auditors is not modified in respect of these matter. While these emphasis of matters do not require any adjustments to the Restated Financial Information, there is no assurance that our audit reports for any future fiscal periods will not contain qualifications, matters of emphasis or other observations which could subject us to additional liabilities due to which our reputation and financial condition may be adversely affected.

***38. A statutory committee has issued certain directions against the investors of ANH Technologies Private Limited, in proceedings for sexual harassment involving the employees of such entity, and our Promoter, Abhishek Goyal, is an angel investor therein. Any adverse finding in the matter against our Promoter may affect our business and reputation.***

Our Promoter, Abhishek Goyal, is an angel investor in ANH Technologies Private Limited ("**ANH**"), an employee of which had filed a complaint of sexual harassment against another employee before the Local Committee, Gurugram, constituted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the "**Local Committee**"). *Vide* an order dated May 31, 2021, the Local Committee *inter alia* found that investors in ANH had failed to discharge their leadership role by failing to act objectively and supporting the respondent in the matter through their express and implied conduct, and recommended that all investors undergo an intensive training session on the prevention of sexual harassment for a minimum of eight hours, among others. ANH filed a petition before the High Court of Punjab and Haryana, challenging the recommendations of the Local Committee against its investors as being outside its jurisdiction. The High Court, *vide* an order dated July 22, 2021, has granted an interim stay on the recommendations of the Local Committee until the next date of hearing.

There is no assurance that the proceedings initiated by ANH shall be successful, or that the High Court shall decide the matter in favour of our Promoter. Any adverse finding in the matter against the investors of ANH may have an adverse effect on our business and reputation.

***39. Changes in laws, regulations, and public perception concerning data privacy, or changes in the patterns of enforcement of existing laws and regulations, could impact our ability to efficiently gather, process, update, and/or provide some or all of the information we currently provide or the ability of our customers and users to use some or all of our products or services.***

Our platform relies on the collection and use of private market information to provide effective insights to our customers and users. In recent years, there has been an increase in attention to and regulation of data protection and data privacy across the globe, including the IT Act and the proposed Personal Data Protection Bill, 2019 in India, the United States Federal Trade Commission's approach to enforcing data privacy in the United States, as well as the enactment of the European Union's General Data Protection Regulation ("**GDPR**"). Other data privacy or data protection laws or regulations are under consideration in other jurisdictions. Laws such as these give rise to an increasingly complex set of compliance obligations on us, as well as on many of our customers. These laws impose restrictions on our ability to gather personal data and provide such personal data to our customers, provide individuals with the ability to opt out of such personal data collection, and impose obligations on our ability to pass data to our customers, as well as place downstream obligations on our customers relating to their use of the information we provide.

Certain of our activities could be found by a government or regulatory authority to be noncompliant or become noncompliant in the future with one or more data protection or data privacy laws, even if we have implemented and maintained a strategy that we believe to be compliant. New interpretations of existing laws or regulations could be inconsistent with our interpretations (such as our analysis of the extraterritorial applicability of GDPR to us), increase our compliance burden, make it more difficult to comply, and/or increase our risk of regulatory investigations and fines.

These complex laws may be implemented in a non-uniform way in many jurisdictions around the world and we may not be aware of every development that impacts our business. These laws may also require us to make additional changes to our services in order for us or our customers to comply with such legal requirements and

may also increase our potential liability as a result of higher potential penalties for noncompliance. These new or proposed laws and regulations are subject to differing interpretations and may be inconsistent among jurisdictions. These and other legal requirements could reduce our ability to gather personal data used in our products and services. They could reduce demand for our platform and services, require us to take on more onerous obligations in our contracts, restrict our ability to store, transfer and process personal data or, in some cases, impact our ability to deploy our solutions, to reach current and prospective customers, or to derive insights from data globally.

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

As of March 31, 2021, our contingent liabilities that have not been accounted for in our financial statements, were as follows:

| Particulars | Amount (₹ thousand) |
|---|---|
| **Claims against the company not acknowledged as debt** | |
| Income tax matters | 3,179.04 |
| **Total** | **3,179.04** |

*Notes:*
*Our Company had issued equity shares in the Fiscal 2014 to certain individuals at a premium for which the Assessing officer had added income in the hands of our Company amounting to ₹ 8,903.37 thousand under Section 56(2)(vii b) of the Income Tax Act, 1961. During the year ended March 31, 2020, our Company has filed an appeal with the Income Tax Appellate Tribunal (ITAT), where the ITAT vide its order dated October 23, 2020 has ruled in the favour of our Company. Pending receipt of revised assessment order from the department, our Company continues to disclose the disputed amount as contingent liability. The amounts disclosed above is including interest amounting to ₹ 908.29 thousand.*

We have also evaluated the impact of the recent Supreme Court Judgment in case of *Vivekananda Vidyamandir and Others v. The Regional Provident Fund Commissioner (II) West Bengal* and the related circular (Circular No,C 1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of 'basic wages' of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952, In the assessment of our management, this is not likely to have a significant impact and accordingly, no provision has been made in our Restated Financial Information.

For further information on our contingent liabilities, see "*Financial Statements – Annexure V – Note 27*" on page 223.

If a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition and results of operations.

***41. We have had negative cash flows from operating activities in the past and may, in the future, experience similar negative cash flows.***

We have experienced negative cash flows from operating activities in Fiscals 2019, 2020 and 2021 and may, in the future, experience negative cash flows.

The following table sets forth certain information relating to our cash flows for the periods indicated below:

| Particulars | Fiscal | | |
|---|---|---|---|
| | 2019 | 2020 | 2021 |
| | (₹ thousand) | | |
| Net cash outflow from operating activities | (157,475.74) | (153,939.54) | (60,596.78) |
| Net cash inflow/(outflow) from investing activities | 164,651.59 | (58,149.21) | 54,567.82 |
| Net cash inflow from financing activities | - | 209,460.78 | 1,873.77 |
| Net increase/ (decrease) in cash and cash equivalents | 7,175.85 | (2,627.97) | (4,155.19) |
| Cash and cash equivalents at the beginning of the period | 17,814.49 | 24,990.34 | 22,955.92 |
| Effects of exchange rate changes on cash and cash equivalents | - | 593.55 | (793.05) |
| Cash and cash equivalents at the end of the period | 24,990.34 | 22,955.92 | 18,007.68 |

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 business, financial condition and results of operations could be materially and adversely affected.

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

We have availed the services of an independent third party research agency, F&S, to prepare an industry report titled "*Global Information Services Market*" dated August 2021, for purposes of inclusion of such information in this Draft Red Herring Prospectus. We have commissioned and paid for this report exclusively for the purpose of confirming our understanding of the global information services market. Although the commissioned report is based on information obtained from sources that we believe is considered reliable, it does not guarantee the accuracy, adequacy or completeness of such information. The F&S Report highlights certain industry and market data and is subject to various limitations and is based upon certain assumptions that may be subjective in nature. The F&S Report uses certain methodologies for market sizing and forecasting. Methodologies and assumptions vary widely among different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that the assumptions made by F&S are correct or will not change and accordingly, our position in the market may differ from that presented in this Red Herring Prospectus. Further, the F&S Report is not a recommendation to invest or divest in the Equity Shares. Prospective investors are advised not to unduly rely on the commissioned report or extracts thereof as included in this Draft Red Herring Prospectus, when making their investment decisions.

***43. We have in this Draft Red Herring Prospectus included certain non-GAAP financial and operational measures and certain other industry measures related to our operations and financial performance that may vary from any standard methodology that is applicable across the SaaS industry. We rely on certain assumptions and estimates to calculate such measures, therefore such measures may not be comparable with financial, operational or industry related statistical information of similar nomenclature computed and presented by other similar companies.***

Certain non-GAAP financial measures and certain other industry measures relating to our operations and financial performance, such as EBITDA, have been included in this Draft Red Herring Prospectus. We compute and disclose such non-GAAP financial and operational measures, and such other industry related statistical and operational information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of SaaS companies, many of which provide such non-GAAP financial and operational measures, and other industry related statistical and operational information.

These non-GAAP financial and operational measures, and such other industry related statistical and operational information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial and operational measures, and industry related statistical information of similar nomenclature that may be computed and presented by other SaaS companies.

Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our Restated Financial Information disclosed elsewhere in this Draft Red Herring Prospectus.

***44. 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 provide services to our customers, who may be doing business with, or located in, countries to which certain OFAC-administered and other sanctions apply. Although we believe we have compliance systems in place that are sufficient to block prohibited transactions, there can be no assurance that we will be able to fully monitor all of our transactions for any potential violation. Although we do not believe that we are 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. We rely on our staff to be up-to-date and aware of the latest sanctions in place. 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.

***45. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements and capital expenditures.***

We have not declared or paid dividends in the last three Fiscals. Our Company does not have any formal dividend policy. The declaration and payment of dividends will be recommended by our Board of Directors and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. 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. For further information, see "*Dividend Policy*" on page 181.

***46. Failure to deal effectively with fraudulent or illegal activities by our employees would adversely affect our business and reputation.***

Illegal, fraudulent, corrupt or collusive activities or misconduct, whether actual or perceived, by our employees, could subject us to liability or negative publicity. Although we have implemented policies and controls with regard to the appropriation of data, review and approval of sales activities, interactions with third parties and government officials and other relevant matters, there can be no assurance that our policies and internal controls will prevent fraud or illegal activity or misconduct by our employees or that similar incidents will not occur in the future. Any illegal, fraudulent, corrupt or collusive activity, misconduct, or perceptions of conflicts of interest and rumours, could severely damage our brand and reputation, even if they are baseless or satisfactorily addressed, which could drive customers, businesses and our partners away from our platform, and materially and adversely affect our business, financial condition and results of operations.

***47. 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 entered into transactions with certain related parties, including our Promoters. In particular, we have entered into various transactions with such parties in relation to, amongst others, remuneration, professional fees, and reimbursement of expenses. While we believe that all such transactions have been conducted on an arm's length basis, we cannot assure you that we might have obtained more favourable terms had such transactions been entered into with unrelated parties. Further, it is likely that we may enter into additional related party transactions in the future. Such related party transactions may potentially involve conflicts of interest.

In Fiscals 2019, 2020 and 2021, the aggregate amount of such related party transactions was ₹ 11,703.74 thousand, ₹ 13,183.09 thousand and ₹ 10,229.02 thousand, respectively. The percentage of the aggregate value of such related party transactions to our revenue from operations in Fiscals 2019, 2020 and 2021 was 3.53%, 3.53% and 2.34%, respectively. For further information on our related party transactions, see "*Financial Statements*" on page 182. 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.

***48. After the completion of the Offer, our Promoters will continue to collectively hold substantial shareholding in our Company.***

After the completion of the Offer, our Promoters will continue to collectively hold [●]% shareholding in our Company. Our Promoters will continue to exercise significant influence over our business policies and affairs and all matters requiring shareholders' approval, including the composition of our Board, the adoption of amendments to our certificate of incorporation, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures. This

concentration of ownership also may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of these shareholders. The interests of the Promoters as our controlling shareholder could conflict with our interests or the interests of its other shareholders. We cannot assure you that our Promoters will act to resolve any conflicts of interest in our favour and any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

***49. We have issued Equity Shares during the preceding twelve months at a price which may be below the Offer Price.***

While the Offer Price will be determined subsequently, we may have issued Equity Shares in the last 12 months at a price which may be lower than the Offer Price, as set out in the table below. For further details, see "*Capital Structure*" at page 74.

| Date of Allotment | No. of Equity Shares Allotted | Face Value per Equity Share (₹) | Issue Price per Equity Share (₹) | Nature of consideration | Reason of allotment |
|---|---|---|---|---|---|
| July 21, 2021 | 317,262 | 1 | - | Not applicable* | Conversion from Series A CCPS |
| | 5,055 | | - | | Conversion from Ordinary CCPS |
| | 74,825 | | - | | Conversion from Series A2 CCPS |
| | 11,991 | | - | | Conversion from Series A3 CCPS |
| | 200,279 | | - | | Conversion from Series A4 CCPS |
| | 63,201 | | - | | Conversion from Series B1 CCPS |
| | 71,506 | | - | | Conversion from Series B2 CCPS |
| August 2, 2021 | 96,277,012 | 1 | - | Not applicable | Bonus issue |

**Cash was paid at the time of allotment of the Preference Shares to the respective Shareholders.*

The prices at which Equity Shares were issued by us in the past year should not be taken to be indicative of the Price Band, Offer Price and the trading price of our Equity Shares after listing.

***50. We will not receive any proceeds from the Offer. The Selling Shareholders will receive the net proceeds from the Offer.***

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

***51. Our Promoters and certain of our Directors have interests in our Company other than their normal remuneration or benefits and reimbursement of expenses.***

Our Promoters and certain of our Directors are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses to the extent of their shareholding in the Company. Our Promoters and Directors holding Equity Shares may take or block actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders. For further information on the interest of our Promoters and Directors, other than reimbursement of expenses incurred or normal remuneration or benefits, see "*Our Management*" and "*Our Promoters and Promoter Group*" on pages 160 and 177, respectively.

***52. Our Promoters, Directors and Key Managerial Personnel may enter into ventures that may lead to real or potential conflicts of interest with our business.***

Our Promoters, Directors and Key Managerial Personnel may become involved in ventures that may potentially compete with us. Interests of such persons may conflict with the interests of our other Shareholders, and they may, for business considerations or otherwise, cause us to take actions, or refrain from taking actions, in order to benefit

themselves, which may conflict with the best interests of our Company or that of our other Shareholders, which in turn may materially adversely impact our business, financial condition, results of operations and cash flows.

***53. 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 not a PFIC for fiscal year ended March 31, 2021, and does not expect to be a PFIC for the current year or any 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 of whether or not our Company is a PFIC is a factual determination that is made annually after the end of each taxable year, and there can be no assurance that our Company will not be considered a PFIC in the current taxable year or any future taxable year because, among other reasons, (i) the composition of our Company's income and assets will vary over time, and (ii) the manner of the application of relevant rules is uncertain in several respects. Further, our Company's PFIC status may depend on the market price of its Equity Shares, which may fluctuate considerably.

***54. We have not been able to obtain certain records of the educational qualifications of a Director and have relied on declarations and undertakings furnished by such Director for details of his profile included in this Draft Red Herring Prospectus.***

Our Non-Executive Director, Ravi Chandra Adusumalli, has been unable to trace copies of documents pertaining to his educational qualifications. Accordingly, reliance has been placed on undertakings furnished by such Director to us and the Book Running Lead Manager to disclose details of their educational qualifications in this Draft Red Herring Prospectus. We and the Book Running Lead Manager have been unable to independently verify these details prior to inclusion in this Draft Red Herring Prospectus. Further, there can be no assurances that our Director will be able to trace the relevant documents pertaining to his qualifications in the future, or at all.

**EXTERNAL RISK FACTORS**

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

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

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

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

Our business and financial performance could be adversely affected by unfavourable changes in, or interpretations of existing laws, or the promulgation of new laws, rules and regulations applicable to us and our business. For details on certain laws, rules and regulations applicable to us and our business, please see "*Key Regulations and Policies*" on page 149.

Any change in Indian tax laws could have an effect on our operations. For instance, the Taxation Laws (Amendment) Act, 2019 prescribes certain changes to the income tax rate applicable to companies in India. According to this Act, companies can henceforth voluntarily opt in favour of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the effective tax rate for Indian companies from 34.94% to approximately 25.17%. Any such future amendments may affect our other benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability.

Due to the COVID-19 pandemic, the Government of India also passed the Taxation and Other Laws (Relaxation of Certain Provisions) Act, 2020, implementing relaxations from certain requirements under, amongst others, the Central Goods and Service Tax Act, 2017 and Customs Tariff Act, 1975.

Further, the Government of India has announced the Union Budget for Fiscal 2022, pursuant to which the Finance Act of 2021 has introduced various amendments. In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

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

***57. The occurrence of natural or man-made disasters or outbreak of global pandemics, such as the COVID-19 pandemic, 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, infectious disease outbreaks such as the COVID-19 pandemic 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, in particular communal violence across ethnic or communal lines involving conflicts, riots and other forms of violence between communities of different religious faith or ethnic origins, 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. A worsening of the current outbreak of COVID-19 virus or future outbreaks of COVID-19 virus, avian or swine influenza or a similar contagious disease could adversely affect the Indian economy and economic activity in the region and in turn have a material adverse effect on our business and the trading price of the Equity Shares.

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

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

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

India has from time to time experienced instances of social, religious and civil unrest and hostilities between neighbouring countries. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy. A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 virus.

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

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

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, United States, United Kingdom, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Following the United Kingdom's exit from the European Union ("**Brexit**"), there still remains uncertainty around the impact of Brexit on the general economic conditions in the United Kingdom and the European Union and any consequential impact on global financial markets.

Trade tensions between the U.S. and major trading partners, most notably China, continue to escalate following the introduction of a series of tariff measures in both countries. Although China is the primary target of U.S. trade measures, value chain linkages mean that other emerging markets, primarily in Asia, may also be impacted. China's policy response to these trade measures also presents a degree of uncertainty. There is some evidence of China's monetary policy easing and the potential for greater fiscal spending, which could worsen existing

imbalances in its economy. This could undermine efforts to address already high debt levels and increase medium-term risks. In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects.

The recent outbreak of COVID-19 has significantly affected financial markets around the world. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian financial markets and indirectly in the Indian economy in general. Any significant financial disruption could have a material adverse effect on our business, financial condition and results of operation. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

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

The Restated Financial Information has been compiled by our Company for the year ended March 31, 2021 from the audited financial statements of our Company prepared in accordance with Indian Accounting Standards notified under Section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other accounting principles generally accepted in India and for the years ended March 31, 2020 and March 31, 2019 have been compiled based on our audited financial statement prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) adjusted in conformity with Ind AS. These have been restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended. For further information, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations - Presentation of Financial Information*" on page 237. Ind AS differs in certain significant respects from Previous GAAP, IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. We have not attempted to quantify the impact of US GAAP or IFRS on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP or IFRS. If our financial statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of our financial statements, and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should be limited accordingly.

***61. Any adverse change or downgrade in sovereign credit ratings of India may affect our business, results of operations and cash flows, and in turn, the trading price of the Equity Shares.***

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any further adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of the Equity Shares.

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

We are incorporated under the laws of India and all of our Directors and Key Managerial Personnel reside in India. A substantial portion of our assets are also located in India. Resultantly, it may not be possible for investors

to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce against them judgments obtained in courts outside India. Moreover, where investors wish to enforce foreign judgments in India, they may face difficulties in enforcing such judgments. India exercises reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions. In order to be enforceable, a judgment obtained in a jurisdiction which India recognises as a reciprocating territory must meet certain requirements of the Civil Procedure Code, 1908 (the "**CPC**").

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Recognition and enforcement of foreign judgments is provided for under Section 13, 14 and Section 44A of the CPC on a statutory basis. Section 44A of the CPC provides that where a certified copy of a decree of any superior court, within the meaning of that Section, obtained in any country or territory outside India which the government has by notification declared to be in a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a district court in India. However, Section 44A of the CPC is applicable only to monetary decrees and does not apply to decrees for amounts payable in respect of taxes, other charges of a like nature or in respect of a fine or other penalties and does not apply to arbitration awards (even if such awards are enforceable as a decree or judgment).

Among other jurisdictions, the United Kingdom, United Arab Emirates, Singapore and Hong Kong have been declared by the government to be reciprocating territories for the purposes of Section 44A of the CPC. The United States has not been declared by the Government of India to be a reciprocating territory for the purposes of Section 44A of the CPC. A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit upon the judgment under Section 13 of the CPC, and not by proceedings in execution. Section 13 of the CPC provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and/ or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. The suit must be brought in India within three years from the date of judgment in the same manner as any other suit filed to enforce a civil liability in India.

It cannot be assured that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it views the amount of damages awarded as excessive or inconsistent with Indian practice. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI to repatriate any amount recovered pursuant to the execution of such foreign judgment.

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

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

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

Further, the Government has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

***64. Financial difficulty and other problems in certain financial institutions in India could adversely affect the Company's business.***

As an Indian company, we are exposed to the risks of the Indian financial system, which may be affected by the financial difficulties faced by certain Indian financial institutions because the commercial soundness of many

financial institutions may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is sometimes referred to as "systemic risk", may adversely affect financial intermediaries with whom we interact and who may default on their obligations due to bankruptcy, lack of liquidity, operational failure or other reasons. Any such difficulties or instability of the Indian financial system in general could create an adverse market perception about Indian financial institutions and banks and hence could adversely affect its business. As the Indian financial system operates within an emerging market, it faces risks of a nature and extent not typically faced in more developed economies.

***65. We may be affected by competition laws, the adverse application or interpretation of which could adversely affect our business.***

The Competition Act, 2002, of India, as amended ("**Competition Act**"), regulates practices having an appreciable adverse effect on competition in the relevant market in India ("**AAEC**"). Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an AAEC is considered void and may result in the imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or the provision of services or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or number of customers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise.

On March 4, 2011, the Government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the Competition Commission of India (the "**CCI**"). Additionally, on May 11, 2011, the CCI issued Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. However, we may be 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 or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations, cash flows and prospects.

## RISKS RELATING TO THE OFFER AND THE EQUITY SHARES

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

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

***67. Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares. The Income Tax Act levies taxes on long-term capital gains exceeding ₹100,000 arising from sale of equity shares on or after April 1, 2018, while there is no tax charged on unrealized capital gains earned up to January 31, 2018 on equity shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. The Income Tax Act levies taxes on such long-term capital

gains exceeding ₹100,000 arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018 on such equity shares subject to specific conditions.

A securities transaction tax ("**STT**") is levied both at the time of transfer and acquisition of the equity shares (unless exempted under a prescribed notification), and collected by an Indian stock exchange on which equity shares are sold. Any gain realised on the sale of equity shares held for more than 12 months is also subject to long term capital gains tax in India. Such long term capital gains exceeding ₹ 100,000 arising from the sale of listed equity shares on the stock exchange, on which STT has been paid, are subject to tax at the rate of 10% (plus applicable surcharge and cess). Unrealized capital gains earned on listed equity shares up to January 31, 2018 continue to be tax exempt in such cases. Further, STT will be levied on and collected by an Indian stock exchange if the equity shares are sold on a stock exchange. With respect to capital gains arising in an off market sale, long term capital gains are subject to tax at the rate of 10% (plus applicable surcharge and cess) without the exemption of ₹ 100,000. Short-term capital gains, arising from the sale of such equity shares on a stock exchange would be subject to tax at the rate of 15% (plus applicable surcharge and cess), while short term capital gains arising in an off-market sale would be subject to tax in accordance with the tax slab applicable to the relevant person or entity.

The Finance Act 2019 has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

Our Company cannot predict whether any tax laws or other regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our Company's business, financial condition, results of operations and cash flows.

***68. The determination of the Price Band is subject to various factors and assumptions and the Offer Price may not be indicative of the trading price of the Equity Shares, upon listing on the Stock Exchanges subsequent to the Offer. Further, the closing price of equity shares listed pursuant to certain past issues handled by the BRLM was below their respective issue price on listing date.***

The determination of the Price Band is based on various factors and assumptions, and was determined by our Company and the Investor Selling Shareholders in consultation with the BRLM. Further, the Offer Price of the Equity Shares was determined by our Company and the Investor Selling Shareholders in consultation with the BRLM through the Book Building Process. This price is based on certain factors, as described under "*Basis for Offer Price*" on page 90 and may not be indicative of the trading price of the Equity Shares, upon listing on the Stock Exchanges subsequent to the Offer. The trading price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure that you will be able to resell the Equity Shares at or above the Offer Price nor can we assure you that an active market will develop or sustained trading will take place in the Equity Shares. In addition to the above, the closing price of equity shares listed pursuant to certain past issues handled by the BRLM is below their respective issue price on listing date. For further details, see "*Other Regulatory and Statutory Disclosures – Price information of past issues handled by the Book Running Lead Manager (during the current Fiscal and two Fiscals preceding the current Fiscal)*" on page 280.

***69. 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 taken for such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, 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 Shareholders. For example, the exchange rate between the Indian Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the returns on our Equity Shares, independent of our operating results. Any of these factors may result in large and sudden changes in the volume and trading price of the Equity Shares. In the past, following periods of volatility in the market price of a company's securities, shareholders have often instituted securities class action litigation against that company. If we were involved in a class action suit, it could divert

the attention of our management, and, if adversely determined, have a material adverse effect on our business, results of operations and financial condition

***70. 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 compliance with sectoral norms and certain other restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Further, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities.

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

We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 311.

***71. Any future issuance of Equity Shares may dilute your shareholding and sale of Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares.***

We may be required to finance our growth, whether organic or inorganic, through future equity offerings. Any future equity issuances by us, including a primary offering or under an employee benefit scheme, may lead to the dilution of investors' shareholdings in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. Any future equity issuances by us (including under an employee benefit scheme) or disposal of our Equity Shares by the Promoters or any of our other principal shareholders or any other change in our shareholding structure or any public perception regarding such issuance or sales may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. There can be no assurance that we will not issue further Equity Shares or that our existing shareholders including our Promoter will not dispose of further Equity Shares after the completion of the Offer (subject to compliance with the lock-in provisions under the SEBI ICDR Regulations) or pledge or encumber their Equity Shares. Any future issuances could also dilute the value of shareholders' investment in the Equity Shares and adversely affect the trading price of our Equity Shares. Such securities may also be issued at prices below the Offer Price. We may also issue convertible debt securities to finance our future growth or fund our business activities. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares.

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

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. The Allotment of Equity Shares in the Offer and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately five Working Days from the Bid/ Offer 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/ Offer Closing Date. There could also 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. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.***

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution. However, if the laws of the jurisdiction the investors are located in do not permit them to exercise their pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value the custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emption rights granted in respect of the Equity Shares held by them, their proportional interest in us would be reduced.

***74. QIBs and Non-Institutional Bidders 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, and Retail Individual Bidders are not permitted to withdraw their Bids after Bid/ Offer Closing Date.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are required to block the Bid amount on submission of the Bid and 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. Similarly, Retail Individual Bidders can revise or withdraw their Bids at any time during the Bid/Offer Period and until the Bid/ Offer Closing Date, but not thereafter. While we are required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed, including Allotment, within six Working Days from the Bid/ Offer Closing Date or such other period as may be prescribed by the SEBI, events affecting the investors' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or financial condition may arise between the date of submission of the Bid and Allotment. We may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing. Therefore, QIBs and Non-Institutional Bidders will not be able to withdraw or lower their bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or otherwise between the dates of submission of their Bids and Allotment.

***75. Our Equity Shares have never been publicly traded and may experience price and volume fluctuations following the completion of the Offer, an active trading market for the Equity Shares may not develop, the price of our Equity Shares may be volatile may not be indicative of the market price of the Equity Shares after the Offer and you may be unable to resell your Equity Shares at or above the Offer Price or at all.***

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for our Equity Shares will develop or, if developed, the liquidity of such a market for the Equity Shares. The Offer Price of the Equity Shares is proposed to be determined through a book building process. This price will be based on numerous factors, as described in the section "*Basis for Offer Price*" on page 90. This price may not necessarily be indicative of the market price of our Equity Shares after the Offer is completed. You may not be able to re-sell your Equity Shares at or above the Offer Price and may as a result lose all or part of your investment.

Our Equity Shares are expected to trade on NSE and BSE after the Offer, but there can be no assurance that active trading in our Equity Shares will develop after the Offer, or if such trading develops that it will continue. Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares.

There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after this Offer could fluctuate significantly as a result of market volatility or due to various internal or external risks, including but not limited to those described in this Draft Red Herring Prospectus.

The initial public offering price will be determined by the Book Building Process and may not be indicative of prices that will prevail in the open market following the Offer. The market price of our Equity Shares may be influenced by many factors, some of which are beyond our control, including:

- the failure of security analysts to cover the Equity Shares after this Offer, or changes in the estimates of our performance by analysts;
- market conditions specific to the industry we operate in;
- the activities of competitors;
- future sales of the Equity Shares by us or our shareholders;
- investor perception of us and the industry in which we operate;
- our quarterly or annual earnings or those of our competitors;
- developments affecting fiscal, industrial or environmental regulations;
- volatility in securities markets in jurisdictions other than India;
- the public's reaction to our press releases and adverse media reports; and
- general economic conditions.

A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment.

As a result of these factors, investors may not be able to resell their Equity Shares at or above the initial public offering price. In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our Company's performance. There can be no assurance that the investor will be able to resell their Equity Shares at or above the Offer Price.

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

We are not a publicly listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies. Further, as a publicly listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

***77. 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, imposes a 30% 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". 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.

## SECTION IV – INTRODUCTION

## THE OFFER

The following table summarizes details of the Offer:

| | |
|---|---|
| **Offer of Equity Shares by way of Offer for Sale by the Selling Shareholders [(1)(2)]** | Up to 38,672,208 Equity Shares, aggregating up to ₹ [●] thousand |
| | |
| **The Offer comprises of:** | |
| A) QIB Portion [(3)(4)] | Not less than [●] Equity Shares |
| *of which*: | |
| (i) Anchor Investor Portion | Up to [●] Equity Shares |
| (ii) Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed) | [●] Equity Shares |
| *of which:* | |
| (a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion) | [●] Equity Shares |
| (b) Balance for all QIBs including Mutual Funds | [●] Equity Shares |
| B) Non-Institutional Portion | Not more than [●] Equity Shares |
| C) Retail Portion [(5)] | Not more than [●] Equity Shares |
| | |
| **Pre and post Offer Equity Shares** | |
| Equity Shares outstanding as at the date of this Draft Red Herring Prospectus | 98,128,493 Equity Shares |
| Equity Shares outstanding prior to the Offer[#] | 100,310,185 Equity Shares* |
| Equity Shares outstanding after the Offer | 100,310,185 Equity Shares* |
| | |
| **Use of Proceeds** | Our Company will not receive any proceeds from the Offer since it involves only the Offer for Sale. |

*[#] There are 28,614 Series A4 CCPS and 12,550 Series B1 CCPS of our Company held by SCI Investments V which are outstanding as on the date of this Draft Red Herring Prospectus, which shall be converted into 41,164 Equity Shares prior to the filing of the Red Herring Prospectus. Further, pursuant to a resolution of our Board dated July 21, 2021 and our Shareholders dated July 23, 2021, a bonus issue of an aggregate of 2,140,528 Equity Shares shall be made to SCI Investments V in the ratio of 52 Equity Shares for every Equity Share issued to them upon conversion of their Preference Shares, at the time of conversion of such Preference Shares. For details, see "Capital Structure" on page 74. Upon conversion of the outstanding Preference Shares and consequent issuance of Equity Shares, the number of Equity Shares outstanding prior to the Offer will stand increased accordingly.*

** Assuming (i) conversion of 28,614 Series A4 CCPS and 12,550 Series B1 CCPS held by SCI Investments V to Equity Shares, and (ii) issuance of 2,140,528 Equity Shares by way of a bonus issue to SCI Investments V as on the date of conversion of Preference Shares held by them to Equity Shares, prior to filing of the Red Herring Prospectus.*

***Notes:***

*(1) The Offer has been authorized by a resolution of our Board dated August 2, 2021. The Offer shall be made in accordance with Rule 19(2)(b) of the SCRR.*

*(2) Includes 41,164 Equity Shares to be issued upon conversion of 28,614 Series A4 CCPS and 12,550 Series B1 CCPS held by SCI Investments V, and a subsequent bonus issue thereon. For details, see "Capital Structure" on page 74. Each Selling Shareholder confirms, severally and not jointly, that the Offered Shares have been held by such Selling Shareholder are eligible for being offered for sale in terms of Regulation 8 of the SEBI ICDR Regulations. Each of the Selling Shareholders, severally and not jointly, has authorized the sale of their respective portion of the Offered Shares in the Offer for Sale. For details on the authorisation of the Selling Shareholders in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures – Authority for the Offer" on page 271.*

*(3) Our Company and the Investor Selling Shareholders may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see "Offer Procedure" on page 292.*

*(4) Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories, as applicable, at the discretion of our Company and the Investor Selling Shareholders, in consultation with the Book Running Lead Manager and the Designated Stock Exchange.*

*(5) Allocation to all categories, except Anchor Investors, if any and Retail Individual Bidders, shall be made on a proportionate basis, subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis. For details, see "Offer Procedure" on page 292.*

For details, including in relation to grounds for rejection of Bids, refer to "*Offer Structure*" and "*Offer Procedure*" on pages 290 and 292, respectively. For details of the terms of the Offer, see "*Terms of the Offer*" on page 284.

## SUMMARY FINANCIAL INFORMATION

*The following tables set forth the summary financial information derived from our Restated Financial Information. The summary financial information presented below may differ in certain significant respects from generally accepted accounting principles in other countries, including IFRS. The summary financial information presented below should be read in conjunction with our Restated Financial Information, the notes and annexures thereto and the section "Management's Discussion and Analysis of Financial Position and Results of Operations" on page 235.*

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

**Restated statement of assets and liabilities**

*(in ₹ thousand)*

| Particulars | As at 31 March 2021 | As at 31 March 2020 | As at 31 March 2019 (Proforma) |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 2,674.62 | 5,742.39 | 11,239.78 |
| Intangible assets | - | - | - |
| Current tax assets (net) | 25,662.17 | 22,221.93 | 23,610.72 |
| Other non-current assets | 104.44 | 606.16 | 223.40 |
| **Total non-current assets** | **28,441.23** | **28,570.48** | **35,073.90** |
| | | | |
| **Current assets** | | | |
| Financial assets | | | |
| i. Investments | 167,568.19 | 414,690.07 | 325,423.97 |
| ii. Trade receivables | 56,853.94 | 43,998.27 | 42,567.26 |
| iii. Cash and cash equivalents | 18,007.68 | 22,955.92 | 24,990.34 |
| iv. Loans | 3,360.00 | 10,860.00 | 8,500.00 |
| v. Other financial assets | 208,161.77 | 38.94 | - |
| Other current assets | 2,194.66 | 2,641.31 | 4,575.43 |
| **Total current assets** | **456,146.24** | **495,184.51** | **406,057.00** |
| **Total assets** | **484,587.47** | **523,754.99** | **441,130.90** |
| | | | |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Equity share capital | 1,107.34 | 1,107.34 | 1,107.34 |
| Instruments entirely equity in nature | 7,853.01 | 918.71 | 918.71 |
| **Other equity** | | | |
| Reserves and surplus | 213,271.42 | (1,354,452.79) | (830,995.10) |
| **Total equity** | **222,231.77** | **(1,352,426.74)** | **(828,969.05)** |
| | | | |
| **LIABILITIES** | | | |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| i. Other financial liabilities | - | 1,691,670.06 | 1,138,464.70 |
| Contract liabilities | 940.21 | - | - |
| Employee benefit obligations | 27,851.91 | 31,918.51 | 12,516.33 |
| **Total non-current liabilities** | **28,792.12** | **1,723,588.57** | **1,150,981.03** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| i. Trade payables | | | |
| (a) Total outstanding dues of micro enterprises and small enterprises; and | 99.67 | 57.07 | 39.87 |
| (b) Total outstanding dues other than (a) above | 14,057.05 | 4,508.94 | 4,425.31 |
| ii. Other financial liabilities | 1,420.54 | 1,139.93 | 1,077.14 |
| Contract liabilities | 194,112.12 | 124,633.80 | 95,908.48 |
| Employee benefit obligations | 12,979.82 | 10,374.92 | 6,266.38 |
| Other current liabilities | 10,894.38 | 11,878.50 | 11,401.74 |
| **Total current liabilities** | **233,563.58** | **152,593.16** | **119,118.92** |
| **Total liabilities** | **262,355.70** | **1,876,181.73** | **1,270,099.95** |
| **Total equity and liabilities** | **484,587.47** | **523,754.99** | **441,130.90** |

**Restated statement of profit and losses**

*(in ₹ thousand, except earnings per Equity Share)*

| Particulars | Year ended 31 March 2021 | Year ended 31 March 2020 | Year ended 31 March 2019 (Proforma) |
|---|---|---|---|
| **Income** | | | |
| Revenue from operations | 437,786.71 | 373,342.21 | 331,871.44 |
| Other income | 10,233.50 | 882.62 | 706.46 |
| Other gains/(losses) - net | 109,397.38 | (311,092.82) | 335,731.11 |
| **Total income** | **557,417.59** | **63,132.01** | **668,309.01** |
| | | | |
| **Expenses** | | | |
| Employee benefit expense | 538,130.90 | 512,792.12 | 462,115.68 |
| Depreciation expense | 2,523.15 | 5,649.38 | 6,536.71 |
| Other expenses | 70,240.14 | 85,018.88 | 75,664.84 |
| **Total expenses** | **610,894.19** | **603,460.38** | **544,317.23** |
| | | | |
| **Restated profit/(loss) before tax** | **(53,476.60)** | **(540,328.37)** | **123,991.78** |
| Income tax expense: | | | |
| -Current tax | - | - | - |
| -Deferred Tax | - | - | - |
| | | | |
| **Restated profit/(loss) for the year** | **(53,476.60)** | **(540,328.37)** | **123,991.78** |
| **Restated other comprehensive income** | | | |
| Items that will not be reclassified to profit or loss | | | |
| - Gain/ (loss) on remeasurement of post employment benefit obligations | 11,949.47 | (7,939.41) | 977.73 |
| - Income tax relating to above | - | - | - |
| **Restated other comprehensive income/(loss) for the year, net of tax** | **11,949.47** | **(7,939.41)** | **977.73** |
| **Restated total comprehensive income/(loss) for the year** | **(41,527.13)** | **(548,267.78)** | **124,969.51** |
| | | | |
| **Restated earnings per equity share [nominal value per share: INR 1 (2020: INR 1; 2019: INR 1)]** | | | |
| Basic earnings per share | (0.55) | (5.54) | 1.27 |
| Diluted earnings per share | (1.52) | (5.54) | (1.75) |

**Restated statement of cash flow**

*(in ₹ thousand)*

| Particulars | Year ended 31 March 2021 | Year ended 31 March 2020 | Year ended 31 March 2019 (Proforma) |
|---|---|---|---|
| **Cash Flow from Operating Activities:** | | | |
| **Restated profit / (loss) before Income Tax** | (53,476.60) | (540,328.37) | 123,991.78 |
| **Adjustments for:** | | | |
| Depreciation expense | 2,523.15 | 5,649.38 | 6,536.71 |
| Net (gain)/loss on disposal of Property, plant and equipment | 442.04 | - | 50.17 |
| Net gains on sale of investments | (5,493.70) | (11,776.88) | (8,870.78) |
| Net fair value gains on financial assets measured at fair value through profit or loss | (849.99) | (19,480.30) | (22,290.95) |
| Fair value (gain)/loss on CCPS measured at fair value through profit or loss | (104,634.48) | 343,744.58 | (304,429.57) |
| Interest on income tax refund | (265.22) | (536.36) | (509.46) |
| Interest income from bank deposits measured at amortised cost | (9,889.07) | (11.68) | - |
| Share based payment expenses | 27,276.29 | 24,810.09 | 17,474.43 |
| Impairment loss/ (reversal) on financial assets | (833.09) | 2,118.21 | 1,375.30 |
| Unrealised Exchange Difference (net) | (441.92) | (1,988.13) | (1,084.45) |
| **Operating profit/ (loss) before working capital changes** | **(145,642.59)** | **(197,799.46)** | **(187,756.82)** |
| **Adjustment for:** | | | |
| (Increase)/ decrease in trade receivables | (10,787.59) | (2,154.64) | (6,095.34) |
| (Increase)/ decrease in loans | 7,500.00 | (2,360.00) | (1,900.00) |
| (Increase)/ decrease in other financial assets | 24.56 | (38.94) | - |
| (Increase)/ decrease in other assets | 948.37 | 1,551.36 | (1,738.25) |
| Increase / (decrease) in trade payables | 9,590.71 | 100.82 | (96.28) |
| Increase / (decrease) in contract liabilities | 70,418.53 | 28,725.32 | 31,626.93 |
| Increase / (decrease) in employee benefit obligations | 10,487.76 | 15,571.31 | 7,671.23 |
| Increase / (decrease) in other financial liabilities | 280.61 | 62.79 | (284.10) |
| Increase / (decrease) in other liabilities | (984.12) | 476.76 | 4,146.25 |
| **Cash used in operations** | **(58,163.76)** | **(155,864.68)** | **(154,426.38)** |
| Income taxes paid (net of refunds received, including interest theron) | (2,433.02) | 1,925.14 | (3,049.36) |
| **Net cash outflow from operating activities** | **(60,596.78)** | **(153,939.54)** | **(157,475.74)** |
| | | | |
| **Cash flow from investing activities** | | | |
| Payments for property, plant and equipment | - | (151.98) | (10,311.66) |
| Proceeds from sale of property, plant and equipment | 102.58 | - | - |
| Funds invested in bank deposits | (199,000.32) | - | - |
| Proceeds from sale of investments | 787,427.63 | 558,845.09 | 526,663.25 |
| Payments for purchase of investments | (533,962.07) | (616,854.00) | (351,700.00) |
| Interest received | - | 11.68 | - |
| **Net cash inflow /(outflow) from investing activities** | **54,567.82** | **(58,149.21)** | **164,651.59** |
| | | | |
| **Cash flow from financing activities** | | | |
| Proceeds from issue of CCPS | 1,873.77 | 209,460.78 | - |
| **Net cash inflow from financing activities** | **1,873.77** | **209,460.78** | **-** |
| | | | |
| **Net increase/ (decrease) in cash and cash equivalents** | **(4,155.19)** | **(2,627.97)** | **7,175.85** |
| Cash and Cash Equivalents as at beginning of the year | 22,955.92 | 24,990.34 | 17,814.49 |
| Effects of exchange rate changes on cash and cash equivalents | (793.05) | 593.55 | - |
| **Cash and cash equivalents as at end of the year** | **18,007.68** | **22,955.92** | **24,990.34** |
| | | | |
| **Non-cash financing activities** | | | |
| - Modification of CCPS | 1,588,909.35 | - | - |
| Reconciliation of cash and cash equivalents as per the cash flow statement | | | |
| **Cash and cash equivalents comprise of:** | | | |
| Cash on Hand | 9.91 | 52.66 | 14.11 |

| | | | |
|---|---|---|---|
| Balance with banks | | | |
| In current accounts | 5,001.17 | 6,168.99 | 12,225.27 |
| In earners exchange foreign currency accounts | 12,996.60 | 16,734.27 | 12,750.96 |
| **Balances per statement of cash flows** | **18,007.68** | **22,955.92** | **24,990.34** |

## GENERAL INFORMATION

Our Company was incorporated as 'Tracxn Technologies Private Limited' pursuant to a certificate of incorporation dated August 11, 2012 issued by the RoC. Thereafter, pursuant to the conversion of our Company to a public limited company, the name of our Company was changed to 'Tracxn Technologies Limited', and a fresh certificate of incorporation dated July 28, 2021 was issued to our Company by the RoC. For further details on the changes in the name and registered office of our Company, see "*History and Certain Corporate Matters*" on page 154.

For details of our business, see "*Our Business*" on page 131.

### Registered Office

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

48, First Floor, DVG Road
Basavangudi, Bengaluru 560 004
Karnataka, India
**Telephone**: +91 90360 90116
**Website**: www.tracxn.com

### Corporate Office

The address of our Corporate Office is as follows:

L-248, 2nd Floor
17th Cross, Sector 6
H.S.R Layout, Bengaluru 560 102
Karnataka, India

### Company Registration Number and Corporate Identity Number

The registration number and corporate identity number of our Company are set forth below:

| Particulars | Number |
|---|---|
| Company Registration Number | 065294 |
| Corporate Identity Number | U72200KA2012PLC065294 |

### The Registrar of Companies

Our Company is registered with the RoC, which is situated at the following address:

**Registrar of Companies, Karnataka at Bengaluru**
Kendriya Sadan, 2nd Floor, E-Wing
Koramangala, Bengaluru 560 034
Karnataka, India
**Telephone**: +91 80 2563 3105

### Board of Directors

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

| Name and Designation | DIN | Address |
|---|---|---|
| **Neha Singh**<br>*Chairperson and Managing Director* | 05331824 | H 1101, Mantri Espana, Behind Sakra Hospital, Bellandur, Bengaluru 560 103, Karnataka, India |
| **Abhishek Goyal**<br>*Vice Chairman and Executive Director* | 00423410 | H 1101, Mantri Espana, Behind Sakra Hospital, Bellandur, Bengaluru 560 103, Karnataka, India |
| **Ravi Chandra Adusumalli**<br>*Non-Executive Director* | 00253613 | 1045, Quarry Mountain Lane, Park City Utah 84098-6620 USA |
| **Vivek Kumar Mathur**<br>*Non-Executive Nominee Director** | 03581311 | D151, Westend Heights, DLF Phase – V, Gurgaon 122 009, Haryana, India |
| **Brij Bhushan** | 03624436 | C-201, Vasundhara Apartment, Plot No 16, Dwarka, Delhi |

| Name and Designation | DIN | Address |
|---|---|---|
| *Independent Director* | | 110 075, India |
| **Nishant Verman**<br>*Independent Director* | 05128414 | N1104, Tower 7, Adarsh Palm Retreat, Bellandur, Bengaluru 560 103, Karnataka, India |
| **Payal Goel**<br>*Independent Director* | 09196284 | #2D, Swati Apartments, 8 Gangai Street, Kalakshetra Colony, Besant Nagar, Chennai 600090, Tamul Nadu |
| **Rohit Jain**<br>*Independent Director* | 06876642 | F404, AKME Ballet Apartments, Outer Ring Road, Doddanekundi, Bengaluru 560037, Karnataka, India |

** Nominee of Elevation Capital, pursuant to the Shareholders' Agreement. For more information, see the section "History and Certain Corporate Matters" on page 154.*

For further details of our Board of Directors, see "*Our Management – Board of Directors*" on page 160.

**Company Secretary and Compliance Officer**

Megha Bohra is the Company Secretary and Compliance Officer of our Company. Her contact details are as follows:

**Megha Bohra**
L-248, 2nd Floor
17th Cross, Sector 6
HSR Layout, Bengaluru 560 102
Karnataka, India
**Telephone:** +91 90360 90116
**E-mail:** compliance-officer@tracxn.com

**Registrar to the Offer**

**Link Intime India Private Limited**
C 101, 247 Park
L.B.S. Marg
Vikhroli (West), Mumbai 400 083
Maharashtra, India
**Telephone:** +91 22 4918 6200
**E-mail:** tracxn.ipo@linkintime.co.in
**Investor grievance e-mail:** tracxn.ipo@linkintime.co.in
**Website:** www.linkintime.co.in
**Contact person:** Shanti Gopalkrishnan
**SEBI registration number:** INR000004058

**Book Running Lead Manager**

**IIFL Securities Limited**
10th Floor, IIFL Centre
Kamala City, Senapati Bapat Marg,
Lower Parel (West), Mumbai 400 013
Maharashtra, India
**Telephone:** + 91 22 4646 4600
**Email:** tracxn.ipo@iiflcap.com
**Investor grievance e-mail**: ig.ib@iiflcap.com
**Website**: www.iiflcap.com
**Contact Person**: Mukesh Garg
**SEBI Registration No**: INM000010940

**Syndicate Members**

**[●]**

**Statement of responsibilities of the Book Running Lead Manager**

IIFL Securities Limited is the sole Book Running Lead Manager to the Offer, and accordingly, there is no inter

se allocation of responsibilities in the Issue. The details of responsibilities of the Book Running Lead Manager are as follows:

| Sr. No. | Activity |
|---|---|
| 1. | Capital structuring, positioning strategy and due diligence of the Company including the operations/management/business plans/legal etc. Drafting and design of the DRHP, RHP and Prospectus and of statutory advertisements including corporate advertising, brochure, etc. and filing of media compliance report, application form and abridged prospectus. |
| 2. | Ensuring compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing. |
| 3. | Appointment of intermediaries – Bankers to the Offer, Registrar to the Offer, advertising agency, printers to the Offer including co-ordination for agreements. |
| 4. | Domestic institutional marketing including banks/ mutual funds and allocation of investors for meetings and finalizing road show schedules |
| 5. | International institutional marketing including co-ordination for research briefing, allocation of investors for meetings and finalize roadshow schedules, preparation and finalisation of the road-show presentation and frequently asked questions. |
| 6. | Non-Institutional and Retail marketing of the Issue, which will cover, inter alia:<br>• Finalising media, marketing, public relations strategy and publicity budget including list of frequently asked questions at retail road shows<br>• Finalising collection centres<br>• Finalising application form<br>• Finalising centres for holding conferences for brokers etc.<br>• Follow - up on distribution of publicity; and<br>• Issue material including form, RHP / Prospectus and deciding on the quantum of the Issue material |
| 7. | Coordination with Stock Exchanges for anchor intimation, book building software, bidding terminals and mock trading, payment of 1% security deposit to the designated stock exchange. |
| 8. | Managing the book and finalization of pricing |
| 9. | Post bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with Registrar, SCSBs and Bankers to the Offer, intimation of allocation and dispatch of refund to Bidders, etc.<br><br>Post-Offer activities, which shall involve essential follow-up steps including allocation to Anchor Investors, follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising the Issuer about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-Offer activity such as registrar to the Offer, Bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable.<br><br>Payment of the applicable securities transactions tax on sale of unlisted equity shares by the Selling Shareholders under the Offer for Sale to the Government and filing of the securities transactions tax return by the prescribed due date as per Chapter VII of Finance (No. 2) Act, 2004.<br><br>Co-ordination with SEBI and Stock Exchanges for refund of 1% security deposit and submission of all post Offer reports including the initial and final post Offer report to SEBI. |

**Legal counsel to our Company as to Indian law**

**Khaitan & Co**
Max Towers
7th & 8th Floors
Sector 16B Noida
Gautam Buddh Nagar 201 301
Uttar Pradesh, India
**Telephone:** +91 120 479 1000

**Legal counsel to the Book Running Lead Manager as to Indian law**

**J. Sagar Associates**
Vakils House
18, Sprott Road
Ballard Estate, Mumbai 400 001
Maharashtra, India
**Telephone:** +91 22 4341 8600

**International legal counsel to the Book Running Lead Manager**

**Hogan Lovells Lee & Lee**
50 Collyer Quay
#10-01 OUE Bayfront
Singapore 049 321
**Telephone:** +65 6538 0900

**Legal counsel to Elevation Capital and SCI Investment V as to Indian law**

**IndusLaw**
2nd Floor, Block D
The MIRA, Mathura Road
New Delhi 110 065
India
**Telephone:** +91 11 4782 1000

**Statutory Auditors to our Company**

**Price Waterhouse Chartered Accountants LLP**
5th Floor, The Millenia, Tower 'D'
1 & 2, Murphy Road
Ulsoor, Bengaluru 560 008
Karnataka, India
**E-mail:** in_ipo_tracxn@pwc.com
**Telephone:** +91 (0) 80 4079 5000
**Firm registration number:** 012754N / N500016
**Peer review number:** 012639

There has been no change in our statutory auditors in the three years preceding the date of this Draft Red Herring Prospectus.

**Bankers to our Company**

**HDFC Bank Limited**
Post Box 5106
25/1, Shankaranarayana Building
M. G. Road, Bengaluru 560 001
Karnataka, India
**Telephone:** +91 97413 20320
**Email:** iranna.tahashildar@hdfcbank.com
**Website:** www.hdfcbank.com
**Contact Person:** Iranna Tahashildar

**ICICI Bank Limited**
ICICI Bank Tower
Near Chakli Circle
Old Padra Road, Vadodara 390 007
Gujarat, India
**Telephone:** +91 91089 48691
**Email:** vishal.mittal@icicibank.com
**Website:** www.icicibank.com
**Contact Person:** Vishal Mittal

**Kotak Mahindra Bank Limited**
10/7, Ground Floor
Uniya Land Mark, Lavelle Road I
Bengaluru 560 001
Karnataka, India
**Telephone:** +91 88841 23792
**Email:** pawan.bhutra@kotak.com
**Website:** www.kotak.com
**Contact Person:** Pawan Butra

**Banker(s) to the Offer**

***Escrow Collection Bank(s)***

**[●]**

***Public Offer Account Bank(s)***

**[●]**

***Refund Bank(s)***

**[●]**

***Sponsor Bank***

**[●]**

**Designated Intermediaries**

***Self-Certified Syndicate Banks***

The list of SCSBs notified by SEBI for the ASBA process is available on the SEBI website at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time.

A list of the Designated SCSB Branches with which an ASBA Bidder (other than an RIB using the UPI Mechanism), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, may submit the ASBA Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, and at such other websites as may be prescribed by SEBI from time to time.

Further, the branches of the SCSBs where the Designated Intermediaries could submit the ASBA Form(s) of Bidders (other than RIBs) is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

***Self-Certified Syndicate Banks eligible as Issuer Banks for UPI***

Retail Individual Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https:// www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) which may be updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.

***Syndicate SCSB Branches***

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

***Registered Brokers***

The list of the Registered Brokers eligible to accept ASBA Forms from Bidders (other than RIBs), 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? and https://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively, as updated from

time to time.

***Registrar and Share Transfer Agents***

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

***Collecting Depository Participants***

The list of the CDPs eligible to accept ASBA Forms from Bidders (other than RIBs) at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of BSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and on the website of NSE at http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

**Credit Rating**

As this is an Offer consisting only of Equity Shares, there is no requirement to obtain credit rating for the Offer.

**Debenture Trustee**

As this is an Offer comprising only Equity Shares, the appointment of a debenture trustee is not required.

**Appraising Entity**

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

**Monitoring Agency**

The Offer being an offer for sale, our Company will not receive any proceeds from the Offer and accordingly, is not required to appoint any monitoring agency for the Offer.

**Grading of the Offer**

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

**Underwriting Agreement**

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

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

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

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

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

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

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

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

**Filing**

A copy of this Draft Red Herring Prospectus has been filed through the SEBI Intermediary Portal at https://siportal.sebi.gov.in, in accordance with SEBI circular bearing reference SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018 and at cfddil@sebi.gov.in, in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to "*Easing of Operational Procedure – Division of Issues and Listing – CFD*".

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed, will be filed with the RoC in accordance with Section 32 of the Companies Act, 2013, and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be filed with the RoC at its office, and through the electronic portal at http://www.mca.gov.in/mcafoportal/loginvalidateuser.do.

**Book Building Process**

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms within the Price Band. The Price Band will be decided by our Company and the Investor Selling Shareholders, in consultation with the Book Running Lead Manager, and if not disclosed in the Red Herring Prospectus, will be advertised in [●] editions of [●], a widely circulated English national daily newspaper, [●] editions of [●], a widely circulated Hindi national daily newspaper and [●] editions of [●], a widely circulated Kannada newspaper (Kannada being the regional language of Karnataka, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid / Offer Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. The Offer Price shall be determined by our Company and the Investor Selling Shareholders, in consultation with the Book Running Lead Manager after the Bid / Offer Closing Date. For details, see "*Offer Procedure*" on page 292.

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

**In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any state. Retail Individual Bidders can revise their Bids during the Bid / Offer Period and withdraw their Bids until the Bid / Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Allocation to QIBs (other than Anchor Investors) and Non-Institutional Buyers will be on a proportionate basis while allocation to Anchor Investors will be on a discretionary basis. For an illustration of the Book Building Process and further details, see "*Terms of the Offer*" and "*Offer Procedure*" beginning on pages 284 and 292, respectively.**

**The Book Building Process under the SEBI ICDR Regulations and the Bidding Process are subject to change from time to time and Bidders are advised to make their own judgment about investment through this process prior to submitting a Bid in the Offer.**

Bidders should note that the Offer is also subject to obtaining (i) final approval of the RoC after the Prospectus is

filed with the RoC; and (ii) final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment.

For further details on the method and procedure for Bidding, see "*Offer Procedure*" beginning on page 292.

## CAPITAL STRUCTURE

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

*(In ₹, except share data)*

| | | Aggregate value at face value | Aggregate value at Offer Price* |
|---|---|---|---|
| **A** | **AUTHORIZED SHARE CAPITAL** | | |
| | 109,500,000 Equity Shares of face value of ₹ 1 each | 109,500,000 | - |
| | 1,050,000 Preference Shares of face value of ₹ 10 each | 10,500,000 | - |
| **B** | **ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER** | | |
| | 98,128,493 Equity Shares of face value ₹ 1 each | 98,128,493 | - |
| | 41,164 Preference Shares of face value ₹ 10 each [(1)] | 411,640 | - |
| **C** | **ISSUED, SUBSCRIBED AND PAID-UP CAPITAL POST CONVERSION OF PREFERENCE SHARES AND THE BONUS ISSUE TO BE UNDERTAKEN BEFORE THE OFFER** | | |
| | 100,310,185 Equity Shares of face value ₹ 1 each[(2)] | 100,310,185 | - |
| **D** | **PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS** | | |
| | Offer of up to 38,672,208 Equity Shares by way of Offer for Sale by the Selling Shareholders [(2)(3)(4)] | 38,672,208 | [●] |
| **E** | **ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER** | | |
| | 100,310,185 Equity Shares of face value ₹ 1 each[(2)] | 100,310,185 | |
| **F** | **SECURITIES PREMIUM ACCOUNT** | | |
| | Before the Offer | | 1,031,549,213[(5)] |
| | After the Offer | | [●] |

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

(1) *Our Company has completed a bonus issue to our Shareholders on August 2, 2021, in the ratio of 52 Equity Shares for every Equity Share held by the shareholders of our Company pursuant to a resolution of our Board dated July 21, 2021 and our Shareholders dated July 23, 2021. The Preference Shares of our Company comprise 28,614 Series A4 CCPS and 12,550 Series B1 CCPS held by SCI Investments V. Such Preference Shares shall be converted into 41,164 Equity Shares prior to the filing of the Red Herring Prospectus. Further, pursuant to the aforementioned resolutions of our Board dated July 21, 2021 and our Shareholders dated July 23, 2021, a bonus issue of an aggregate of 2,140,528 Equity Shares shall be made to SCI Investments V in the ratio of 52 Equity Shares for every Equity Share issued to them upon conversion of their Preference Shares, at the time of conversion of such Preference Shares.*

(2) *Includes (i) 41,164 Equity Shares to be issued upon conversion of 28,614 Series A4 CCPS and 12,550 Series B1 CCPS held by SCI Investments V, and (ii) 2,140,528 Equity Shares to be issued by way of a bonus issue to SCI Investments V as on the date of conversion of Preference Shares to Equity Shares, prior to filing of the Red Herring Prospectus.*

(3) *The Offer has been authorized by a resolution of our Board dated August 2, 2021.*

(4) *Each Selling Shareholder confirms, severally and not jointly, that the Offered Shares have been held by such Selling Shareholder are eligible for being offered for sale in terms of Regulation 8 of the SEBI ICDR Regulations. Each of the Selling Shareholders, severally and not jointly, has authorized the sale of their respective portion of the Offered Shares in the Offer for Sale. For details on the authorizations of the Selling Shareholders in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures" on page 271.*

(5) *Includes changes to the securities premium account of our Company pursuant to the issue of (i) 41,164 Equity Shares upon conversion of 28,614 Series A4 CCPS and 12,550 Series B1 CCPS held by SCI Investments V, and (ii) the issue of 2,140,528 Equity Shares by way of a bonus issue to SCI Investments V as on the date of conversion of Preference Shares to Equity Shares, prior to filing of the Red Herring Prospectus.*

### Notes to the Capital Structure

1. **Equity Share Capital History of our Company**

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

| Date of Allotment | Reason/Nature of Allotment | No. of Equity Shares Allotted | Face Value (₹) | Issue price per Equity Share (₹) | Form of consideration | Cumulative No. of Equity Shares |
|---|---|---|---|---|---|---|
| August 11, 2012 | Initial subscription to the Memorandum of Association [(1)] | 100,000 | 1 | 1 | Cash | 100,000 |
| October 8, 2013 | Further allotment [(2)] | 900,000 | 1 | 1 | Cash | 1,000,000 |
| December 30, 2013 | Further allotment [(3)] | 107,244 | 1 | 83.92 | Cash | 1,107,244 |
| April 23, 2015 | Rights issue [(4)] | 100 | 1 | 678.25 | Cash | 1,107,344 |

| Date of Allotment | Reason/Nature of Allotment | No. of Equity Shares Allotted | Face Value (₹) | Issue price per Equity Share (₹) | Form of consideration | Cumulative No. of Equity Shares |
|---|---|---|---|---|---|---|
| July 21, 2021 | Conversion from Series A CCPS [5] | 317,262 | 1 | - | Not applicable* | 1,851,481 |
| | Conversion from Ordinary CCPS [6] | 5,055 | | - | | |
| | Conversion from Series A2 CCPS [7] | 74,825 | | - | | |
| | Conversion from Series A3 CCPS [8] | 11,991 | | - | | |
| | Conversion from Series A4 CCPS [9] | 200,297 | | - | | |
| | Conversion from Series B1 CCPS [10] | 63,201 | | - | | |
| | Conversion from Series B2 CCPS [11] | 71,506 | | - | | |
| August 2, 2021 | Bonus issue [12] | 96,277,012 | 1 | - | Not applicable | 98,128,493 |

** Cash was paid at the time of allotment of the Preference Shares to the respective Shareholders.*

*(1) Allotment of 99,990 Equity Shares to Neha Singh and 10 Equity Shares to Gururaja Sridhara pursuant to their subscription to the Memorandum of Association.*

*(2) Further allotment of 381,938 Equity Shares to Neha Singh, 481,918 Equity Shares to Abhishek Goyal and 36,144 Equity Shares to Prashant Chandra.*

*(3) Further allotment of 23,832 Equity Shares to Sachin Bansal, 23,832 Equity Shares to Binny Bansal, 11,916 Equity Shares to Mukul Singhal, 23,832 Equity Shares to Bindu Gupta, 11,916 Equity Shares to Sahil Barua and 11,916 Equity Shares to Deepak Singh.*

*(4) Rights issue of 100 Equity Shares to Elevation Capital.*

*(5) 317,262 Series A CCPS held by Elevation Capital were converted to 317,262 Equity Shares, as per a conversion ratio of one Equity Share for every Series A CCPS.*

*(6) 5,055 Ordinary CCPS held by the Trustees, Kolluri Living Trust were converted to 5,055 Equity Shares, as per a conversion ratio of one Equity Share for every Ordinary CCPS.*

*(7) 11,168 Series A2 CCPS held by Ratan N. Tata were converted to 11,168 Equity Shares, 515 Series A2 CCPS held by Aneesh Reddy Boddu were converted to 515 Equity Shares, 5,584 Series A2 CCPS held by Rathnagirish Mathrubootham were converted to 5,584 Equity Shares, 5,584 Series A2 CCPS held by Milliways Fund LLC were converted to 5,584 Equity Shares, 8,376 Series A2 CCPS held by Beenext Pte. Ltd were converted to 8,376 Equity Shares, 11,168 Series A2 CCPS held by VH Capital were converted to 11,168 Equity Shares, 2,792 Series A2 CCPS held by Rahul Mehta were converted to 2,792 Equity Shares, 2,792 Series A2 CCPS held by Apoletto Asia Ltd were converted to 2,792 Equity Shares, 859 Series A2 CCPS held by Gaurav Deepak were converted to 859 Equity Shares, 11,168 Series A2 CCPS held by the Trustees, NRJN Family Trust were converted to 11,168 Equity Shares, 11,168 Series A2 CCPS held by 3ONE4 Capital Trust were converted to 11,168 Equity Shares, 859 Series A2 CCPS held by Ashish Gupta jointly with Nita Goyal were converted to 859 Equity Shares, and 2,792 Series A2 CCPS held by Manoj Kumar Gandhi were converted to 2,792 Equity Shares, as per a conversion ratio of one Equity Share for every Series A2 CCPS.*

*(8) 11,191 Series A3 CCPS held by the WGG International Limited were converted to 11,191 Equity Shares, as per a conversion ratio of one Equity Share for every Series A3 CCPS.*

*(9) 3,815 Series A4 CCPS held by WGG International Limited were converted to 3,815 Equity Shares, 76,304 Series A4 CCPS held by Elevation Capital were converted to 76,304 Equity Shares, 76,304 Series A4 CCPS held by Seabright II Limited were converted to 76,304 Equity Shares, 1,145 Series A4 CCPS held by Amit Ranjan were converted to 1,145 Equity Shares, 4,577 Series A4 CCPS held by the Trustees, Amitabh and Shilpa Singhal Living Trust were converted to 4,577 Equity Shares, and 38,152 Series A4 CCPS held by Accel India IV (Mauritius) Limited were converted to 38,152 Equity Shares, as per a conversion ratio of one Equity Share for every Series A4 CCPS.*

*(10) 20,707 Series B1 CCPS held by Elevation Capital were converted to 20,707 Equity Shares, 37,650 Series B1 CCPS held by Accel India IV (Mauritius) Limited were converted to 37,650 Equity Shares, 828 Series B1 CCPS held by WGG International Limited were converted to 828 Equity Shares, and 4,016 Series B1 CCPS held by Seabright II Limited were converted to 4,016 Equity Shares, as per a conversion ratio of one Equity Share for every Series B1 CCPS.*

*(11) 70,872 Series B2 CCPS held by KB Global Platform Fund were converted to 70,872 Equity Shares and 634 Series B2 CCPS held by WGG International Limited were converted to 634 Equity Shares, as per a conversion ratio of one Equity Share for every Series B2 CCPS.*

*(12) Allotment of 25,060,256 Equity Shares to Abhishek Goyal, 25,060,256 Equity Shares to Neha Singh, 1,879,488 Equity Shares to Prashant Chandra, 1,239,264 Equity Shares to Sachin Bansal, 1,239,264 Equity Shares to Binny Bansal, 619,632 Equity Shares to Mukul Singhal, 1,239,264 Equity Shares to Nita Goyal jointly with Ashish Gupta, 619,632 Equity Shares to Sahil Barua, 619,632 Equity Shares to Deepak Singh, 21,547,396 Equity Shares to Elevation Capital, 262,860 Equity Shares to the Trustees, Kolluri Living Trust, 580,736 Equity Shares to Ratan N. Tata, 290,368 Equity Shares to Milliways Fund LLC, 435,552 Equity Shares to Beenext Pte. Ltd., 145,184 Equity Shares to Rahul Mehta, 580,736 Equity Shares to VH Capital, 290,368 Equity Shares to Rathnagirish Mathrubootham, 145,184 Equity Shares to Apoletto Asia Ltd, 580,736 Equity Shares to the Trustees, NRJN Family Trust, 26,780 Equity Shares to Aneesh Reddy Boddu, 44,668 Equity Shares to Ashish Gupta jointly with Nita Goyal, 44,668 Equity Shares to Gaurav Deepak, 580,736 Equity Shares to 3ONE4 Capital Fund, 145,184 Equity Shares to Manoj Kumar Gandhi, 897,936 Equity Shares to WGG International Limited, 4,176,640 Equity Shares to Seabright II Limited, 3,941,704 Equity Shares to Accel India IV (Mauritius) Limited, 59,540 Equity Shares to Amit Ranjan, 238,004 Equity Shares to the Trustees, Amitabh & Shilpa Singhal Living Trust and 36,85,344 Equity Shares to KB Global Platform Fund, pursuant to a bonus issue, in the ratio of 52 Equity Shares for every Equity Share held by the Shareholders of our Company. Further, pursuant to a resolution of our Board dated July 21, 2021 and our Shareholders dated July 23, 2021, a bonus issue of an aggregate of*

*2,140,528 Equity Shares shall be made to SCI Investments V in the ratio of 52 Equity Shares for every Equity Share issued to them upon conversion of their Preference Shares, at the time of conversion of such Preference Shares.*

(b) ***Equity Shares issued for consideration other than cash (other than through bonus issues) or out of revaluation reserves***

Our Company has not issued any Equity Shares out of its revaluation reserves or for consideration other than cash, other than through bonus issues or conversion of Preference Shares, since its incorporation.

(c) ***Equity Shares allotted in terms of any schemes of arrangement***

Our Company has not allotted any Equity Shares in terms of any scheme approved under Section 391-394 of the Companies Act, 1956 or Section 230-232 of the Companies Act, 2013.

(d) ***Equity Shares allotted at a price lower than the Offer Price in the last year***

The Offer Price shall be determined by our Company and the Investor Selling Shareholders, in consultation with the Book Running Lead Manager after the Bid / Offer Closing Date. Except for the allotment of an aggregate of 744,137 Equity Shares upon the conversion of Preference Shares to Equity Shares, and the allotment of 96,277,012 Equity Shares pursuant to a bonus issue, details of which are specified in "– *History of the Share Capital of our Company – Equity Share Capital History of our Company*" on page 74, our Company has not issued any Equity Shares at a price which may be lower than the Offer Price, during a period of one year preceding the date of this Draft Red Herring Prospectus.

2. **Preference Share Capital History of our Company**

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

| Date of Allotment | Reason / Nature of Allotment | No. of Preference Shares | Face Value (₹) | Issue / Conversion price per Preference Share (₹) | Form of consideration |
|---|---|---|---|---|---|
| **Series A CCPS** | | | | | |
| April 23, 2015 | Rights issue [(1)] | 317,262 | 10 | 678.25 | Cash |
| July 21, 2021 | Conversion to Equity Shares [(2)] | 317,262 | 10 | 678.25 | Cash |
| **Ordinary CCPS** | | | | | |
| December 11, 2015 | Rights issue [(3)] | 5,055 | 10 | 450.05 | Cash |
| July 21, 2021 | Conversion to Equity Shares [(4)] | 5,055 | 10 | 450.05 | Cash |
| **Series A2 CCPS** | | | | | |
| February 25, 2016 | Rights issue [(5)] | 74,825 | 10 | 1,164.00 | Cash |
| July 21, 2021 | Conversion to Equity Shares [(6)] | 74,825 | 10 | 1,164.00 | Cash |
| **Series A3 CCPS** | | | | | |
| April 26, 2016 | Rights issue [(7)] | 11,991 | 10 | 1,396.93 | Cash |
| July 21, 2021 | Conversion to Equity Shares [(8)] | 11,991 | 10 | 1,396.93 | Cash |
| **Series A4 CCPS** | | | | | |
| June 29, 2016 | Rights issue [(9)] | 156,423 | 10 | 1,729.93 | Cash |
| July 29, 2016 | Rights issue [(10)] | 72,488 | 10 | 1,729.93 | Cash |
| July 21, 2021 | Conversion to Equity Shares [(11)] | 200,297 | 10 | 1,729.93 | Cash |
| **Series B1 CCPS** | | | | | |
| December 20, 2017 | Rights issue [(12)] | 63,201 | 10 | 2,549.83 | Cash |
| February 16, 2018 | Rights issue [(13)] | 12,550 | 10 | 2,549.83 | Cash |
| July 21, 2021 | Conversion to Equity Shares [(14)] | 63,201 | 10 | 2,549.83 | Cash |
| **Series B2 CCPS** | | | | | |
| September 3, 2019 | Private placement [(15)] | 70,872 | 10 | 2,955.48 | Cash |
| December 8, 2020 | Rights issue [(16)] | 634 | 10 | 2,955.48 | Cash |
| July 21, 2021 | Conversion to Equity Shares [(17)] | 71,506 | 10 | 2,955.48 | Cash |

(1) *Rights issue of 317,262 Series A CCPS to Elevation Capital.*
(2) *317,262 Series A CCPS held by Elevation Capital were converted to 317,262 Equity Shares, as per a conversion ratio of one Equity Share for every Series A CCPS.*
(3) *Rights issue of 5,055 Ordinary CCPS to the Trustees, Kolluri Living Trust.*
(4) *5,055 Ordinary CCPS held by the Trustees, Kolluri Living Trust were converted to 5,055 Equity Shares, as per a conversion ratio of one Equity Share for every Ordinary CCPS.*
(5) *Rights issue of 11,168 Series A2 CCPS to Ratan N. Tata, 515 Series A2 CCPS to Aneesh Reddy Boddu, 5,584 Series A2 CCPS to Rathnagirish Mathrubootham, 5,584 Series A2 CCPS to Anand && Venky, LLC, 8,376 Series A2 CCPS to Beenext Pte. Ltd, 11,168 Series A2 CCPS to VH Capital, 2,792 Series A2 CCPS to Rahul Mehta, 2,792 Series A2 CCPS to Apoletto Asia Ltd, 859 Series A2 CCPS to Gaurav Deepak, 11,168 Series A2 CCPS to the Trustees, NRJN Family Trust, 11,168 Series A2 CCPS to 3ONE4 Capital Trust, 859 Series A2 CCPS to Ashish Harish Bhinde and 2,792 Series A2 CCPS to Manoj Kumar Gandhi.*
(6) *11,168 Series A2 CCPS held by Ratan N. Tata were converted to 11,168 Equity Shares, 515 Series A2 CCPS held by Aneesh Reddy Boddu were converted to 515 Equity Shares, 5,584 Series A2 CCPS held by Rathnagirish Mathrubootham were converted to 5,584 Equity Shares, 5,584 Series A2 CCPS held by Milliways Fund LLC were converted to 5,584 Equity Shares, 8,376 Series A2 CCPS held by Beenext Pte. Ltd were converted to 8,376 Equity Shares, 11,168 Series A2 CCPS held by VH Capital were converted to 11,168 Equity Shares, 2,792 Series A2 CCPS held by Rahul Mehta were converted to 2,792 Equity Shares, 2,792 Series A2 CCPS held by Apoletto Asia Ltd were converted to 2,792 Equity Shares, 859 Series A2 CCPS held by Gaurav Deepak were converted to 859 Equity Shares, 11,168 Series A2 CCPS held by the Trustees, NRJN Family Trust were converted to 11,168 Equity Shares, 11,168 Series A2 CCPS held by 3ONE4 Capital Trust were converted to 11,168 Equity Shares, 859 Series A2 CCPS held by Ashish Gupta jointly with Nita Goyal were converted to 859 Equity Shares, and 2,792 Series A2 CCPS held by Manoj Kumar Gandhi were converted to 2,792 Equity Shares, as per a conversion ratio of one Equity Share for every Series A2 CCPS.*
(7) *Rights issue of 11,991 Series A3 CCPS to WGG International Limited.*
(8) *11,191 Series A3 CCPS held by the WGG International Limited were converted to 11,191 Equity Shares, as per a conversion ratio of one Equity Share for every Series A3 CCPS.*
(9) *Rights issue of 3,815 Series A4 CCPS to WGG International Limited, 76,304 Series A4 CCPS to Elevation Capital and 76,304 Series A4 CCPS to Seabright II Limited.*
(10) *Rights issue of 1,145 Series A4 CCPS to Amit Ranjan, 4,577 Series A4 CCPS to Trustees, Amitabh and Shilpa Singhal Living Trust dated November 30, 2005, 38,152 Series A4 CCPS to Accel India IV (Mauritius) Limited and 28,614 Series A4 CCPS to SCI Investments V.*
(11) *3,815 Series A4 CCPS held by WGG International Limited were converted to 3,815 Equity Shares, 76,304 Series A4 CCPS held by Elevation Capital were converted to 76,304 Equity Shares, 76,304 Series A4 CCPS held by Seabright II Limited were converted to 76,304 Equity Shares, 1,145 Series A4 CCPS held by Amit Ranjan were converted to 1,145 Equity Shares, 4,577 Series A4 CCPS held by the Trustees, Amitabh and Shilpa Singhal Living Trust were converted to 4,577 Equity Shares, and 38,152 Series A4 CCPS held by Accel India IV (Mauritius) Limited were converted to 38,152 Equity Shares, as per a conversion ratio of one Equity Share for every Series A4 CCPS.*
(12) *Rights issue of 20,707 Series B1 CCPS to Elevation Capital, 37,650 Series B1 CCPS to Accel India IV (Mauritius) Limited, 828 Series B1 CCPS to WGG International Limited and 4,016 Series B1 CCPS to Seabright II Limited.*
(13) *Rights issue of 12,550 Series B1 CCPS to SCI Investments V.*
(14) *20,707 Series B1 CCPS held by Elevation Capital were converted to 20,707 Equity Shares, 37,650 Series B1 CCPS held by Accel India IV (Mauritius) Limited were converted to 37,650 Equity Shares, 828 Series B1 CCPS held by WGG International Limited were converted to 828 Equity Shares, and 4,016 Series B1 CCPS held by Seabright II Limited were converted to 4,016 Equity Shares, as per a conversion ratio of one Equity Share for every Series B1 CCPS.*
(15) *Private placement of 70,872 Series B2 CCPS to KB Global Platform Fund.*
(16) *Rights issue of 634 Series B2 CCPS to WGG International Limited.*
(17) *70,872 Series B2 CCPS held by KB Global Platform Fund were converted to 70,872 Equity Shares and 634 Series B2 CCPS held by WGG International Limited were converted to 634 Equity Shares, as per a conversion ratio of one Equity Share for every Series B2 CCPS.*

**Terms of Conversion of Preference Shares:**

Our Company has a total of 28,614 Series A4 CCPS and 12,550 Series B1 CCPS outstanding as on the date of this Draft Red Herring Prospectus, which are held by SCI Investments V. In accordance with the terms of the Preference Shares, each Preference Share will convert into one Equity Share ("**Conversion Ratio**").

Under the terms of the Preference Shares and in accordance with our Articles of Association, the holders of the Preference Shares have an option to convert the Preference Shares held by them into Equity Shares at any time during a period of 19 years commencing from the date of issuance of Preference Shares ("**Conversion Period**") in accordance with the Conversion Ratio, upon payment of the conversion price prescribed for each class of Preference Shares in the Shareholders Agreement. Accordingly, our Company will issue 41,164 Equity Shares upon conversion of the outstanding Preference Shares held by SCI Investments V prior to filing of the Red Herring Prospectus by our Company.

Further, pursuant to a resolution of our Board dated July 21, 2021 and our Shareholders dated July 23, 2021, a bonus issue of an aggregate of 2,140,528 Equity Shares shall be made to SCI Investments V in the ratio of 52 Equity Shares for every Equity Share issued to them upon conversion of their Preference Shares, at the time of conversion of such Preference Shares.

3. **Shareholding Pattern of our Company**

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

| Category (I) | Category of Shareholder (II) | Number of Shareholders (III) | Number of fully paid up Equity Shares held (IV) | Number of Partly paid-up Equity Shares held (V) | Number of shares underlying Depository Receipts (VI) | Total number of Equity Shares held (VII) =(IV)+(V)+ (VI) | Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities (IX) | | | | Number of Equity Shares Underlying Outstanding convertible securities (including Warrants) (X) | Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI)= (VII)+(X) As a % of (A+B+C2) | Number of Locked in Equity Shares (XII) | | Number of Equity Shares pledged or otherwise encumbered (XIII) | | Number of Equity Shares held in dematerialized form (XIV) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | Number of voting rights | | | Total as a % of (A+B+C) | | | Number (a) | As a % of total Equity Shares held (b) | Number (a) | As a % of total Equity Shares held (b) | |
| | | | | | | | | Class: Equity Shares | Class: Others | Total | | | | | | | | |
| (A) | Promoter and Promoter Group | 2 | 51,084,368 | - | - | 51,084,368 | 52.06 | 51,084,368 | - | 51,084,368 | 52.04 | - | 50.93 | 0 | 0 | - | - | 51,084,368 |
| (B) | Public | 29[$] | 47,044,125 | - | - | 47,044,125 | 47.94 | 47,044,125 | 41,164 | 47,085,289 | 47.96 | 2,181,692* | 49.07 | 0 | 0 | - | - | 40,280,106[#] |
| (C) | Non Promoter-Non Public | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (C)(1) | Shares underlying DRs | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (C)(2) | Shares held by Employee Trusts | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | **Total (A)+(B)+(C)** | **31[$]** | **98,128,493** | **-** | **-** | **98,128,493** | **100.00** | **98,128,493** | **41,164** | **98,169,657** | **100.00** | **2,181,692*** | **100.00** | **-** | **-** | **-** | **-** | **-** |

* *Includes (i) 41,164 Equity Shares to be issued upon conversion of 28,614 Series A4 CCPS and 12,550 Series B1 CCPS held by SCI Investments V, and (ii) 2,140,528 Equity Shares to be issued by way of a bonus issue to SCI Investments V as on the date of conversion of Preference Shares to Equity Shares, prior to filing of the Red Herring Prospectus.*

[#] *6,811,683 Equity Shares of our Company are currently held in physical form and shall be dematerialized prior to filing of the Red Herring Prospectus.*

[$] *Including SCI Investments V, which holds 28,614 Series A4 CCPS and 12,550 Series B1 CCPS Preference Shares as on the date of this Draft Red Herring Prospectus, which shall be converted to Equity Shares prior to filing of the Red Herring Prospectus.*

4. **Major shareholders**

The list of our major Shareholders and the number of Equity Shares held by them is provided below:

a) The details of our Shareholders holding 1% or more of the paid-up Equity Share capital of our Company as on the date of filing this Draft Red Herring Prospectus is set forth below:

| S. No. | Name of the Shareholder | Number of Equity Shares Held | % of the share capital | Number of Equity Shares held on a fully diluted basis* | % of the share capital on a fully diluted basis* |
|---|---|---|---|---|---|
| 1. | Abhishek Goyal | 25,542,184 | 26.03 | 25,542,184 | 24.00 |
| 2. | Neha Singh | 25,542,184 | 26.03 | 25,542,184 | 24.00 |
| 3. | Elevation Capital | 21,961,769 | 22.38 | 21,961,769 | 20.64 |
| 4. | Seabright II Ltd | 4,256,960 | 4.34 | 4,256,960 | 4.00 |
| 5. | Accel India IV (Mauritius) Limited | 4,017,506 | 4.09 | 4,017,506 | 3.77 |
| 6. | KB Global Platform Fund | 3,756,216 | 3.83 | 3,756,216 | 3.53 |
| 7. | SCI Investments V | - | - | 2,181,692 | 2.05 |
| 8. | Prashant Chandra | 1,915,632 | 1.95 | 1,915,632 | 1.80 |
| 9. | Sachin Bansal | 1,263,096 | 1.29 | 1,263,096 | 1.19 |
| 10. | Binny Bansal | 1,263,096 | 1.29 | 1,263,096 | 1.19 |
| 11. | Nita Goyal jointly with Ashish Gupta[#] | 1,263,096 | 1.29 | 1,263,096 | 1.19 |
| | **Total** | **90,781,739** | **92.51** | **92,963,431** | **87.35** |

* *Our Company's share capital on a fully diluted basis is inclusive of (ii) 41,164 Equity Shares issued upon conversion of 41,164 outstanding Preference Shares, as well as (ii) an aggregate of 2,140,528 Equity Shares to be allotted to SCI Investments V by way of a bonus issue upon conversion of their Preference Shares, approved by our Board and Shareholders pursuant to their resolutions dated July 21, 2021 and July 23, 2021 respectively, and (iii) exercise of stock options under the ESOP 2016 that have vested as on the date of this Draft Red Herring Prospectus.*

[#] *Based on the primary holder of the Equity Shares.*

b) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company ten days prior to the date of this Draft Red Herring Prospectus is set forth below:

| S. No. | Name of the Shareholder | Number of Equity Shares Held | % of the share capital | Number of Equity Shares held on a fully diluted basis* | % of the share capital on a fully diluted basis* |
|---|---|---|---|---|---|
| 1. | Abhishek Goyal | 25,542,184 | 26.03 | 25,542,184 | 24.00 |
| 2. | Neha Singh | 25,542,184 | 26.03 | 25,542,184 | 24.00 |
| 3. | Elevation Capital | 21,961,769 | 22.35 | 21,961,769 | 20.64 |
| 4. | Seabright II Ltd | 4,256,960 | 4.34 | 4,256,960 | 4.00 |
| 5. | Accel India IV (Mauritius) Limited | 4,017,506 | 4.09 | 4,017,506 | 3.77 |
| 6. | KB Global Platform Fund | 3,756,216 | 3.83 | 3,756,216 | 3.53 |
| 7. | SCI Investments V | - | - | 2,181,692 | 2.05 |
| 8. | Prashant Chandra | 1,915,632 | 1.95 | 1,915,632 | 1.80 |
| 9. | Sachin Bansal | 1,263,096 | 1.29 | 1,263,096 | 1.19 |
| 10. | Binny Bansal | 1,263,096 | 1.29 | 1,263,096 | 1.19 |
| 11. | Nita Goyal jointly with Ashish Gupta[#] | 1,263,096 | 1.29 | 1,263,096 | 1.19 |
| | **Total** | **90,781,739** | **92.51** | **92,963,431** | **87.35** |

* *Our Company's share capital on a fully diluted basis is inclusive of (i) 41,164 Equity Shares issued upon conversion of 41,164 outstanding Preference Shares, as well as (ii) an aggregate of 2,140,528 Equity Shares to be allotted to SCI Investments V by way of a bonus issue upon conversion of their Preference Shares, approved by our Board and Shareholders pursuant to their resolutions dated July 21, 2021 and July 23, 2021 respectively, and (iii) exercise of stock options under the ESOP 2016 that have vested as on August 2, 2021.*

[#] *Based on the primary holder of the Equity Shares.*

***Note:*** *Details as on August 2, 2021, being the date ten days prior to the date of this Draft Red Herring Prospectus.*

c) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our

Company one year prior to the date of this Draft Red Herring Prospectus is set forth below:

| S. No. | Name of the Shareholder | Number of Equity Shares Held | % of the share capital | Number of Equity Shares Held on a fully diluted basis* | % of the share capital on a fully diluted basis* |
|---|---|---|---|---|---|
| 1. | Abhishek Goyal | 481,928 | 43.52 | 481,928 | 24.16 |
| 2. | Neha Singh | 481,928 | 43.52 | 481,928 | 24.16 |
| 3. | Elevation Capital V Limited | 100 | 0.01 | 414,373 | 20.78 |
| 4. | Seabright II Ltd | - | - | 80,320 | 4.03 |
| 5. | Accel India IV (Mauritius) Limited | - | - | 75,802 | 3.80 |
| 6. | KB Global Platform Fund | - | - | 70,872 | 3.55 |
| 7. | SCI Investments V | - | - | 41,164 | 2.06 |
| 8. | Prashant Chandra | 36,144 | 3.26 | 36,144 | 1.81 |
| 9. | Sachin Bansal | 23,832 | 2.15 | 23,832 | 1.19 |
| 10. | Binny Bansal | 23,832 | 2.15 | 23,832 | 1.19 |
| 11. | Nita Goyal | 23,832 | 2.15 | 23,832 | 1.19 |
| | **Total** | **1,071,596** | **96.77** | **1,754,027** | **87.95** |

** Our Company's share capital on a fully diluted basis is inclusive of 784,667 Equity Shares issued upon conversion of 784,667 outstanding Preference Shares, and exercise of stock options under the ESOP 2016 that have vested as on August 12, 2020.*
***Note:** Details as on August 12, 2020, being the date one year prior to the date of this Draft Red Herring Prospectus.*

d) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company two years prior to the date of this Draft Red Herring Prospectus is set forth below:

| S. No. | Name of the Shareholder | Number of Equity Shares Held | % of the share capital | Number of Equity Shares Held on a fully diluted basis* | % of the share capital on a fully diluted basis* |
|---|---|---|---|---|---|
| 1. | Abhishek Goyal | 481,928 | 43.52 | 481,928 | 25.17 |
| 2. | Neha Singh | 481,928 | 43.52 | 481,928 | 25.17 |
| 3. | Elevation Capital V Limited | 100 | 0.01 | 414,373 | 21.64 |
| 4. | Seabright II Ltd | - | - | 80,320 | 4.19 |
| 5. | Accel India IV (Mauritius) Limited | - | - | 75,802 | 3.96 |
| 6. | SCI Investments V | - | - | 41,164 | 2.15 |
| 7. | Prashant Chandra | 36,144 | 3.26 | 36,144 | 1.89 |
| 8. | Sachin Bansal | 23,832 | 2.15 | 23,832 | 1.24 |
| 9. | Binny Bansal | 23,832 | 2.15 | 23,832 | 1.24 |
| 10. | Nita Goyal | 23,832 | 2.15 | 23,832 | 1.24 |
| | **Total** | **1,071,596** | **96.77** | **1,683,155** | **87.90** |

** Our Company's share capital on a fully diluted basis is inclusive of 713,795 Equity Shares issued upon conversion of 713,795 outstanding Preference Shares, and exercise of stock options under the ESOP 2016 that have vested as on August 12, 2019.*
***Note:** Details as on August 12, 2019, being the date two years prior to the date of this Draft Red Herring Prospectus.*

5. Except for any Equity Shares which may be issued and allotted pursuant to the conversion of employee stock options granted under ESOP 2016, and as disclosed below, there will be no further issue of Equity Shares whether by way of a split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly, for Equity Shares), whether on a preferential basis, or by way of issue of bonus Equity Shares, or through a rights issue or further public issue of Equity Shares, or otherwise, from the date of filing of this Draft Red Herring Prospectus, until the Equity Shares have been listed on the Stock Exchanges or all application moneys have been refunded to the Anchor Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc., as the case may be:

(a) There are 28,614 Series A4 CCPS and 12,550 Series B1 CCPS of our Company held by SCI Investments V which are outstanding as on the date of this Draft Red Herring Prospectus, which shall be converted into 41,164 Equity Shares prior to the filing of the Red Herring Prospectus.

(b) Pursuant to a resolution of our Board dated July 21, 2021 and our Shareholders dated July 23, 2021, a bonus issue of an aggregate of 2,140,528 Equity Shares shall be made to SCI Investments V of our Company in the ratio of 52 Equity Shares for every Equity Share issued to them upon conversion of their Preference Shares, at the time of conversion of such Preference Shares.

Further, other than as specified above, our Company presently does not intend or propose to alter its capital structure in such manner until a period of six months from the Bid/Offer Opening Date.

6. As on the date of this Draft Red Herring Prospectus, our Company has a total of 30 Equity Shareholders and one Preference Shareholders.

7. **Details of Shareholding of our Promoters and members of the Promoter Group in the Company**

(i) ***Equity Shareholding of the Promoters***

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 51,084,368 Equity Shares, equivalent to 50.93% of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company, as set forth in the table below.

| S. No. | Name of the Shareholder | Pre-Offer Equity Share capital* | | Post-Offer Equity Share capital | |
|---|---|---|---|---|---|
| | | No. of Equity Shares | % of total Share-holding | No. of Equity Shares | % of total Share-holding |
| 1. | Neha Singh | 25,542,184 | 25.46 | [●] | [●] |
| 2. | Abhishek Goyal | 25,542,184 | 25.46 | [●] | [●] |

** Assuming (i) conversion of 28,614 Series A4 CCPS and 12,550 Series B1 CCPS held by SCI Investments V to Equity Shares, and (ii) issuance of 2,140,528 Equity Shares by way of a bonus issue to SCI Investments V as on the date of conversion of Preference Shares held by them to Equity Shares, prior to filing of the Red Herring Prospectus.*

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

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

The build-up of the Equity Shareholding of our Promoters since the incorporation of our Company is set forth in the table below:

| Date of Allotment/ Transfer / Transmission | Nature of transaction | No. of Equity Shares | Face value per Equity Share (₹) | Issue price/ transfer price per Equity Share (₹) | Percentage of pre-Offer Equity Share capital (%)* | Percentage of post-Offer Equity Share capital (%) |
|---|---|---|---|---|---|---|
| **(A) Neha Singh** | | | | | | |
| August 11, 2012 | Initial subscription to the Memorandum of Association | 99,990 | 1 | 1 | 0.10 | [●] |
| October 8, 2013 | Rights issue | 381,938 | 1 | 1 | 0.38 | [●] |
| August 2, 2021 | Bonus issue | 25,060,256 | 1 | - | 24.98 | [●] |
| **Sub-total (A)** | | **25,542,184** | | | **25.46** | [●] |
| **(B) Abhishek Goyal** | | | | | | |
| October 8, 2013 | Transfer from Gururaja Sridhara | 10 | 1 | 1 | Negligible | [●] |
| October 8, 2013 | Rights issue | 481,918 | 1 | 1 | 0.48 | [●] |
| August 2, 2021 | Bonus issue | 25,060,256 | 1 | - | 24.98 | [●] |
| **Sub-total (B)** | | **25,542,184** | | | **25.46** | [●] |
| **Grand Total (A)+(B)** | | **51,084,368** | | | **50.93** | [●] |

** Assuming (i) conversion of 28,614 Series A4 CCPS and 12,550 Series B1 CCPS held by SCI Investments V to Equity Shares, and (ii) issuance of 2,140,528 Equity Shares by way of a bonus issue to SCI Investments V as on the date of conversion of Preference Shares*

*held by them to Equity Shares, prior to filing of the Red Herring Prospectus.*

(iv) All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment or acquisition, as applicable, of such Equity Shares.

(v) As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters are pledged.

(vi) ***Equity Shareholding of the Promoter Group***

As on the date of this Draft Red Herring Prospectus, none of the members of our Promoter Group (other than our Promoters) hold any of the issued, subscribed and paid-up Equity Share capital of our Company.

(vii) Except as disclosed in "– *Build-up of the Promoters' shareholding in our Company*" on page 81, none of the members of the Promoter Group, the Promoters, or our Directors and their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

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

8. **Details of lock-in of Equity Shares**

(i) ***Details of Promoter's contribution locked in for three years***

Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by the Promoters shall be locked in for a period of three years as minimum promoters' contribution from the date of Allotment ("**Promoters' Contribution**"), and the Promoters' shareholding in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of one year from the date of Allotment.

Details of the Equity Shares to be locked-in for three years from the date of Allotment as Promoters' Contribution are set forth in the table below:

*This portion has been intentionally left blank and will be filled in before filing of the Red Herring Prospectus with the RoC.*

| Name of the Promoter | Date of allotment of the Equity Shares | Nature of transaction | No. of Equity Shares | Face Value (₹) | Issue/ acquisition price per Equity Share (₹) | No. of Equity Shares locked-in | Percentage of the post-Offer paid-up capital (%) | Date up to which the Equity Shares are subject to lock-in |
|---|---|---|---|---|---|---|---|---|
| [●] | [●] | [●] | [●] | 1 | [●] | [●] | [●] | [●] |
| [●] | [●] | [●] | [●] | 1 | [●] | [●] | [●] | [●] |
| **Total** | | | | | | [●] | [●] | [●] |

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

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

(i) The Equity Shares offered for Promoters' Contribution do not include Equity Shares acquired in the three immediately preceding years (a) for consideration other than cash involving revaluation of assets

or capitalisation of intangible assets; or (b) resulting from a bonus issue of Equity Shares out of revaluation reserves or unrealised profits of our Company or from a bonus issuance of equity shares against Equity Shares, which are otherwise ineligible for computation of Promoters' Contribution

(ii) The Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer

(iii) Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company in the preceding one year and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm or a limited liability partnership firm; and

(iv) The Equity Shares forming part of the Promoter's Contribution are not subject to any pledge.

(ii) ***Details of Equity Shares locked-in for one year***

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

(iii) ***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.

(iv) ***Other requirements in respect of lock-in***

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

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

(a) With respect to the Equity Shares locked-in for one year from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

(b) With respect to the Equity Shares locked-in as Minimum Promoter's Contribution for three years from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer.

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

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

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

9. Our Company, the Selling Shareholders, the Promoters, our Directors and the Book Running Lead Manager have not entered into buyback arrangements and / or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.

10. All Equity Shares transferred pursuant to the Offer shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.

11. As on the date of this Draft Red Herring Prospectus, the Book Running Lead Manager and its associates (determined as per the definition of 'associate company' under the Companies Act, 2013 and as per definition of the term 'associate' under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Book Running Lead Manager and its affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

12. **Employee Stock Option Plans**

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, our Company does not have any employee stock option plan:

***Tracxn Employee Stock Option Plan 2016 ("ESOP 2016")***

Our Company adopted the ESOP 2016 pursuant to resolutions passed by our Board and Shareholders dated October 3, 2016 and October 5, 2016, respectively. The purpose of ESOP 2016 is to reward 'employees' of our Company (as defined in ESOP 2016) for their association with our Company, and to attract, retain and motivate employees to contribute to the growth and profitability of our Company. As per the terms of the Shareholders' resolution dated October 5, 2016, read with the Board resolutions dated July 31, 2017 and March 10, 2021 and the Shareholders' resolution dated March 12, 2021, our Board is authorised to issue an aggregate of 229,294 employee stock options to employees, exercisable into not more than 229,294 fully-paid up Equity Shares, with each option conferring a right upon employees to apply for one Equity Share, in accordance with the provisions of ESOP 2016 and the terms and conditions as may be fixed or determined by the Board.

Further, in terms of ESOP 2016, a fair and reasonable adjustment may be made to the number of stock options or their exercise price by our Board, in the event of corporate actions like, *inter alia*, rights issues, bonus issues, mergers or the sale of a division. Pursuant to resolutions of our Board and Shareholders dated August 2, 2021 and August 6, 2021 respectively, in view of the bonus issue of Equity Shares in the ratio of 52 Equity Shares for every Equity Share held by the Shareholders of our Company, as approved by our Shareholders at their meeting dated July 23, 2021, necessary adjustments shall be made to the stock options to reflect the impact of such bonus issue, as have been detailed below.

In addition, certain amendments to the ESOP 2016 have been approved by our Board and Shareholders in terms of their resolutions dated August 2, 2021 and August 6, 2021 respectively, pursuant to which, the ESOP 2016 is in compliance with the requirements of the Securities and Exchange Board of India (Share Based Employee Benefits) Scheme, 2014. As on the date of this Draft Red Herring Prospectus, 214,500 options have been granted by our Company under ESOP 2016. The details of ESOP 2016 are as follows:

| Sr. No. | Particulars | From April 1, 2021 to the date of filing of this DRHP | Financial Year 2021 | Financial Year 2020 | Financial Year 2019 |
|---|---|---|---|---|---|
| 1 | Cumulative options granted as on beginning of the period | 154,265 | 136,553 | 110,951 | 104,696 |
| | *As adjusted for the bonus issue** | 8,176,045 | 7,237,309 | 5,880,403 | 5,548,888 |
| 2 | Number of employees to whom options were granted during the period: | 36 | 47 | 55 | 78 |
| 3 | Options outstanding | 157,322 | 154,265 | 136,553 | 110,951 |
| | *As adjusted for the bonus issue** | 8,338,066 | 8,176,045 | 7,237,309 | 5,880,403 |

| Sr. No. | Particulars | From April 1, 2021 to the date of filing of this DRHP | Financial Year 2021 | Financial Year 2020 | Financial Year 2019 |
|---|---|---|---|---|---|
| 4 | The pricing formula | Black Scholes pricing model | | | |
| 5 | Exercise price of options (₹ per option) | 1 | 1 | 1 | 1 |
| 6 | Options vested and exercisable[#] during the Fiscal (excluding options that have been exercised) | 4,205 | 13,025 | 10,305 | 19,540 |
| | *As adjusted for the bonus issue** | 222,865 | 690,325 | 546,165 | 1,035,620 |
| 7 | Options exercised | - | - | - | - |
| 8 | Total number of Equity Shares that would arise as a result of full exercise of options granted | 8,338,066 | 8,176,045 | 7,237,309 | 5,880,403 |
| 9 | Options forfeited / lapsed / cancelled | 3,073 | 14,779 | 8,435 | 13,547 |
| | *As adjusted for the bonus issue** | 162,869 | 783,287 | 447,055 | 717,991 |
| 10 | Variation in terms of options | - | - | - | - |
| 11 | Money realised by exercise of options | - | - | - | - |
| 12 | Total number of options in force | 157,322 | 154,265 | 136,553 | 110,951 |
| | *As adjusted for the bonus issue** | 8,338,066 | 8,176,045 | 7,237,309 | 5,880,403 |
| 13 | Employee wise details of options granted to | | | | |

(a) Senior managerial personnel, Directors and key management personnel

| Name | Options | | As adjusted for the bonus issue* |
|---|---|---|---|
| | Year of grant | Options granted | |
| Amit Agarwal | Fiscal 2018 | 347 | 18,391 |
| | Fiscal 2019 | 2,039 | 108,067 |
| | Fiscal 2020 | 1,177 | 62,381 |
| | Fiscal 2021 | 3,384 | 179,352 |
| Bhaskar Sharma | Fiscal 2017 | 8,671 | 459,563 |
| | Fiscal 2020 | 784 | 41,552 |
| | Fiscal 2021 | 677 | 35,881 |
| Megha Bohra | Fiscal 2020 | 39 | 2,067 |
| Neeraj Chopra | Fiscal 2017 | 12,695 | 672,835 |
| | Fiscal 2020 | 2,353 | 124,709 |
| | Fiscal 2021 | 1,015 | 53,795 |
| Prashant Chandra | Fiscal 2021 | 677 | 35,881 |
| | Fiscal 2022 | 338 | 17,914 |

(b) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year

| Name | Options | | As adjusted for the bonus issue* |
|---|---|---|---|
| | Year of grant | Options granted | |
| Adarsh Sasi | Fiscal 2019 | 1,327 | 70,331 |
| Arjay Harjai | Fiscal 2020 | 2,476 | 131,228 |
| | Fiscal 2021 | 1,692 | 89,676 |
| Harsh Vardhan Singh | Fiscal 2020 | 2,030 | 107,590 |
| Sailesh Ganesh | Fiscal 2019 | 1,177 | 62,381 |
| Vaneet Goyal | Fiscal 2020 | 1,804 | 95,612 |
| | Fiscal 2021 | 1,692 | 89,676 |
| Vibhor Singhal | Fiscal 2020 | 1,961 | 103,933 |

| | | | | | |
|---|---|---|---|---|---|
| | (c) Identified employees who were granted options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant | No options were granted under the ESOP 2016 amounting to more than 1% of the issued capital of our Company to any employee in any year | | | |
| 14 | Fully diluted EPS on a pre-Offer basis pursuant to issue of Equity Shares on exercise of options calculated in accordance with the applicable accounting standard 'Earning Per Share' and consideration received | Not applicable | (1.52) | (5.54) | (1.75) |

| Sr. No. | Particulars | From April 1, 2021 to the date of filing of this DRHP | Financial Year 2021 | Financial Year 2020 | Financial Year 2019 |
|---|---|---|---|---|---|
| | against the issuance of Equity Shares | | | | |
| 15 | Lock-in | - | - | - | - |
| 16 | Difference between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that shall have been recognised if our Company had used fair value of options and impact of this difference on profits and EPS of the Company | Fair method value has been used | Fair method value has been used | Fair method value has been used | Fair method value has been used |
| 17 | Description of the pricing formula, method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option | | | | |
| | *Pricing formula* | Black Scholes pricing model | | | |
| | *Method used* | Fair value method | | | |
| | *Risk free interest rate* | 6.20% | 6.20% | 6.14% | 7.35% |
| | *Expected life* | 7.61 Years | 7.49 years | 7.90 years | 8.34 years |
| | *Expected volatility* | 42.90% | 42.90% | 33.73% | 21.72% |
| | *Expected dividends* | - | - | - | - |
| | *Weighted average share price (₹) (prior to the effect of the bonus issue on the stock options)* | 1,851.94 | 1,851.94 | 1,794.28 | 1,742.41 |
| | *Exercise price (₹)* | 1 | 1 | 1 | 1 |
| 18 | Impact on profits and EPS of the last three years if the Company had followed the accounting policies specified in Regulation 15 of the ESOP Regulations in respect of options granted in the last three years | Not applicable, as current Ind AS valuation is in line with the ICAI guidance note | Not applicable, as current Ind AS valuation is in line with the ICAI guidance note | Not applicable, as current Ind AS valuation is in line with the ICAI guidance note | Not applicable, as current Ind AS valuation is in line with the ICAI guidance note |
| 19 | Intention of the key managerial personnel and whole time directors who are holders of Equity Shares allotted on exercise of options granted, to sell their Equity Shares within three months after the date of listing of Equity Shares pursuant to the Offer | Not applicable | Not applicable | Not applicable | Not applicable |
| 20 | Intention to sell Equity Shares arising out of, or allotted under an employee stock option scheme within three months after the date of listing of Equity Shares, by Directors, senior management personnel and employees having Equity Shares arising out of an employee stock option scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions) which *inter-alia* shall include name, designation and | As on the date of this Draft Red Herring Prospectus, none of our Directors, Senior Managerial Personnel and employees holding Equity Shares amounting more than 1% of the issued capital (excluding outstanding warrants and conversions) arising out of ESOP 2016 intend to sell such Equity Shares | | | |

| Sr. No. | Particulars | From April 1, 2021 to the date of filing of this DRHP | Financial Year 2021 | Financial Year 2020 | Financial Year 2019 |
|---|---|---|---|---|---|
| | quantum of the equity shares issued under an employee stock option scheme or employee stock purchase scheme and the quantum they intend to sell within three months | | | | |

** Pursuant to the adjustment approved to the stock options in terms of resolutions of our Board and Shareholders dated August 2, 2021 and August 6, 2021 respectively, in view of the bonus issue of Equity Shares in the ratio of 52 Equity Shares for every Equity Share held by the Shareholders of our Company, as approved by our Shareholders at their meeting dated July 23, 2021.*

*# Options exercisable upon the occurrence of a liquidity event, as defined in the ESOP 2016.*

13. Except for Neha Singh, who holds 25,542,184 Equity Shares, Abhishek Goyal, who holds 25,542,184 Equity Shares and Prashant Chandra, who holds 1,915,632 Equity Shares, none of the Directors or Key Managerial Personnel of our Company hold any Equity Shares in our Company. For details, see "*Our Management – Shareholding of Directors in our Company*" on page 166 and "*Our Management – Shareholding of the Key Managerial Personnel*" on page 176.

14. No person connected with the Offer, including, but not limited to, our Company, the Selling Shareholders, the members of the Syndicate, our Promoters, the members of our Promoter Group or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.

15. Except for the Promoter Selling Shareholders, who are offering Equity Shares in the Offer for Sale, none of our other Promoters or members of our Promoter Group will participate in the Offer.

16. The Book Running Lead Manager and persons related to the Book Running Lead Manager or Syndicate Members cannot apply in the Offer under the Anchor Investor Portion, except for Mutual Funds sponsored by entities which are associates of the Book Running Lead Manager, or insurance companies promoted by entities which are associates of the Book Running Lead Manager or a FPI (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the Book Running Lead Manager.

17. Except for employee stock options granted pursuant to ESOP 2016 and 28,614 Series A4 CCPS and 12,550 Series B1 CCPS held by SCI Investments V, there are no outstanding warrants, options or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Draft Red Herring Prospectus.

18. All transactions in Equity Shares by our Promoters and members of our Promoter Group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Offer shall be reported to the Stock Exchanges within 24 hours of such transactions.

19. The Promoters and members of our Promoter Group will not receive any proceeds from the Offer, except to the extent of their participation as Selling Shareholders in the Offer for Sale.

20. At any given time, there shall be only one denomination of the Equity Shares of our Company, unless otherwise permitted by law.

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

## SECTION V – PARTICULARS OF THE OFFER

## OBJECTS OF THE OFFER

The objects of the Offer are to achieve the benefits of listing the Equity Shares on the Stock Exchanges and the sale of up to 38,672,208 Equity Shares by the Selling Shareholders in the Offer, aggregating to ₹ [●] thousand. For details of the Offer, see "*The Offer*" on page 59. For details of Offered Shares from each Selling Shareholder, see "*Other Regulatory and Statutory Disclosures*" on page 271.

Further, the listing of Equity Shares will enhance our Company's brand name and provide liquidity to the existing Shareholders. Our Company expects that the proposed listing will also provide a public market for the Equity Shares in India. The Selling Shareholders will be entitled to the entire proceeds of the Offer after deducting the Offer expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer.

**Offer expenses**

The Offer expenses are estimated to be approximately ₹ [●] thousand. The Offer expenses comprises of, among other things, listing fee, underwriting fee, selling commission and brokerage, fee payable to the Book Running Lead Manager, legal counsel, Registrar to the Offer, Escrow Collection Bank, processing fee to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, fees payable to the Sponsor Banks for Bids made by RIBs using UPI mechanism, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges.

Other than the listing fees, which will be solely borne by our Company, all other costs and expenses directly attributable to the Offer shall be borne by the Selling Shareholders in proportion to the number of Equity Shares sold by each of them in the Offer. The cost and expenses to be borne by the Selling Shareholders and the Company and the mechanism for the same shall be as agreed in the Offer Agreement.

The break-up for the estimated Offer expenses are as follows:

| Activity | Estimated expenses [(1)] (₹ in thousand) | As a % of total estimated Offer related expenses [(1)] | As a % of Offer size [(1)] |
|---|---|---|---|
| Fees payable to the Book Running Lead Manager and commissions (including underwriting commission, brokerage and selling commission) | [●] | [●] | [●] |
| Selling commission payable to SCSBs for Bids directly procured by them and processing fees payable to SCSBs for Bids (other than Bids submitted by RIIs using the UPI Mechanism) procured by the members of the Syndicate, the Registered Brokers, CRTAs or CDPs and submitted to SCSBs for blocking, Bankers to the Offer, fees payable to the Sponsor Bank for Bids made by RIBs [(2)(3)] | [●] | [●] | [●] |
| Selling commission and uploading charges payable to members of the Syndicate (including their Sub-Syndicate Members), RTAs, CDPs and Registered Brokers [(4)(5)(6)] | [●] | [●] | [●] |
| Processing fees payable to the Sponsor Bank [(6)] | [●] | [●] | [●] |
| Fees payable to Registrar to the Offer | [●] | [●] | [●] |
| Printing and stationery expenses | [●] | [●] | [●] |
| Advertising and marketing expenses | [●] | [●] | [●] |
| Listing fees, SEBI fees, BSE and NSE processing fees, book-building software fees, and other regulatory expenses | [●] | [●] | [●] |
| Fees payable to legal counsel | [●] | [●] | [●] |
| Fees payable to the other advisors to the Offer | [●] | [●] | [●] |
| **Total estimated Offer expenses** | [●] | [●] | [●] |

[(1)] *The Offer expenses will be incorporated in the Prospectus on finalization of the Offer Price.*

[(2)] *Selling commission payable to the SCSBs on the portion for RIBs and Non-Institutional Bidders which are directly procured and uploaded by the SCSBs, would be as follows:*

| | |
|---|---|
| *Portion for RIBs** | *[●]% of the Amount Allotted (plus applicable taxes)* |
| *Portion for Non-Institutional Bidders** | *[●]% of the Amount Allotted (plus applicable taxes)* |

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

*Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE. No additional processing fees shall be payable to the SCSBs on the applications directly procured by them.*

(3) *No processing fees shall be payable by the Selling Shareholders to the SCSBs on the applications directly procured by them.*

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

| | |
|---|---|
| *Portion for RIBs** | *[●]% of the Amount Allotted (plus applicable taxes)* |
| *Portion for Non-Institutional Bidders** | *[●]% of the Amount Allotted (plus applicable taxes)* |

(4) *Selling commission on the portion for RIBs (using the UPI Mechanism), Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their Sub-Syndicate Members) would be as follows:*

| | |
|---|---|
| *Portion for RIBs* | *[●]% of the Amount Allotted* (plus applicable taxes)* |
| *Portion for Non-Institutional Bidders* | *[●]% of the Amount Allotted* (plus applicable taxes)* |

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

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

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

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

(5) *Selling commission/ uploading charges payable to the Registered Brokers on the portion for RIBs procured through UPI Mechanism and Non-Institutional Bidders which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:*

| | |
|---|---|
| *Portion for RIBs** | *₹ [●] per valid application (plus applicable taxes)* |
| *Portion for Non-Institutional Bidders** | *₹ [●] per valid application (plus applicable taxes)* |

** Based on valid applications*

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

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

*All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Bank Agreement.*

**Monitoring utilization of funds from the Offer**

Since the Offer is an offer for sale and our Company will not receive any proceeds from the Offer, our Company is not required to appoint a monitoring agency for the Offer.

**Other confirmations**

Except to the extent of any proceeds received pursuant to the sale of the Offered Shares, there is no proposal whereby any portion of the Offer Proceeds will be paid to our Promoters, Promoter Group, Directors or Key Managerial Personnel, except in the ordinary course of business.

## BASIS FOR THE OFFER PRICE

The Price Band, Floor Price and Offer Price will be determined by our Company and the Investor Selling Shareholders, in consultation with the Book Running Lead Manager, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹ 1 and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. The financial information included herein is derived from our Restated Financial Information. Prospective investors should also refer to "*Our Business*", "*Risk Factors*", "*Financial Statements*", "*Management's Discussion and Analysis of Financial Position and Results of Operations*" and "*Other Financial Information*" on pages 131, 25, 182, 235 and 233, 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 computing the Offer Price are:

- Our status as a leading global provider of differentiated private market data and intelligence
- Diverse, longstanding and growing global customer base
- Scalable and secure technology platform conceptualized and developed in-house
- Significant cost advantages from India-based operations; and
- Experienced Promoters, Board of Directors and senior management team, backed by marquee investors.

For further details, see "*Our Business – Strengths*" on page 133.

### Quantitative factors

Some of the information presented below relating to our Company is based on the Restated Financial Information. For details, see "*Financial Statements*" on page 182.

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

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

| Fiscal Year ended | Basic EPS (in ₹)[(1)] | Diluted EPS (in ₹)[(2)] | Weight |
|---|---|---|---|
| March 31, 2021 | (0.55) | (1.52) | 3 |
| March 31, 2020 | (5.54) | (5.54) | 2 |
| March 31, 2019 | 1.27 | (1.75) | 1 |
| **Weighted Average** | (1.91) | (2.90) | - |

(1) *Basic EPS (₹) = Net Profit / (loss) as restated attributable to the owners of our Company divided by the weighted average number of equity shares outstanding during the year.*

(2) *Diluted EPS (₹) = Net profit / (loss) as restated attributable to the owners of our Company divided by the weighted average number of diluted Equity Shares outstanding during the year.*

**Notes**:

1. *Basic and diluted earnings per share are computed in accordance with Indian Accounting Standard 33 'Earnings per Share', notified accounting standard by the Companies (Indian Accounting Standards) Rules of 2015 (as amended).*
2. *Weighted average number of shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of shares issued during the period 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 period.*
3. *The above statement should be read with significant accounting policies and notes on Restated Financial Information as appearing in the Restated Financial Information.*

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

| Particulars | P/E at the Floor Price (number of times) | P/E at the Cap Price (number of times) |
|---|---|---|
| Based on basic EPS for Fiscal 2021 | [●] | [●] |
| Based on diluted EPS for Fiscal 2021 | [●] | [●] |

### Industry Peer Group P/E ratio

We believe that there are no listed entities in India, the business portfolio of which is comparable with our

business.

**III. Return on Net Worth ("RoNW")**

**Derived from Restated Financial Information:**

| Fiscal Year ended | RoNW (%)[(1)] | Weight |
|---|---|---|
| March 31, 2021 | (24.06) | 3 |
| March 31, 2020 | (39.95) | 2 |
| March 31, 2019 | 14.96 | 1 |
| **Weighted Average** | (22.86) | - |

[(1)] *Return on net worth (%) = Restated profit / (loss) for the period / year as divided by total equity as at the end of the period / year. Net Worth (total equity) means the aggregate value of the paid-up share capital of our Company and all reserves created out of profits and securities premium account, as per the restated statement of assets and liabilities of our Company in the Restated Financial Information.*

**IV. Net Asset Value per Equity Share (face value of ₹ 1 each)**

| Fiscal year ended/ Period ended | NAV per Equity Share (₹)[(1)] |
|---|---|
| As on March 31, 2021 | 2.28 |
| After the completion of the Offer: | |
| (i) At Floor Price | [●] |
| (ii) At Cap Price | [●] |
| Offer Price[(2)] | [●] |

[(1)] *Net Asset Value per Equity Share is calculated by dividing net worth (as restated) including share capital and reserves and surplus (as restated at the end of the year / period) by weighted average number of equity shares in calculating basic EPS.*

[(2)] *Offer Price per Equity Share will be determined on conclusion of the Book Building Process*

**V. Comparison with listed industry peers**

We believe that there are no listed entities in India, the business portfolio of which is comparable with our business.

The Offer Price of ₹ [●] has been determined by our Company and the Investor Selling Shareholders in consultation with the Book Running Lead Manager, on the basis of market demand from investors for Equity Shares, as determined through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. Prospective investors should read the above mentioned information along with "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Position and Results of Operations*" and "*Financial Statements*" on pages 25, 131, 235 and 182, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "*Risk Factors*" and you may lose all or part of your investments.

## STATEMENT OF SPECIAL TAX BENEFITS

Date: 12 August 2021

To:

**The Board of Directors**
**Tracxn Technologies Limited (previously known as Tracxn Technologies Private Limited)**
L 248, 2nd Floor, 17th Cross
Sector 6, HSR Layout Bangalore
Bengaluru – 560102
Karnataka, India

Dear Sir / Madam,

**Re: Proposed initial public offering of equity shares of face value of ₹ 1 each (the "Equity Shares") of Tracxn Technologies Limited (previously known as Tracxn Technologies Private Limited) (the "Company") comprising of an offer for sale of Equity Shares by certain existing shareholders of the Company (the "Offer for Sale") (the "Offer")**

In relation to the Company and its affiliates, we, **Saini Pati Shah & Co LLP, Chartered Accountants** (the '**Firm**') (formerly known as **S G J & Co**), Chartered Accountants, are an independent firm of chartered accountants. We have received a request from the Company to provide certain confirmations in relation to possible special tax benefits available to the Company and the shareholders of the Company. This report is issued in accordance with the Engagement Letter dated 26 May, 2021.

We hereby report that the enclosed Annexure I, initialled by us for identification purpose, states the possible special tax benefits available to the Company and its shareholders, under direct and indirect taxes (together "**the Tax Laws**"), presently in force in India as on the signing date. These possible special tax benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and its shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company and its shareholders may or may not choose to fulfil.

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

a) The Company or its Shareholders will continue to obtain these benefits in future; or
b) The conditions prescribed for availing the benefits have been / would be met with.

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

We hereby consent to be named an "expert" under the Companies Act, 2013, as amended, and our name may be disclosed as an expert to any applicable legal or regulatory authority insofar as may be required, in relation to the statements contained therein. We further confirm that we are not and have not been engaged or interested in the formation or promotion or management of the Company.

We hereby consent to the extracts of this certificate being used in the draft red herring prospectus, red herring prospectus and prospectus in connection with the Offer and for submission to the Securities and Exchange Board of India, relevant Stock Exchanges and any other authority as may be required.

Capitalized terms and not defined herein shall have the same meaning as ascribed to them in the draft red herring prospectus, red herring prospectus or prospectus as applicable.

Yours Sincerely,

*for* **Saini Pati Shah & Co LLP**
*(formerly known as S G J & CO)*
Chartered Accountants
Firm's Registration No: 137904W/W100622

**Manoj Kumar Pati**
*Partner*
Membership No: 504536
Unique Document Identification Number:

Place: Mumbai
Date: 12 August 2021

**Annexure I**

**STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO TRACXN TECHNOLOGIES LIMITED ("THE COMPANY") AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT AND INDIRECT TAXES ("TAX LAWS")**

Outlined below are the Possible Special Tax Benefits available to the Company and its shareholders under the Tax Laws. These Possible Special Tax Benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company and its shareholders to derive the Possible Special Tax Benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfill.

**UNDER THE TAX LAWS**

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

There are no special tax benefits available to the Company under the Tax Laws.

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

There are no special tax benefits available to the Shareholders under the Tax Laws.

**NOTES:**

1. The above is as per the current Tax Laws.

2. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.

3. This Statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.

## SECTION VI - ABOUT OUR COMPANY

## INDUSTRY OVERVIEW

*Unless otherwise indicated, the information in this section is obtained or extracted from the independent report titled "Global Information Services Market" dated August 2021 prepared and released by Frost & Sullivan, appointed by us on April 5, 2021, and commissioned and paid for by our Company. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. Unless otherwise specified, all references to a particular year refers to the calendar year.*

**Global / Regional Macroeconomic Variable – An Overview**

The global GDP suffered a de-growth of 3.2% in 2020 (vs 2019) as per IMFs World Economic Outlook report released in July 2021. As per the same report, the global GDP is on a recovery path and is estimated to grow by 6% in 2021 and expected to moderate around 4.9% in 2022.

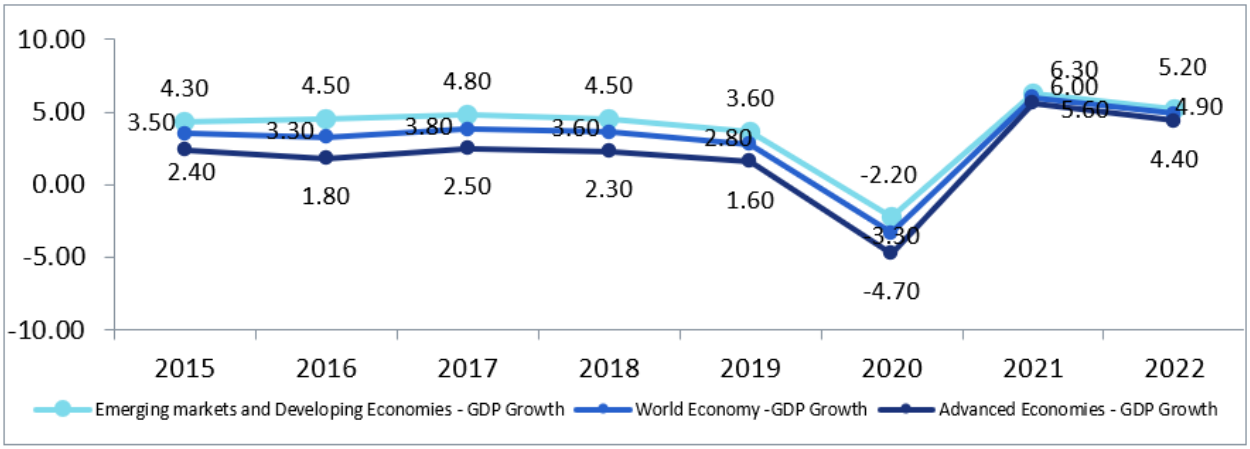
Trade wars and Brexit were the top developments that impacted the 2019 growth story, and these events have continued to have major ramifications in 2020 as well along with the pandemic. The trade war between the United States and China worsened during the pandemic as there was significant disruption in trade relationship between the two countries. The new Democratic Party government that came into existence in January 2021 has continued to maintain tough trade stance towards China which is expected to further impact trade globally. Southeast Asia's position as a manufacturing destination is growing as companies relocate production from China to Vietnam and India in order to circumvent punitive tariffs.

While advanced economies continue to witness slowdown, measures like USD 900 billion stimulus approved in 2020 by the United States and also the recent USD 1.9 trillion COVID-19 relief bill in March 2021 is expected to provide some respite to economic growth. Amongst the emerging markets, countries like India and China are showing signs of recovery. In July 2021, the International Monetary Fund (IMF) slashed China's GDP projection to 8.1% for 2021, down 0.3% from the earlier projection in April 2021. Similarly, India IMF predicts the growth would be around 9.5% for Fiscal 2022. While the arrival of vaccines has reignited hopes of economic recovery, the economic volatility is expected to continue due to the second and third wave of the pandemic. The impact of Brexit along with post pandemic recovery is driving growth in the UK and the EU region.

**After a brief setback in 2020, Global GDP Growth looking to recover – Business Activities Expected to Grow**

As per latest projections of IMF, the global GDP growth is on the path of recovery and global economy is expected to bounce back strongly in the next few quarters of 2021 and 2022.

***Global GDP Growth (2015-2022)***




Source: IMF, World Economic Outlook (WEO), July 2021

(1) Note: Advanced economies include regions such as United States, Germany, France, Italy, Spain, Japan, United Kingdom; Emerging economies include regions such as China, India, ASEAN-5, Russia, Brazil, Mexico, Saudi Arabia, Nigeria, South Africa.

**World GDP Growth:** The market was expected to bounce back in 2021 owing to corrective measures announced by large economies globally. The emergence of the pandemic however continues to affect the global GDP. The current optimistic projections by IMF (in July 2021) may further experience a dent if the ongoing second and expected third wave of COVID-19 virus intensifies further prompting governments to re-initiate lockdowns which in-turn will largely impact economic activities. If the impact continues to recede, then it is likely that economic activities will resume in full swing and thus the 6% estimated growth projections can be achieved.

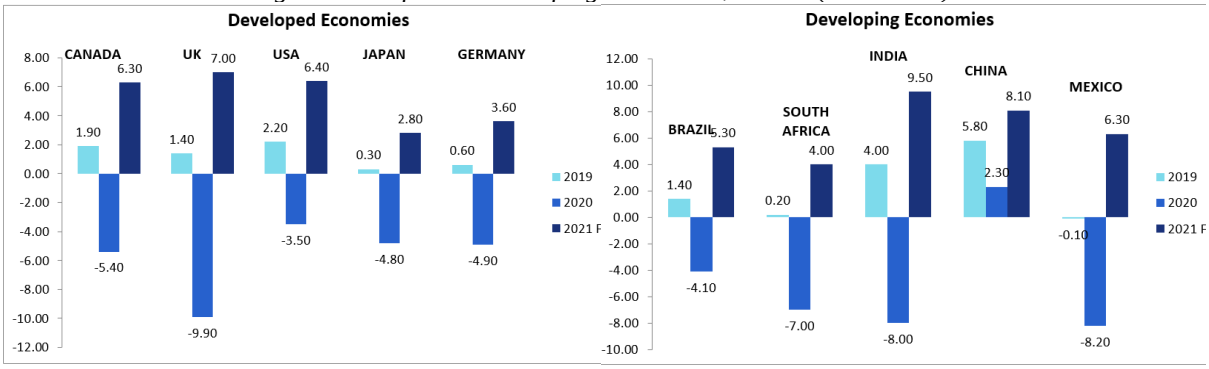
**Advanced Economies GDP Growth:** Owing to the pandemic, the GDP growth in advanced economies was further lowered in 2020. From a meagre growth of 1.6% in 2019, the advanced economies recorded a negative growth of -4.7% in 2020 as per the IMF. Nevertheless, the region is expected to bounce back from its major slump and record a growth of around 5.6% by end of calendar 2021.

**Emerging Market and Developing Economies GDP Growth:** Amongst the emerging economies, countries like China, India, Brazil, Mexico and South Africa are witnessing an economic recovery. China could witness a growth in its GDP by 8.1% in 2021 (as per IMF, WEO, July 2021 report). Emerging economies like Brazil and India will have its industry and retail sectors support partial recovery in 2021, while exports also pick up.

**GDP growth rate of Key Select Economies, Global, 2019-2021**

Almost all the leading economies today are on the path of economic recovery and near normalcy situation is expected to return in most of the strong economies by around second half of 2021 or by the first half of 2022.

*GDP Growth in Percentage – Developed vs Developing Economies, Global (2019-2021)*



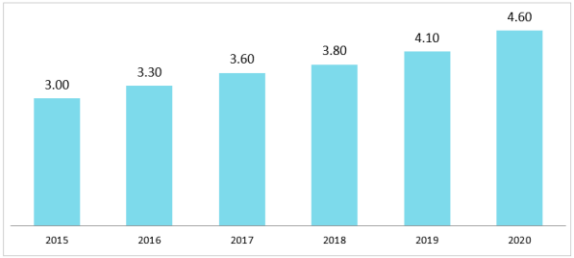

*Source: IMF, World Economic Outlook, July 2021; Note: GDP Growth rates are expressed in percentage; F- Forecast*

**Total Internet Users across the Globe**

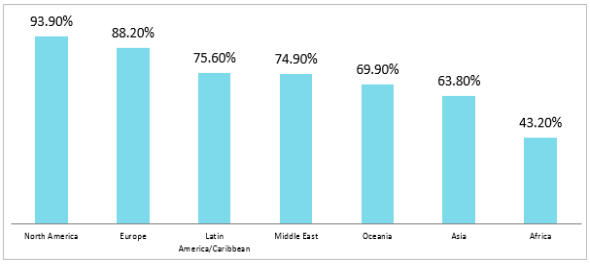
**Growth in Internet Usage to pave for anytime-anywhere information access via cloud base information provider platforms**

According to estimates from International Telecommunications Union (ITU) and as per Frost and Sullivan analysis, there were close to 4.6 billion Internet users across the globe in 2020 and this number grew by close to 12.2% in 2020 in comparison to 2019. The number of Internet users has grown more than 4 times in 2020 versus that in 2005 indicating the growth of digitization of people and also the ease of access of information for the Internet users. The rate of growth was high in initial years and growth rate has slowed down as the growth is reaching saturation in many of the countries.

***Individuals Using Internet, 2015-2020 (Billion Users)***




***Percentage of Internet users by region as of 2020***




Source: Measuring Digital Developments, Facts and Figures 2019, International Telecommunication Union; Frost & Sullivan Analysis

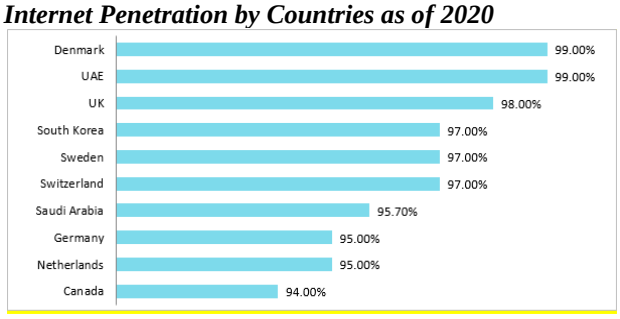
According to International Telecommunication Union (ITU), the number of Internet users in developed countries stood at close to 88.2% in 2020. In developing countries, the number was close to 53.1%. Lowest level of Internet penetration has been witnessed in Least Developed Countries (LDCs) and the number was close to 21.2%.

**Total Internet Users By Regions**

*Total Internet Users as of March 2021*

| Region | Internet Users as of March 2021 |
|---|---|
| Asia | 2,762,187,516 |
| Europe | 736,995,638 |
| Africa | 594,008,009 |
| Latin America/Caribbean | 498,437,116 |
| North America | 347,916,627 |
| Middle East | 198,850,130 |
| Oceania/Australia | 30,385,571 |

***Internet Penetration by Countries as of 2020***




Source: Measuring Digital Developments, Facts and Figures 2019, International Telecommunication Union; Frost & Sullivan Analysis

**Impact Of COVID-19 On Business Intelligence**

Businesses worldwide have suffered volatility due to the ongoing pandemic and 2020 was a year where most of the businesses recorded negative or below average growth. With rise in COVID-19 cases across different geographies governments have re-introduced lockdowns and other associated restrictions. As these restrictions continue, businesses are operating partially which has largely dented their growth perspective.

| Struggling industry verticals: | Surviving industry verticals: | Thriving industry verticals: |
|---|---|---|
| • Aviation<br>• Travel and Tourism<br>• Automotive<br>• HoReCa (Hotel, Restaurant, and Catering)<br>• Construction and Real Estate<br>• Luxury Retail<br>• Capital Goods Manufacturing<br>• BFSI | • Agriculture<br>• Utilities<br>• Logistics<br>• Traditional Media and Entertainment<br>• IT Services<br>• Traditional Retail Outlets | • Pharmaceutical Industry<br>• Digital Media<br>• Telecom and Internet Providers<br>• Video Conferencing services<br>• Virtual Entertainment<br>• Tele-medicine & Healthcare<br>• E-Retail and Doorstep deliveries<br>• EduTech |

**Business Intelligence – Expected to grow as a Critical Backbone for both Thriving and Struggling Businesses**

Although the above discussed industries continue to thrive amidst pandemic, going forward, almost all the businesses will realize and start attaching higher importance to market / business intelligence as this would help them move cautiously in the current highly volatile business environment. Businesses are realizing how critical analytics and BI are during the time of crisis. BI provides certainty amidst chaos and it is even more important among small enterprises which do not have deeper pockets and invest cautiously. Going forward, investment companies, large corporates and start-ups are expected to embrace business intelligence extensively in order to improve their decision making process.

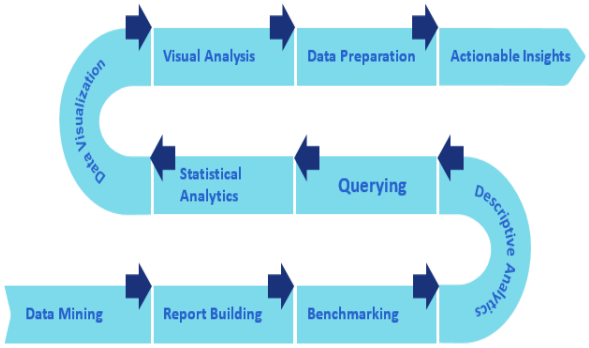
*Amongst all the macroeconomic factors discussed above, GDP is considered as the most important parameter that is capable to stimulate the investment opportunities. This is even more relevant in the growing or transitioning economies because a high GDP growth is considered to boost the whole economy cycle as it can increase per-capita income and in-turn results in greater demand for goods and thus attracts more investments in the business sector*

**Business Intelligence – Increasingly becoming important in these testing times as private market investors look to tread waters of pandemic more cautiously and in an intelligent manner**

The global economic slowdown, the affecting geo-politics and the on-going health emergency across the globe is seriously challenging the way the businesses function today.

In these volatile times, having means that can help organization to make informed decisions on where to invest, how to invest and how much to invest, can prove handy. The demand for this type of business intelligence is growing and is expected to further intensify in these testing times. Business Intelligence (BI) is capable to support advanced business decision making by assessing the past, present and future trends with respect to a particular company, industry or geography. BI is not restricted to just a product, technology or methodology and is a combinations of multiple pieces of business data that enables informed decision making, be it with respect to investing in new businesses or to enter a new market or to fund a particular start-up. Companies are using BI services to make different level of business decision making and thus the market for these information service provisioning organizations are growing rapidly worldwide. Over the years, the business intelligence (BI) process has evolved from simple data sets to more comprehensive and complex insights that can support businesses in informed decision making.

***Evolution of Business Intelligence Process***




The process of building business intelligence involves different stages like simple data mining where different databases, statistics and machine learning capabilities are used to extract relevant data from large datasets for simple report generation (sometimes in the form of simple excel sheets) to a further advanced forms where historical datasets are compared for benchmarking and a descriptive analysis is built around the benchmarked data. It also provides querying capabilities along with the statistical analytics. The most recent and advanced process in the business intelligence has been visualization which is gaining high popularity as businesses tend to use data visualization and visual analytics capabilities for better data representation and quick decision making.

As B2B information services gain prominence, the demand for organizations that provide market intelligence or private company data is growing**.** As an advanced form of B2B information services, a specific set of services providers have emerged in the recent past who provide platforms with reliable data, that can be used by organizations to analyse, visualize and interpret data through a single window. The demand for these types of B2B information services platform is expected to gain high importance in the recent past.

**B2B Information Services Market Overview**

**Market is witnessing gradual evolution and platform based service providers are expected to make the most of growing demand**

B2B Information services market has seen strong growth over the recent past. The growth has been mostly triggered by increasing demand for accurate decision making along with increase in professional knowledge workers globally. Most companies hold back their budgets as they look to move forward cautiously when it comes to investments. However, the demand for these services is expected to bounce back as more and more businesses and investment firms are likely to use these services even more extensively in these unprecedented times.

**Information Services – Need of the Hour for Refined Business Decision Making**

The growth prospects of the B2B Information services companies are likely to continue to grow as businesses are looking to consolidate and will be more keen to explore new start-ups, private companies and geographies to invest in which suits their business strategies.

Investment firms or large corporates that seek to increase their investments in different industries, geographies or companies are compelled to move cautiously and overcome any challenges they encounter in assessing the opportunities. Deal making has become more challenging than ever as there has been a mismatch between the ground reality and business sentiment assumptions that exist in the market. To overcome these challenges and to better understand the opportunities and to target the right segment, it becomes important for investment companies to avail information services that serve as a concrete foundation for any investment activities that is planned and also enables businesses to make right move at the right time.

The market consists of new form of information service providers who have been known to be elevating the concepts of artificial intelligence (AI) and machine learning (ML) to extract valuable information from large data sets in order to provide insights in the market. To thrive in this market, the B2B information service providers need to build upon their core assets. It may be the unique content or solutions, a strong interactive platform or similar others.

**B2B Information Services Market Landscape**

The global B2B information services market which was close to around USD 140 billion in 2020 is estimated to be a USD 190 billion market in 2025 growing at compound annual growth rate of around 6.16% according to Frost and Sullivan estimates.

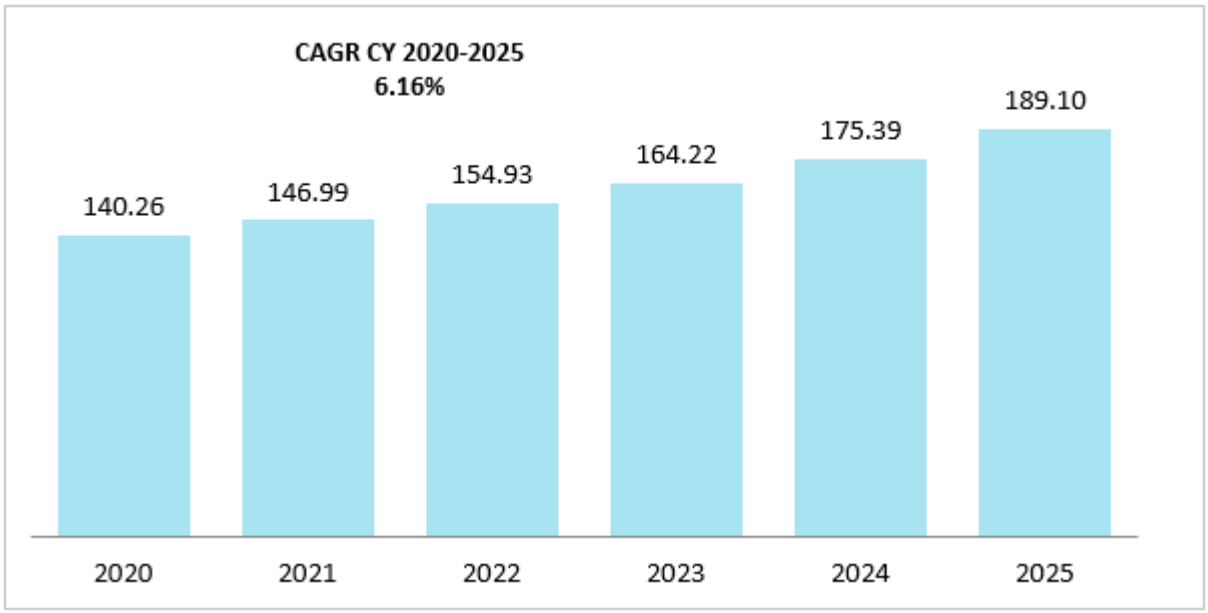
While in the past decade (2010-2019), the B2B information services market witnessed a CAGR of 5.6%, the growth is expected to be even more robust and the market could grow at a CAGR of 6.16% (2020-2025) In the

recent past, the market has been experiencing some downturn due to the ongoing economic turmoil, pessimistic investment sentiments and the geo-political volatility. The current pandemic is further expected to slow down the market. However, the ongoing health crisis has also given rise to shift in global market sentiments where large corporates, businesses and private market investors are looking to explore new markets. This is expected to be a silver lining to the market and has potential to draw more and more businesses and investment firms towards availing information services for supporting their business decisions.

In recent years, the trend of growth of information service providers offering services through a platform and having a subscription based pricing model is gaining popularity. Many of these platform based B2B information services providers are known to be concentrating largely on tracking of growing start-ups, funding, technology and other similar associated parameters

The unique aspect of the B2B Information services market is the intellectual property (IP) that players operating in this market generate. With the available data/information, these information service providers effectively slice and dice the data to generate valuable insights which is unique to that particular service provider. The service providers, with the help of several technology concepts like analytics and artificial intelligence, utilize the available information or data to the fullest extent and generate insights that provide critical or intrinsic information.

***Global B2B Information Services Market, 2020-2025, (in USD Billions)***




Source: Frost & Sullivan Analysis

The global information services market is different data based services offered to corporate entities, public and private organizations, governments and other customer communities who use this structured information for better business decision making or to execute certain programs or initiatives. Global information services essentially consists of market reports like syndicated or custom reports; free to public or paid publishing; company data like financial health, human resource information, funding rounds, mergers and acquisition, technology overview, key people; industry data like high growth industries; news reports; public documents; libraries; archives; start-up information services; healthcare related reports and all other documents that can help organizations to understand different aspects of business and use these information accumulated to support any business decisions taken.

The low cost, high value nature of this industry has drawn several companies to venture into this market. The average gross margin in this industry has been in the range of 25 to 30% and with respect to market leaders the numbers has been close to 40% in the past decade. The growing demand and high profitability is expected to further drive this market in coming years. The value associated with the information services and the risks that businesses have to deal with by not having right information is what draws businesses and investment firms towards availing B2B Information services.

Platform based B2B information services will be the future of the industry with more and more players adopting a platform based approach where the user business can extract the data or insights as per their requirements, in real-time through an interactive platform. In order to have competitive advantage, the players in this market are

known to extract information from different sources and knowledge workers working in these companies are responsible to build newer insights and information that can give them an upper hand over their competitors. The content being showcased and the depth of the content play a major role for these businesses and are known to create unique proposition for each of these companies.

In the recent times, the use of platform, the subscription based pricing model and the unique statistical and analytical model employed by these B2B Information service providers is playing major role in the growth of this market. Most of these players are adopting advanced technologies like artificial intelligence (AI), machine learning (ML) and context based search capabilities to provide users with accurate and relevant information within few clicks. The importance of providing a user friendly platform which increases the usability has also been one of the recent trends observed in this market.

**Types of B2B Information Services**

**Platform based sector agnostic B2B Information Service Providers set to dominate**

B2B information services market can be segmented based on the different aspects. As per industry norms and based on the type of B2B information services availed, the market has been broadly classified into three types, namely, professional publishing, syndicated information and advisory services. These segments can be further classified as industry focused and sector agnostic. Companies like Tracxn which are focused on multiple industry verticals and horizontals are classified as sector agnostic as per the above classification.

**Type of Offerings**

- **Professional Publishing Services:** This may be in the form of various reports that businesses publish as a part of their standard protocol or information that is meant to be consumed by their customers or any other entities.

- **Syndicated Publishing Services:** In this category of B2B Information services market, the external organizations collect data from different sources and builds intelligence that is not done on request of any business or client. Instead, the content in syndicated is mainly market driven.

- **Advisory Services:** In this type of B2B information services, the service providers builds expertise in specific areas and have vast experience which can be availed by businesses or investment firms based on their requirements.

The above offerings can be further classified into sub-segments namely, industry focused and sector agnostic.

a) **Industry Focused:** There are organizations that would be requiring data or information pertaining to their industry and this could mainly be for investment purposes or for acquisitions or for technology partnerships.

b) **Sector Agnostic:** Another form of B2B information service providers are the ones who concentrate on gathering and building insights on specific segments in the industry. These can be an exclusive private market information services company who would gather information on different private companies across the globe and their geographic spread, expertise, offerings, USP and several other factors. The information services provided by these companies would be specifically useful to organizations who are looking to enter into new markets or to partner with these small businesses.

Similar to this, there are B2B information service providers who track emerging technologies and companies working on them. This again helps industry stakeholders like large corporates, incubators or funding companies to understand the ongoing trend and make investment decisions.

To sum up, there are several types of B2B Information service providers globally. However, the demand for those who have a platform approach and cover different areas are gaining traction. More specifically, those B2B information service providers who leverage technology and assist private equity (PE Firms), Venture Capitalists or investment banking companies are in high demand and these companies have been providing high quality insights that enable many of these investment firms to analyse all the positive and negative aspects before investing in any specific company or industry or geography.

**B2B Information Services: Key Growth Drivers**

*Changing Business Scenario – A Key Factor Influencing the Growth of B2B Information Services*

a) **Globalization of Businesses:** As businesses worldwide are facing high competition, it becomes imperative to look for new business opportunities for growth. To find new start-ups or partners, it is important for businesses to understand all factors that are influencing the businesses of these start-ups. This has been one of the major drivers of growth for B2B Information Services market.

b) **Need for Better Business Decision Making:** The business intelligence gained by availing services of information providers will help businesses to minimize business risks and also help decision makers to assess multiple criteria before investing. For example, a large organization looking to invest in new technology would be looking to understand the talent demographics of a region.

c) **Platform Approach by Information Service Providers:** Most of the information service providers did not have a platform approach previously and business users had to navigate through multiple pages and articles before finding the information that was critical to them. There has been a differential change in this approach as more and more information service providers are taking a platform approach where users get advanced keyword search options that help them to find information in real-time. This in-turn has increased the usability and the usability factor is driving businesses towards adopting B2B information services.

d) **Subscription Based Pricing:** Most of these B2B information service providers, after introducing platforms are now offering their services on a subscription based pricing model where per month/per user subscription model has been introduced. Those businesses, who do not want to pay upfront license costs are known to be benefitting from this type of pricing model.

e) **Growing Digitization:** Most of the businesses today publish their company information and other data on their websites or through other digital channels. Searching and collection of data has become a lot simpler than before and with the use of technology, the information collected is regularly updated. As a result, the digitization of information available is known to be one of the key drivers for growth of B2B information services market.

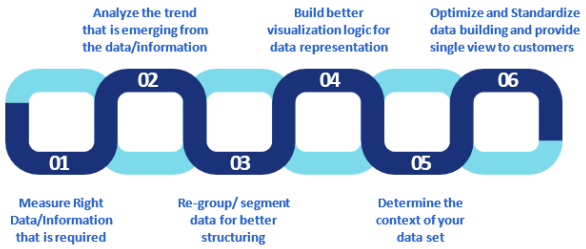
f) **Saves Costs and Resources:** Most of the businesses do not wish to spend time on research activities and prefer concentrating on their core business. Having an information service vendor cut shorts their investment efforts and helps in quick decision making.

**B2B Information Services: Key Challenges**

*Demand for Refined and Structured Information Dissemination Growing*

| | |
|---|---|
| **Accuracy of Data** | Data needs to be continuously updated in these types of offerings. Failing to do so can result in businesses outdated data which in-turn can be of no assistance to user businesses. |
| **Information Availability** | As some of the information remains private to businesses, there could be possibilities that the information being looked for may not be available for businesses. |
| **Information** | Since this market deals with critical company information or market information, the rights to share data is reserved with the company owning it. This could be another |

| | |
|---|---|
| **Sharing Rights** | challenge for B2B information services market. |
| **Relevancy of Data** | In the B2B information services market, there could be possibilities where the data shared may not be useful for the business. In this case, the business would find data irrelevant and thus can create information. |
| **Lack of Features on Platform** | Many of the B2B information services platforms lack enhancements or value addition. Be it the non-availability of easy integrating APIs or accurate search algorithm. |
| **No New Pricing Models** | Even today, there are many information service providers who offer yearly licensing models. This sometimes creates a vendor lock-in kind of situation which many businesses try to avoid. |
| **Lack of Provider Support** | Businesses availing information services now see service providers as partners in decision making rather than just facilitators. Lack of valued added services like advisory is another challenge companies face. |
| **Unstructured Data** | In many cases, the availability of data, even with information service provider will be in an unstructured form. This is again seen as a challenge as businesses look to have data in a more structured manner. |

| | |
|---|---|
| ***Organizations want to Minimize Failures in Business Decision Making Process***<br><br>In the recent years, the explosion of data combined with introduction of technologies facilitating data analytics has made data more insightful and is enabling businesses to tackle the dilemma of decision making in a much better manner. The integration of advanced analytical technologies for data collection and information generation is known to be making data more actionable than just an underlying commodity. | ***How to Make Data More Actionable***<br>  |

**Business Models in B2B Information Services Market**

*Evolving Business Models Creating Focused Demand Among Businesses*

Business model for B2B information services has been broadly classified into the below discussed forms:

| | | |
|---|---|---|
| **Traditional Report Based Information Service Model** | **Key Features** | |
| | • Old form of B2B Information service provider business model<br>• Service providers provide vast set of data to the businesses availing it<br>• Businesses availing these services get access to relevant syndicated reports and publishing and updates<br>• Industry specific reports and papers are published and updated on a regular basis (quarterly, half-yearly or yearly)<br>• Typical example include market research and report generation companies | |
| | **Advantages** | **Disadvantages** |
| | • Suited for organizations looking for specific industry research or reports<br>• Specific and relevant information that businesses can use for market assessment or new market entry strategy | • Not Robust and no real-time data update<br>• Do not expedite or support immediate decision making<br>• Do not provide analytics or enhanced visualizations |

| | |
|---|---|
| **Database Type Information Service Model** | **Key Features** |
| | • Typical business information and research tool that are known to collate data from both licensed and free sources |

| | | |
|---|---|---|
| | • All the company related info, financial filings, key management teams, revenues, growth and other such factors are updated<br>• Works like a database where user businesses can access information through keyword search<br>• Most of the generic information can be accessed through this web based forum | |
| | **Advantages** | **Disadvantages** |
| | • Access to vast amounts of data gathered through different resources<br>• Businesses looking for generic information will be able to access reports and other publicly available news | • Not Robust and no real-time data update<br>• Most of the information is generic and do not have a structured format<br>• Immediate insights from data not possible |

| | | |
|---|---|---|
| **Platform Type Information Service Model** | **Key Features** | |
| | • Advanced business model of B2B information services and are known to be more effective.<br>• Platforms are known to be integrated with advanced technologies like AI and ML which makes data collection, curation and presentation easier.<br>• Platforms are capable to track different forms of companies, and users get to filter data or information as per their requirements<br>• Structured data and is easy to read and convert into reports for business users | |
| | **Advantages** | **Disadvantages** |
| | • Are known to be highly robust platforms with real-time information update at the backend<br>• Provide information is advanced visual analytics that makes data presentation appealing<br>• Users are free to slice and dice data and run their own analytics | • Data analysis and visualization sometimes becomes a difficult task due to non-availability of information publicly |

**Shift from Licensing Model to Subscription based Service for SaaS businesses**

**Cost of Service Playing a Crucial role in re-shaping of the information services Industry**

As B2B information services have evolved, there have been significant changes in how these services are being offered. These were typically targeted at large organizations having multiple information services requirements.

Perpetual licensing models typically suits businesses which are conglomerate or have information services requirements throughout the year. The licenses are similar to traditional software licensing model where businesses availing these licenses have a yearly commitment.

With the growth of technology and emergence of software as a service (SaaS) platforms, the B2B information service providers have also modified their offerings. The new age B2B information service providers offer software based platforms that are designed to cater businesses of every size and shape. More and more B2B information service providers are moving towards this model and the number of subscriptions today has grown more than the typical, old fashioned perpetual licensing model.

The trend of growth of subscription based and pay-as-you-use B2B information services offerings is expected to grow as more and more service providers are adopting a platform approach to offer their services. The growth of software-as-a-service (SaaS) industry has been one of the major driving factors behind increased adoption of subscription based pricing model of B2B information services.

As the investments in the market grow, the demand of platform based information service providers is expected to go up. The role of information service providers has grown from being a mere participant indirectly influencing the decision making of businesses or an investment firm to a partner who can provide experience and expertise that can be crucial for business decisions

**Analysis of Private Companies**

**Historical Growth of Public & Private Companies**

*Liberal Economic Policies, Growing Popularity of Capitalistic Model and Conducive Business Environment are paving way for growth of private and innovative companies worldwide*

**USD 3.1 Trillion**

Total combined value of 900+ companies that are valued at USD 1 Billion or more

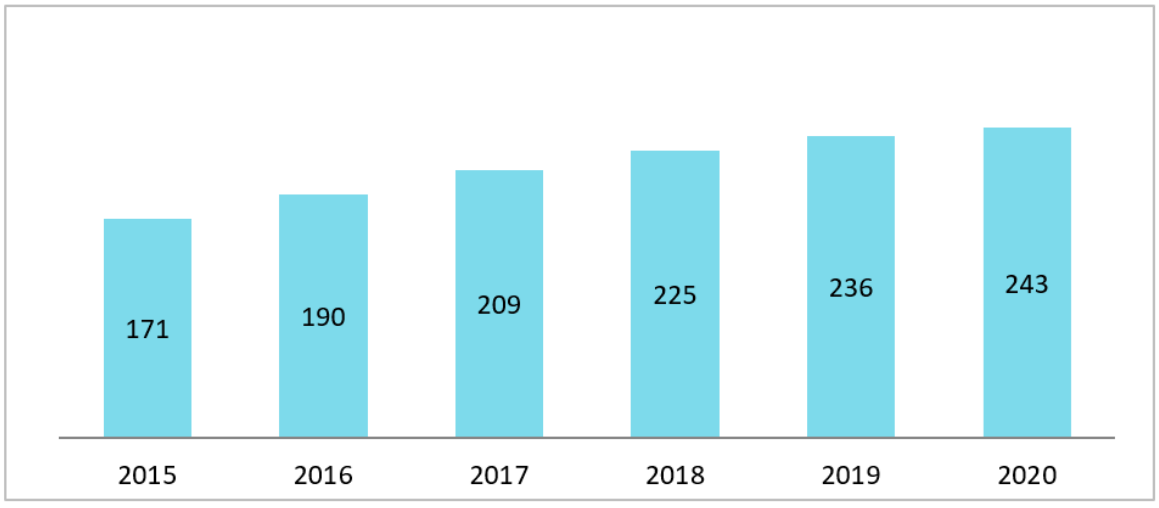
**Private Companies are Growing to be the Backbone of Economies Worldwide:** Private companies have always been a backbone of global economic growth and continue to contribute immensely to the positive business environment. These companies have been able to build conducive business environment across different countries and have also been key contributors in any country's economic growth and recovery during the times of global recession or any other unstable business environments globally. In the past, private companies have been successful in withstanding economic slowdown, market de-growth and other direct and indirect influencing factors. These companies have caught attention of private market investors and this has been one of the key reasons for success as these private market investors facilitate smooth cash flow and adequate working capital which was not the case when private companies had started to enter the market.

**US Leading from the front for Private Company Growth:** In countries like USA, private companies dominate the business space and are known to be way ahead in terms of growth and investments as compared to any public companies. Here are some of the interesting facts about the private company dominance in the US business market.

| | |
|---|---|
| 1 | US has largest number of start-ups in the world (around 65,703) as of May 2021. This number is 8 times larger than country with second most number of start-ups |
| 2 | Around 90% of US firms with more than 500 employees are privately held (pointing to the fact that private companies need not be smaller companies |
| 3 | Private companies with less than 500 employees drive close to 50% of the country's non-farm GDP |
| 4 | Small Business created 1.6 million net new jobs in 2020 |
| 5 | Around 48-49% of the US workforce is employed in private companies (data as of 2017) |

Source: US Government; US Small Business Administration (SBA)Economic Profile 2020; Startup Ranking

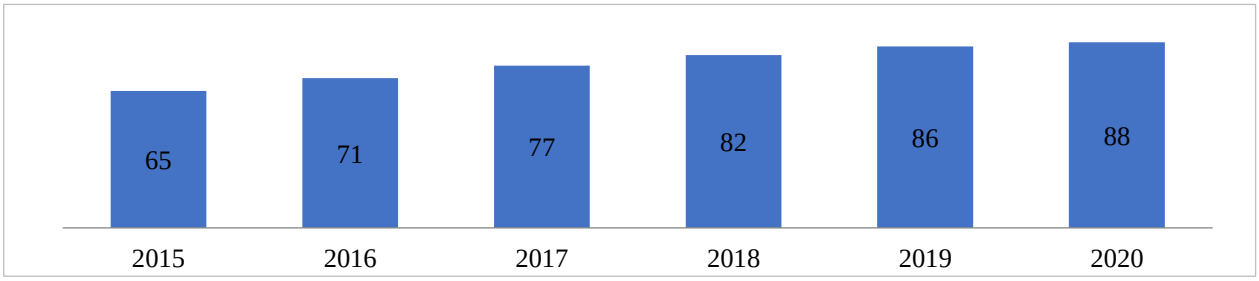
***Number of Active Funded Companies Globally, 2020*(in '000s)***




**Approximate Values; Source: Frost & Sullivan Analysis*

**US Active Funded Private Companies have grown more than 3 Folds in past Decade**

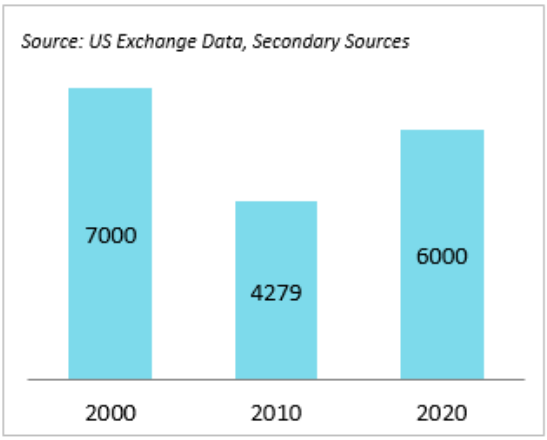
***Number of Active Funded Companies in US, 2020* (in '000s)***




**Approximate Values; Source: Frost & Sullivan Analysis*

**Public companies**

*Number of Public Companies Listed in US Exchanges, 2000 vs 2010 vs 2020*




Public companies on the other hand have also been a part of US economy's growth story. However, this rate of growth of these companies has not been on par with that of private companies. These companies are subject to disclosure laws in US and their financial performance needs to be transparent for government and regulatory authorities. As a result, number of public companies listed in US exchanges dropped from approximately 7000 companies in year 2000 to approximately 6000 companies in 2020.

With growing stability in private sector, the private companies have clearly outsmarted public companies on various aspects like investments, employment generation, technological growth and similar others.

Private companies have also shown rapid growth in other large and emerging economies like UK, China, Brazil and India. India stands second to US in the world in terms of number of start-ups according to Startup Ranking, a company that tracks and ranks start-ups across the globe. Government of India has also been backing the growth of private companies during these tough times by announcing several schemes and stimulus packages.

**Public And Private Companies Across The Regions – An Overview**

**Private Companies are gradually overshadowing the public companies and the trend is expected to continue**

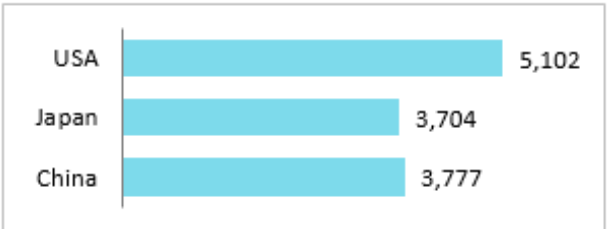
**Public Companies – Listed in 2019**

*Number of Companies Listed across Global Exchanges, 2019*

**45,055**

Number of companies listed on Stock Exchanges Globally - CY2019

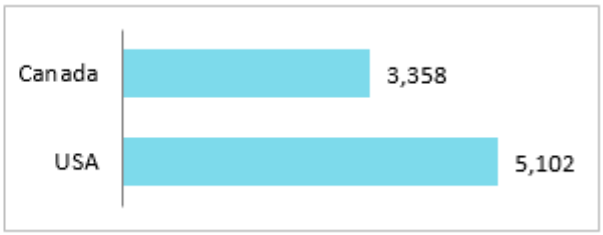
**Top Countries/Regions with Highest Public Listed Companies as of 2019 - Global**




**8,460**

Number of companies listed on Stock Exchanges in North America - CY2019

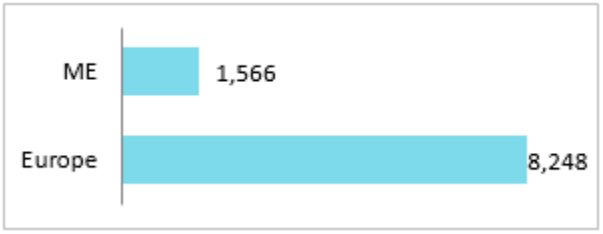
**Top Countries/Regions with Highest Public Listed Companies as of 2019 – North America**




**10,891**

Number of companies listed on Stock Exchanges in EMEA - CY2019

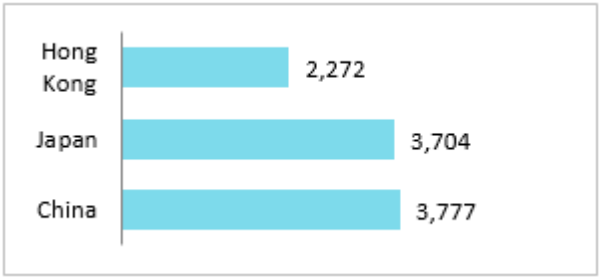
**Top Countries/Regions with Highest Public Listed Companies as of 2019 – EMEA**




**24,532**

Number of companies listed on Stock Exchanges in APAC - CY2019

**Top Countries/Regions with Highest Public Listed Companies as of 2019 – APAC**




Source: Secondary Sources, Exchanges Worldwide

(2) Note: The above mentioned statistics are approximate values derived from multiple secondary sources and data extracted from exchanges present in different countries.

**Private Companies – Across Regions**

Although, it is difficult to attach a number to businesses that are present globally, as per rough estimates, there are approximately 190 to 200 million private companies worldwide. Here are some of the rough estimates of how this number stacks up:

*Approximate No. of Private Companies Globally, 2019*

| Geography | Approx. No. of Private Companies as of 2019 |
|---|---|
| Global | approximately 190 to 200 Million Companies |
| USA | approximately 60-63 Million Active Private Companies |
| China | approximately 20-22 Million Companies |
| India | approximately 1.25 Million Companies |
| UK | approximately 6 Million Companies |
| Rest of the Wold | approximately 100-110 Million Companies |

*Source: Frost and Sullivan Estimates, Secondary Data*

**Private Companies – Region Specific Insights**

Some of the key insights or statistics which provide further guidance on the trends in private companies with respective countries or regions include:

- As of 2019, there were close to 63 million private companies in USA.
- According to Census Bureau of USA, around 73% of these private companies are "non-employer" business
- For example, there are approximately 1.2 million non-employer leasing businesses and this number is close to 90% of the leasing industry

- As of 2019, there were close to 5.9 – 6 million private sector businesses operating in UK.
- Private sector in UK has witnessed some level of turmoil after the Brexit, global economic slowdown and due to pandemic. However, according to latest reports in 2020, private sector has seen fastest growth in the last 7 years as investors look optimistic

- According to National Bureau of Statistics of China, around 85 to 90% of the enterprises in China are private companies.
- China had approximately 22 million private companies as of 2019 and this has witnessed a growth of 178.6% as compared to 2013.
- Private companies in China mainly operate in industries like scientific research, technology services and business services

- As of 2020, there were close to 1.25 million active registered companies in India.
- To further support and promote private company growth in the current pandemic, Government of India, in February 2021 announced easing of several compliance requirements under the Companies Act.

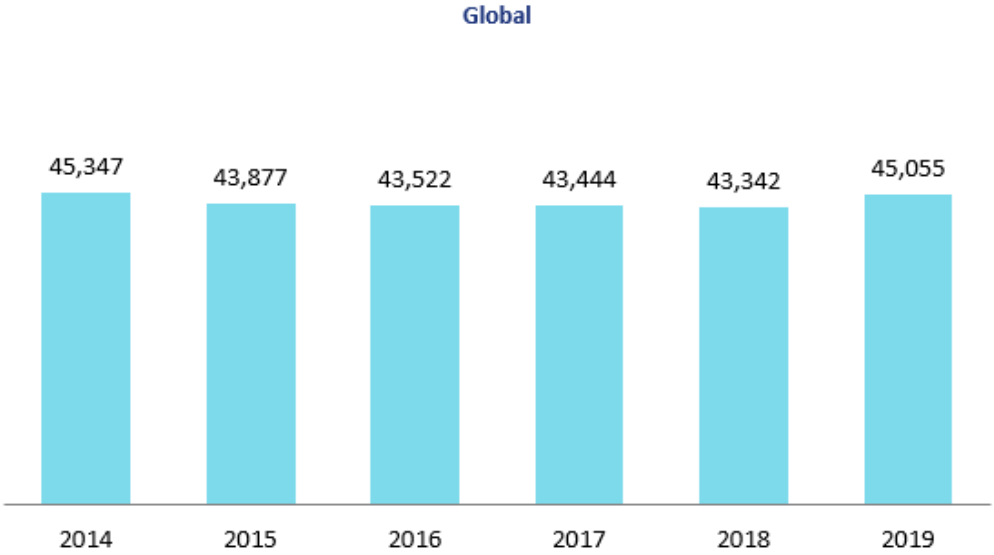
*Source: Ministry of Corporate Affairs, India; National Bureau of Statistics, China; US Govt*

**Growth of Private Vs Public Companies**

*Growth of public companies have remained flat over the years*

Growth of Public Companies:

*No. of Public Listed Companies, 2014 to 2019*




*Source: World Exchanges, US Exchange Data*

**Growth of Private Companies:**

Private companies on the other hand have shown continuous signs of growth and with globalization and emergence of favourable business environment across most of the countries globally, private companies are expected to further push for growth.

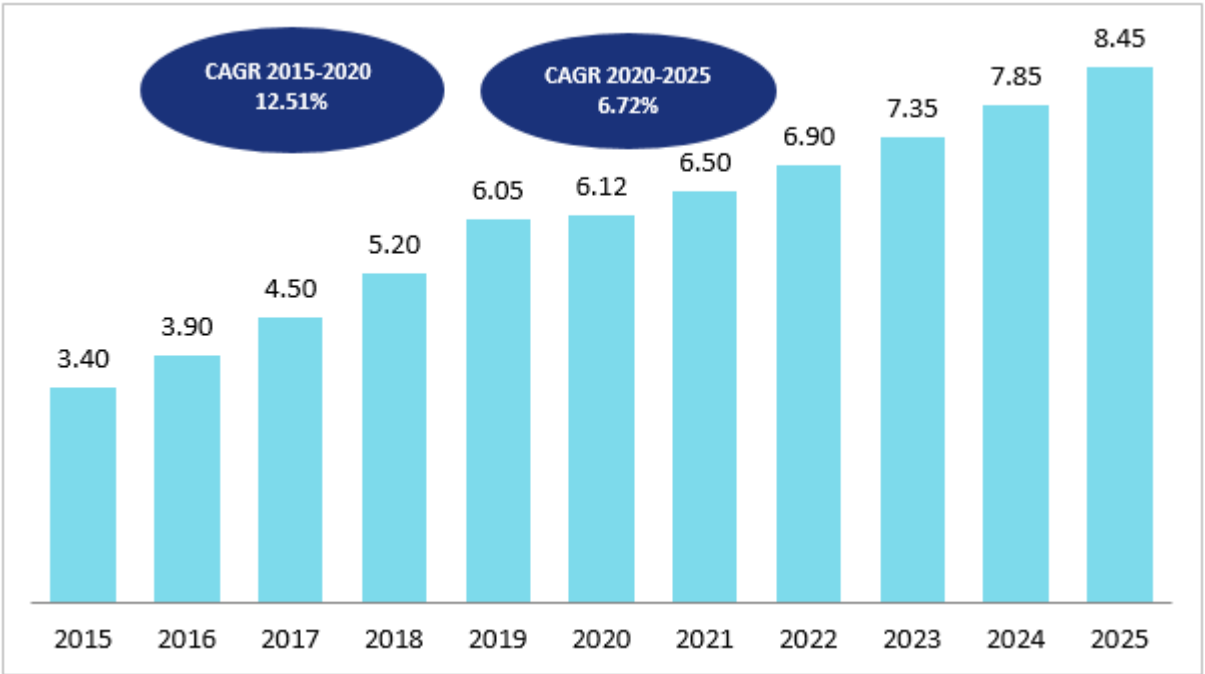
In countries like UK, SMEs which are mostly private, make up around 99% of the businesses currently operating in UK as of 2020. Also, small businesses which are mostly unlisted, provide employment to more than 60% of the population. Similar to UK, India as a country has seen greater business activities from private companies as compared to listed companies. The net profit share of private companies in non-agricultural economy grew to 64% in recent years as compared to 40% a decade ago in India. In China too, contrary to a general notion, private companies have been fast growing as a backbone of country's economy. Private companies today are contributing more than 60% of China's GDP. Private companies are responsible for nearly two-thirds of the country's growth and every 9 out of 10 jobs created in China are from private companies.

**Growth of Private Market Asset Under Management (AUM)**

**Influence of Private Companies on Economic Growth Is Increasing Steadily**

Asset Under Management (AUM) for all the asset classes grew at healthy rate in the last decade. According to research reports, private market asset under management grew by almost 5 times in the last decade (2010 to 2020) whereas for public market, the AUM growth was roughly half of that. The AUM has grown at healthy rate across all the asset classes.

***Private Market Asset Under Management Growth, 2015-2025 (USD trillion)***




Source: Frost and Sullivan Analysis

Since the pandemic hit, many PE firms have been actively working with their portfolio companies and supporting them in every possible way. As a result, these portfolio companies are looking to build partnerships with their private equity providers and thus are looking to jointly build strategies to win in this volatile situation.

According to Frost and Sullivan analysis, private market AUM stood at around USD 6 trillion in 2019 and is expected to reach around USD 8.45 trillion by 2025. Growth in private market AUM will mostly be driven by increased focus of private equity firms and venture capital (VC) firms who look to enhance their investments in private companies even as the number of private companies continue to grow every year. All the asset classes are expected to grow further in the near future and PE and VC firms will be at the fore-front of this growth story and will have greater market share in AUM in comparison to what they have today.

**Private Equity – Growing Strong in the Private Market Landscape**

**Private Equity Firms Leading from the Front in terms of Investments in Private Market**

**Growth of PE Deal Volume**

PE firms have been the backbone for growth of private companies worldwide, especially for the emerging start-ups. As the number of private companies is growing worldwide, the role of PE firms in guiding, supporting and nurturing these private companies has been commendable. PE firms continued to play vital role in backing and mentoring private companies throughout their growth journey. From time to time, most of the PE firms operating globally have stepped up their support to the private companies or start-ups in every possible way. PE firms provide the much needed capital support to their portfolio companies which help these companies in executing their business strategies.

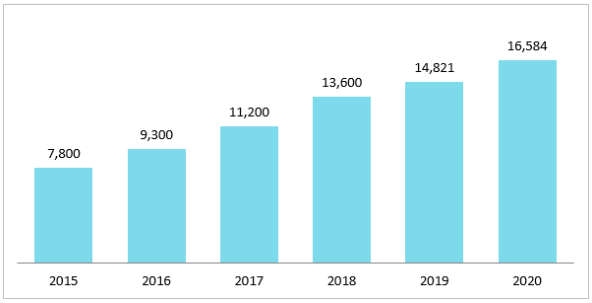
Over a period of time, PE firms have grown stronger and larger as they do not just provide financial support but also add value to their portfolio companies by guiding them in business strategies which in-turn would help the portfolio companies to experience high returns and thus attract fresh capital and re-investments.

**Growth of PE Firms/Funds**

The number of PE firms globally continued to increase. PE firms globally have been known for being having manual analytics methodologies along with lot of paper driven processes and procedures. However, the changing scenario and high competition in the investment arena is prompting PE firms to grow digital. With changing

situation, PE firms are growing more efficient than ever. They are employing technology, availing services from different B2B information service providers to build strong portfolio of companies.

*Number of PE Firms Globally, 2015-2020*




(3) Note: These are approximate values based on the secondary inputs

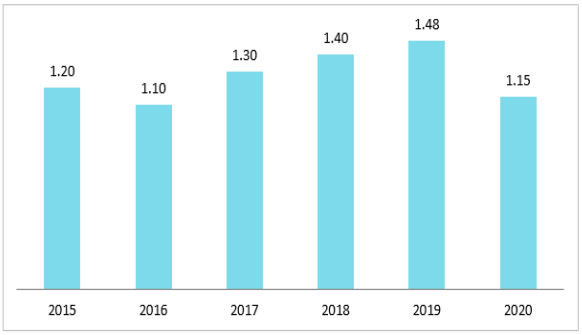
(4) Source: Secondary Data, Frost and Sullivan Analysis

**Growth of PE Firms/Funds Globally**

The Asset Under Management (AUM) of private equity firms continue to grow. Thus, private equity market has seen influx of several new players who want to target high growth private market companies. Among the different geographies, North America consisted of majority of private equity firms. Private equity firms are growing in numbers and their investment activities are becoming much more sophisticated than before where, with the help of technology, these firms are conducting discussions with portfolio companies at a faster rate and are closing the deals faster with the help of information services they avail to conduct through due diligence of all the private sector companies.

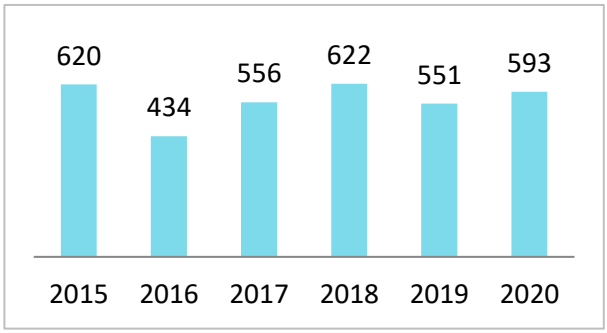
**PE Deal Volume Trend**

*Global Private Equity Deal Volume, 2015-2020 (USD trillion)*




Global PE Buy-out Deal Value

*Global PE Buy-out Deal Value, 2015-2020 (USD Billion)*




Source: Secondary Data, Frost and Sullivan Analysis

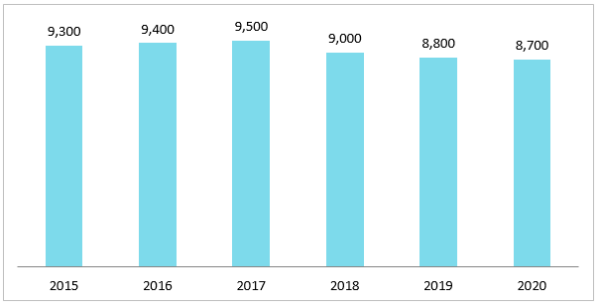
Following a slight decline in economy and increased volatility in business environment and due to negative business sentiments, the deal volume remained flat in 2019. Due to the ongoing pandemic, the deal volume has presumed to have remained or declined in 2020. However, as per the experts, 2021 and the consequent years are expected to see better growth in the PE deal volume.

The global PE buy-out deal value experienced a rebound in 2020 after a decline in second quarter of 2020 owing to the pandemic. The buy-out deal value witnessed a growth of close to 8% in comparison to 2019 and this growth is higher than the five year average of USD 555 billion. While the average deal size increase in 2020 resulted in increased buy-out deal value, the buy-out deal count witnessed a decline as investors moved cautiously and chose to invest in fewer companies in comparison to investments in 2019.

Private equity firms have been faring well in the global markets. These companies have witnessed increased investments, strong exits and attractive returns. Due to these increased activities among the PE firms, the global economies have seen robust growth and have thus resulted in the increased fund raising activities among the private sector companies. Private companies have been successful in raising close to USD 3 to 3.5 trillion in the past five years. Although, the investment value are certainly going up and PE firms are showing highly positive growth signs, the PE deal count has declined from the past few years.

**PE Deal Count Trend**

***PE Deal Count, 2015-2020***

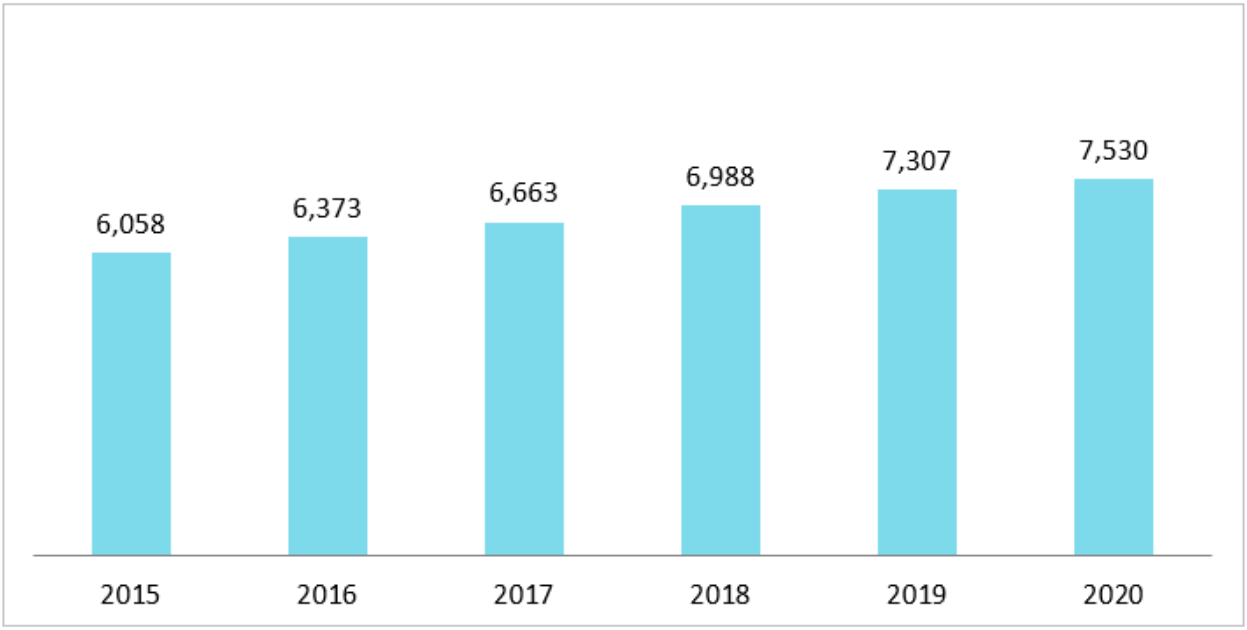



*Source: Secondary Data, Frost and Sullivan Analysis*

While the private equity deal value has been growing in the range of 15 to 19% every year, deal count has remained flat and is growing at a range of approximately 2% every year. While, the private equity firms are increasingly making big investments in fewer firms, due to stiff competition, PE firms are finding it difficult to explore deals at attractive prices. According to reports, the deal count for PE firms have declined since 2015. In 2018, the deal count further declined to 9000 transactions which was around 9500 in 2017. In the overall investment space, due to fierce competition and rising asset prices, deal count continue to decline.

**Investment Banks Rising Steadily**

***Growth of Number of Investment Banks, 2015-2020***




*Source: Secondary Data, Frost and Sullivan Analysis*

Numbers of investment banks have risen steadily in the past 5 years. Investment banks are focusing on mergers and acquisitions to expand their product offerings and increase the share in the market.

**Public to Private Market allocation across LP asset classes**

**Investors Moving Cautiously in Terms of Investments**

Limited Partnerships' (LP) allocation to private market has continued to witness lag form the past few years now. LPs which have been successful in choosing top managers have been able to gain above average returns. The performances of LPs are solely dependent on manager's performance and even though the persistency on funds has seen a declining trend, the belief in the performance of individual managers has remained intact for LP class. The trend of LPs investing in assets which allow more liquidity and discretion continues to grow.

Average LP Public to Private Market Allocation is 10:1

Public to Private Market allocation across LP asset classes

| LP Type (Total AUM) | Sovereign Wealth Fund ($7T) | Pension Fund ($3T ) | Endowment Fund ($0.5T) |
|---|---|---|---|
| Pubic Equity : Private Equity | 11:1 | 8:1 | 6:1 |

Detailed Allocation

Private Equity

Public Equity

| Asset Class | % |
|---|---|
| Private Equity | 5% |
| Developed Market Equities | 37% |
| Emerging Market Equities | 15% |
| Small-Cap Equities | 3% |
| Government Bonds | 15% |
| Credit | 7.5% |
| Alternative | 7.5% |
| Real Estate | 7.5% |
| Infrastructure | 3% |

| Asset Class | % |
|---|---|
| Private Equity | 8.7% |
| Fixed Income | 24.3% |
| Public Equity | 48.1% |
| Real Estate | 8.1% |
| Cash | 2.3% |
| Others | 8.3% |

| Asset Class | % |
|---|---|
| Venture Capital | 5.5% |
| Leveraged Buyouts | 6.1% |
| Absolute Return | 21.7% |
| Domestic Equity | 20.4% |
| Fixed Income | 8.8% |
| Foreign Equity | 22.8% |
| Natural Resources | 8.2% |
| Real Estate | 3.2% |
| Cash | 3.3% |

Source:: For SWF Average is based on only Abu Dhabi Investment Authority (ADIA) Self Declaration Average (2018). | .Pension Fund ratio is based on American Investment Council Data (June 30, 2018) :Based on 165 US Pension Fund | .Endowment Fund Ratio is based on Yale Report :Till 2018 US Educational Institutes Average || **Private Market include only Buyout, Venture Capital, Growth and Others(Based on McKinsey Report- A New Decade for Private Markets, 2020)

Private equity firms (PE) which are general partnership firms have had the obligation to meet the demands of LPs by adopting various strategies and investment vehicles that suit LPs interests. LPs private market allocation has always remained consistently low. If the LP start investing more in private markets, these markets could acquire more pace and thus start showing greater growth rates.

The pandemic has changed how LPs are investing. LPs are seeking additional exposure to private capital markets and are more cautious while allocating their investment dollars. According to a survey conducted by Eaton Partners, a subsidiary of Stifel Financial Corp, around 52% of the LP investors were of the opinion that private markets look more attractive as public market valuations soar. According to the survey, LP investors are increasingly becoming inclined towards venture capital and buyouts. Several institutional investors are making adjustments to their investments strategies as the inflation is becoming an increasingly worrisome factor and investors are seeking real assets.

**Growth of Venture Capital Allocation - Venture Capital Investments Remain Active in Asian Region**

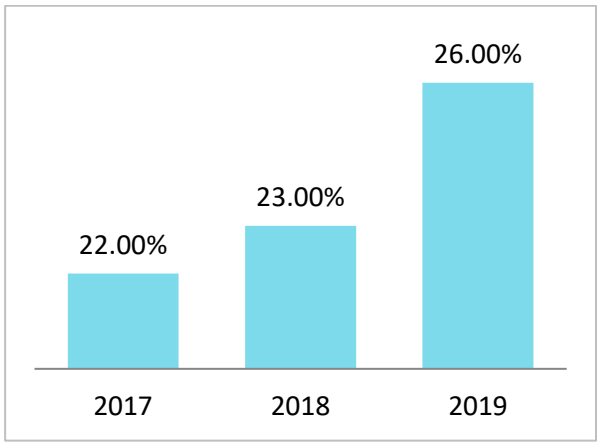
In the recent past, the private market landscape has transformed where buyout's share of private equity asset under management (AUM) declined by one-third in the past decade, whereas venture capital funds have grown led by Asian funds. As per recent research, Asia, in today's investment landscape accounts for more than two times growth capital than North America and accounts for same amount of venture capital as that in North America.

According to an analysis, the performance of funds of venture capital has been largely dependent on manager selection risks and the size of the fund is equally correlated with the overall performance which means, large VC firms have predominantly fared better. In the venture capital investment landscape, the existence of strong reputation and better networks tend to provide preferential access to entrepreneurs who are leading and have consistently outperformed in the market. In venture capital, larger funds tend to focus on larger deals. Backing this statement, in 2019, VCs were able to place 14 rounds of more than USD 1 billion.

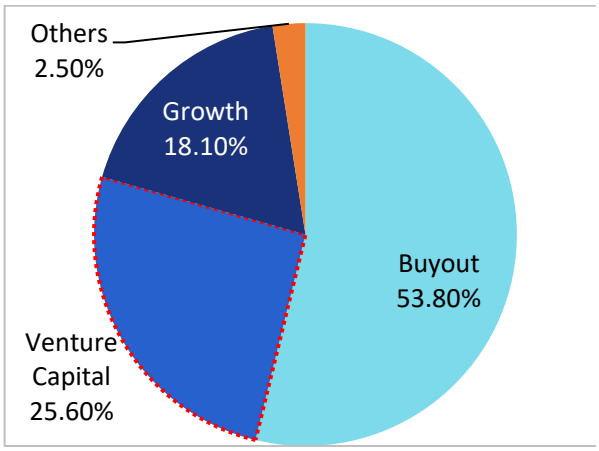
**Venture Capital allocation within private market has increased (Expected to be approximately USD1**

**trillion AUM)**

*Growth of Venture Capital Allocation, 2017-2019*



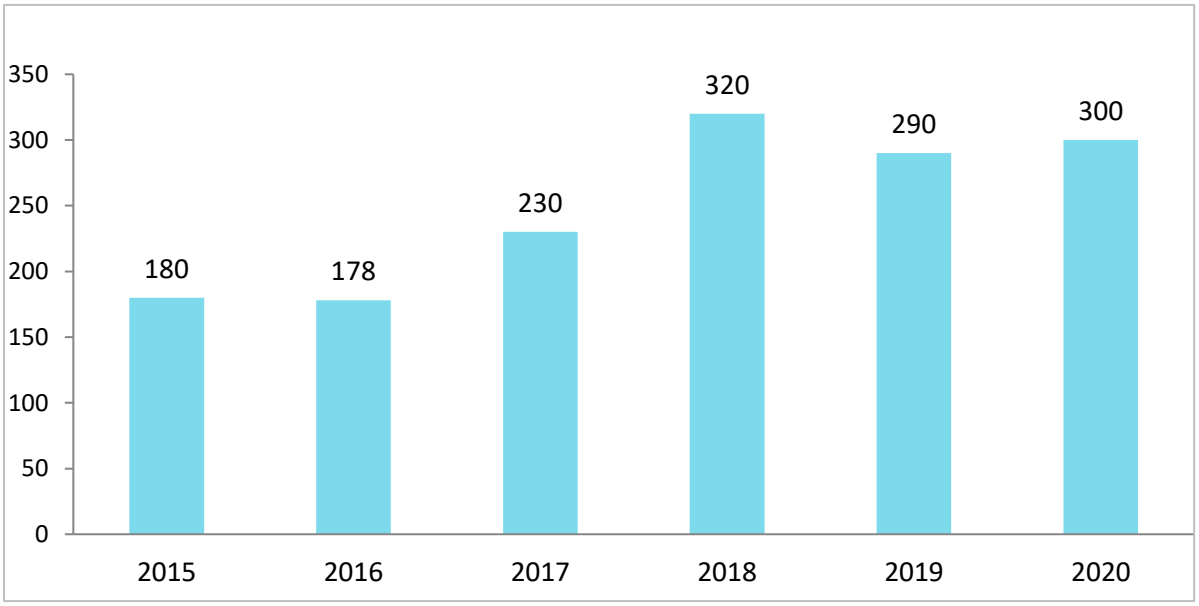

*Split of Private Market AUM by Asset Class, 2019*




*Source: Secondary Data, Frost & Sullivan Analysis*

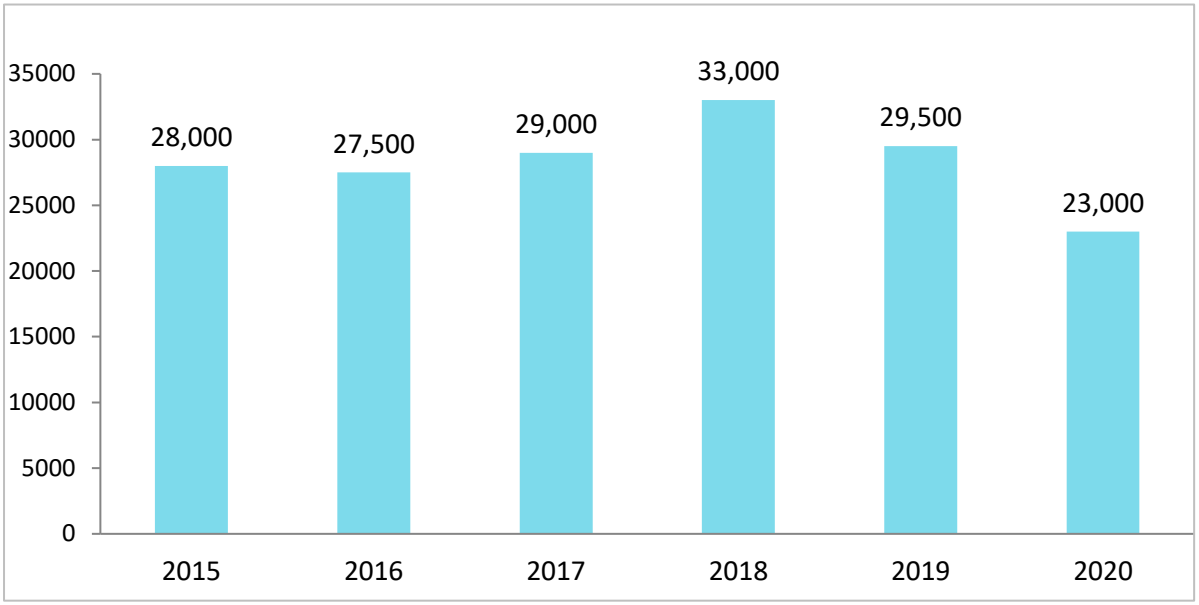
**Global VC Funding Volume**

***VC Deal Value, 2015-2020 (USD Billion)***




*Source: Secondary Data, Frost and Sullivan Analysis*

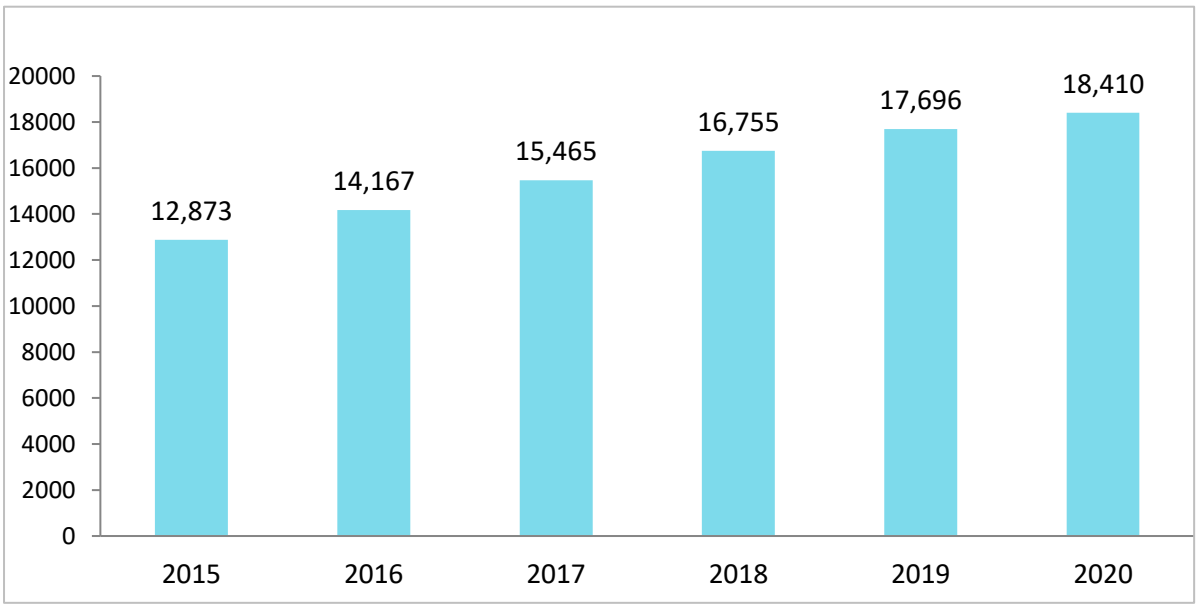
**Global VC Deal Count**
***VC Deal Count, 2015-2020***




*Source: Secondary Data, Frost and Sullivan Analysis*

**Number of VC Funds Globally**

***Number of VC Funds Globally, 2015-2020***




*Source: Secondary Data, Frost and Sullivan Analysis*

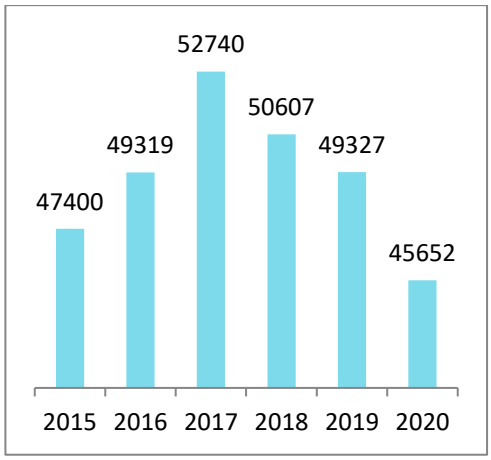
**Global Mergers and Acquisitions - M&A Activites Expected to Return to Normalcy by end of 2021**

Global merger and acquisition (M&A) activities have continued to stay strong and are expected to increase further in coming years. Since 2014, the global M&A activities have grown by about 8 to 9% in terms of activities. From 2014 up till 2018, global M&A activities have shown consistent growth. The first quarter of 2018 saw sharp rise in number of deals. However, the second half of the year saw a drastic decline in number of M&A deals. The number of deals more than USD 10 billion were as high as 17 in the first quarter of 2018 whereas the standard average was close to 6 deals for first quarter for past 8 to 10 years. The decline in number of deals in second half was mainly due to various factors including the increased business volatility, inconsistent equity markets, decline in valuations and other macroeconomic factors. The global M&A deal values and number of closed deals was

deeply impacted by the pandemic of 2020. Most of the geographic regions/countries experienced a decline in transaction value including countries like USA, Canada, Europe and APAC. As business uncertainty continued throughout 2020, the M&A deal value experienced a double digit decline across 90% of the global industries.

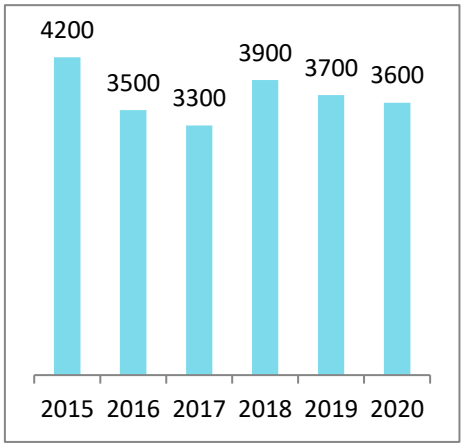
**Global M&A Deal Count and Values**

***Global M&A Deal Count, 2015-2020***




*Source : Secondary Data, Frost & Sullivan Analysis*
** USD Billion*

***Global M&A Deal Value 2015-2020***

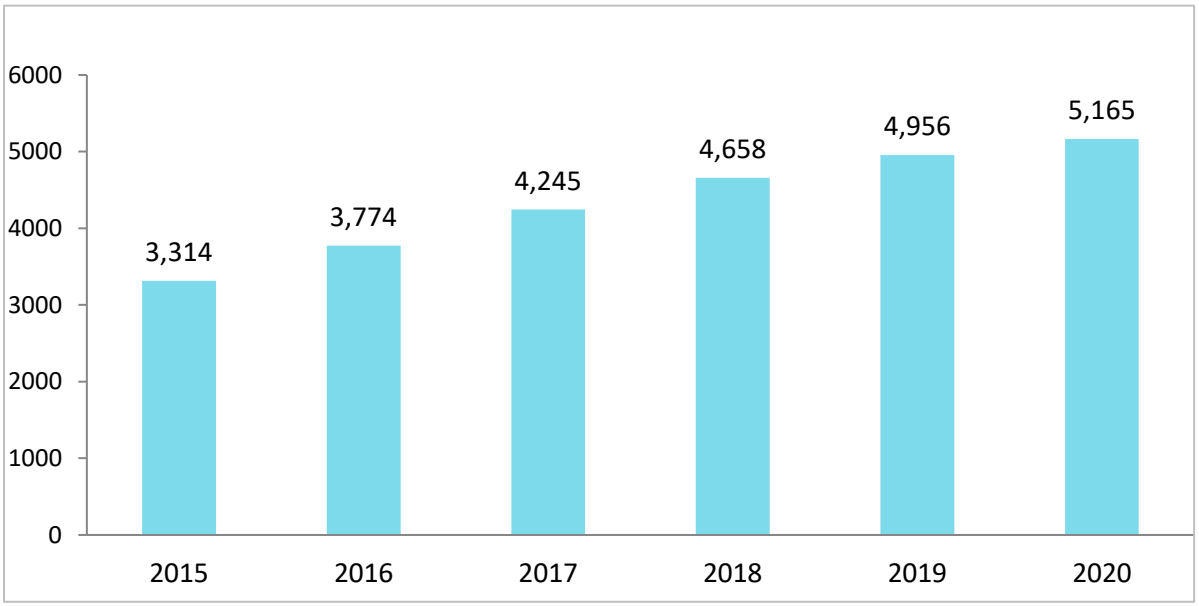



*Source : Secondary Data, Frost & Sullivan Analysis*
** USD Billion*

**Accelerators and Incubators**

**Number of Accelerators and Incubators Globally**

***Number of Accelerators and Incubators Globally, 2015-2020***




*Source: Secondary Data, Frost and Sullivan Analysis*

The number of accelerators and incubators globally continue to grow as more and more businesses continue to encourage growth of start-ups. Most of these accelerators and incubators are driving the growth of technology based start-ups or start-ups that have unique business models.

**Key Buyers of Private Research in Relation to Companies**

**Need for Informed Decision Making is Driving Businesses of Different Forms to Avail Private Market Data Services**

Data backed investments is one of the growing trends in the business space. Many of the private market investors today consider private company research and analysed data as a key criterion for making any sorts of business investments decisions. Private company is gaining popularity mostly among

- Private Market Investors and Investment Banks
- Corporates
- Others (Mostly includes government agencies, academic institutions, start-up accelerators and incubators)

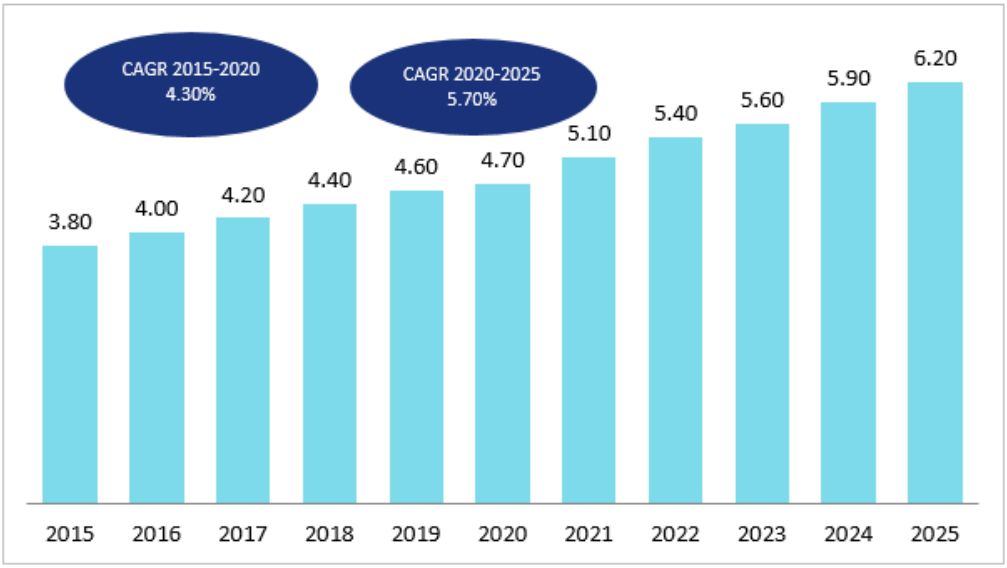
**Private Market Investors and Investment Banks**

Private market investors and investment banks mainly include venture capital and private equity firms and other investment banks. Private company research is one of the most sought after topics in businesses, especially among the investor community. Private equity firms are keen to use to private company research data to understand their target companies on various aspects like human resource quality, number of funding rounds, business idea and its commercial feasibility, technological maturity. More importantly, PE firms continuously monitor their target companies and sector for their financial growth year-over-year and having private company research data handy can expedite PE firms' objective of investment decision making and for better return on investments.

Private equity firms earlier relied on simple in-house based research teams who would manually track target private companies and record the activities on simple spreadsheets. These conventional methods were not as effective as investment decisions are more data analytics driven than just data collation. A decade back, spreadsheet based analytics was the only source for assessing private companies and lacked in-depth analysis.

With the advancement in technologies, improved data capturing and processing methodologies, PE firms are more than interested in third party private company research service providers and these B2B information service provides are providing in-depth, analysed and readily available data through a platform approach and are making data representation interesting through advanced visualization capability integration. All these factors have contributed to the increasing trend of use of private company data by PE firms.

***Private Equity Asset Under Management Growth, 2015-2025 (USD trillion)***




Source: Frost and Sullivan Analysis

PE firms today are utilizing years of expertise, technology and available information services platform to not only provide better returns to the stakeholders but are also elevating their capabilities to support its portfolio companies by providing them the right guidance to handle the business volatility arising from current pandemic. According to Frost and Sullivan's analysis, the private equity asset under management (AUM) is expected to reach close to USD 6.2 trillion by end 2025.

**Corporates:**

This category of customers mainly includes M&A Divisions of Large Corporates and Conglomerates; Innovation teams, Corporate ventures, Partnerships. Most of these operate as a separate corporate arm formed by companies who have been large players in a particular sector or industry. For example, many of the technology giants have their in-house M&A teams who continuously monitor few set of technology start-ups whose offerings are unique and can bring better value in the market.

Through private company data research, these teams assess few focus companies and their ongoing operational performance. After a thorough internal research and after utilizing the readily available analysed data from private company research companies, these teams of large corporates look for acquiring the start-up or would chalk out a plan to develop new products which have greater value in the market.

**Others**

The other category mostly consists of government agencies, academic institutions, start-up accelerators and incubators. There might be government or public sector companies who would be keen to invest in certain industries or sectors or companies that can yield better returns to their investments. For example, the Public pension department in US are known to regularly invest in private companies to obtain better returns. Similarly, in countries like India, large insurance companies who have surplus financial resources look to invest in those technology start-ups which not only yield better returns but also are changing how insurance industry functions by using fin-tech capabilities developed to in-house.

The private company research data is also used by large educational institutes that run incubators to promote entrepreneurship. Also, several healthcare or non-profit organizations or foundations use these services in order to track companies that are known to be revolutionizing healthcare system.

Public side research firms are another set of research houses who have keen interests in using private company research data for assessing companies on various aspects including the most important financial performance. Public side research companies are essentially equity research firms who, through their strong research and analysis of a sector or a company, provide high quality analysed data to investment banking firms who use this data to take non listed and listed company investment decisions and also to facilitate investment banking M&A transactions.

Private company research data is used by both sell side and buy side research firms to study small group of stocks within a certain industry. The analysts, with the help of private company research data build strong case history and become domain experts and build formal report that provide pin-point guidance about certain companies to investment bankers or other clients on whether to buy, sell or hold stocks or approach for capital raising, M&A and other investment banking activities.

**Global New Businesses Registered - Top Countries' Overview**

As discussed previously, the numbers of private companies are growing steadily worldwide as more and more countries are growing liberal and are adopting business friendly policies. The table below provides World Bank's country wise data on the number of companies that have registered from 2016 to 2018 (Top Countries).

| Country Name | 2016 | 2017 | 2018 |
|---|---|---|---|
| United Kingdom | 663,616 | 632,517 | 664,974 |
| Russian Federation | 433,464 | 392,323 | 317,468 |
| Australia | 246,623 | 250,946 | 235,654 |
| France | 188,843 | 197,899 | 201,087 |
| Brazil | 175,932 | 181,103 | 189,076 |
| Hong Kong SAR, China | 144,883 | 160,229 | 151,739 |
| Chile | 109,880 | 118,724 | 132,740 |
| India | 93,714 | 108,074 | 123,942 |
| Italy | 102,135 | 110,756 | 114,360 |

| | | | |
|---|---|---|---|
| Spain | 100,456 | 93,911 | 94,676 |
| Romania | 73,889 | 98,405 | 94,244 |
| Nigeria | 75,380 | 78,540 | 86,309 |
| Turkey | 62,674 | 74,347 | 85,798 |
| Mexico | 45,256 | 82,948 | 83,903 |
| Peru | 75,397 | 77,546 | 79,346 |
| Germany | 70,720 | 71,801 | 72,844 |
| Netherlands | 67,127 | 68,682 | 71,531 |
| Colombia | 67,248 | 65,710 | 68,588 |
| New Zealand | 58,130 | 57,917 | 56,380 |
| Thailand | 48,907 | 55,525 | 55,589 |
| Malaysia | 46,555 | 52,085 | 51,722 |
| Bulgaria | 50,753 | 49,638 | 45,683 |
| Sweden | 49,751 | 48,545 | 45,590 |

*Source: World Bank*

As the number of private companies continues to grow, the activities pertaining to investments in private companies are also on the rise. Private equity firms, VC firms and other investment class is looking to cash-in on this opportunity. However, for better investment making and improved visibility on private market, these investment firms are largely relying on private market information service provider companies. This in-turn creates better growth opportunities for information service providers, especially those offering platform based services.

**Information Services of Private Market / Company Data**

**Market is Evolving and Platform Agility, Depth Coverage are becoming Factors of Competitive Advantage**

Private companies worldwide have outpaced public companies in terms of growth and are proving to be crucial for maintaining stable economy and creating better opportunities and standard of living to the citizens of different countries. The growing dominance of private companies is prompting countries, governments and policy makers around the world to focus and create better business environment.

As the private companies are growing, they are attracting attention from different organizations like the PE firms, large corporates and other entities who are keen to understand these private companies in terms of innovation happening in these companies; their technology orientation; the worthiness of these companies with respect to investment; their business idea; the funding these companies have been able to secure and other factors. As investment firms and large corporates who have funding arms want to concentrate on their core business and prefer third party private company data provider for this information, the demand for private company information/data service providers are growing.

Another key aspect that is driving the demand for private company data providers' services is the non-availability of data/information on private companies. As most private market companies have limited regulatory obligations to disclose all the necessary information to authorities, most of the crucial data on these companies remain classified and is not easily available like those of public companies. As most investment companies like PE and VC firms look for critical information about private companies before making any business decision, the necessity of private market data becomes more important.

**1. Need of Private Market data**

Data has always been valuable source of information. Businesses have been investing in data or information services or specific reports to cater to their multiple business needs. However, with the emergence of private market coupled with digitization of information and related processes, the prominence of data has increased even more. Businesses and large corporates are dedicating a sizeable chunk of their research budgets in availing information services from private market data. Discussed below are some of the major reasons for need of private market data:

**Identify Industry Trends:** The private market data has capability to provide information where a country's specific sector is moving. For example, there may be a case where the healthcare industry is going through several innovation and several new health-tech start-ups might be emerging in this domain. This information will help private market investors and other large corporates to decide to which sector or industry to watch for while making their investment decisions

**Contemplating Risks Involved:** Private market data will also help the respective stakeholders to understand how both macroeconomic and microeconomic factors are influencing a specific region or country. Based on this, these investment firms would be in a much better position to pre-assess risks and difficulties involved with respect to a certain business decision.

**Assessment of Private Companies:** PE firms, venture capitalists and other large corporates generally build a portfolio of companies which they help to grow through regular funding, guidance and other operational processes. To build this portfolio of companies that they want to focus, these funding companies use private market data that helps them to assess performance on multiple factors like performance, financial activities and similar others.

**Making Better Business Decisions:** Large corporates and organizations mostly concentrate on their core business and would be more inclined towards gaining private company data through third party information service providers. Availing information services from these providers helps these corporates to reduce their time and efforts needed in assessment of private market companies.

**Understand Competitive Landscape:** One of the other key consumers of private market data are the private companies themselves. Many of the start-ups or private companies who have grown over a period of time and want to enter new markets and want to understand the already existing competitive landscape in that particular geography also tend to avail private market data services. These companies would be keen to understand how their competitors have progressed over a period of time, the kind of funding they have secured and other aspect.

## 2. Key factors influencing the growth of the Private Market Data Industry

**Improving Business Environment:** Favourable business environment is highly dependent on several factors including regulatory conditions, legal policies enforced, institutional support, government policies and reforms and the ease of doing business. As private market investors are looking for different aspects while targeting companies to invest, having a private market data would be helpful for them to make investment decisions.

**Growth of Private Companies:** Private sector is playing a key role in attracting investments, improving workforce skills, introduction of cutting edge technologies and more importantly, is creating better work opportunities for skilled workforce worldwide. The growth of private companies has provided an opportunity for growth of subsidiary industries. Thus, companies that provide private company information/insights are also seeing demand for their services.

**Increasing Business Activities of Private Companies:** As private companies grow, they attract investors who seek services from B2B information service to provide private company insights, which is influencing the growth of private market data industry.

**Arising Need for Credible Curated Information:** Unstructured data creates ambiguity for businesses and investment firms that are looking to have a clear cut investment strategy, affecting their decision making capabilities. Data curation enables faster decision making, be it related to investing in a new start-up or understanding the pros and cons of entering new markets or industries.

**Development of Better Data Collection and Analytical Technologies:** With the emergence of several new technological concepts like artificial intelligence (AI), Big Data Analytics, automated data capturing and processing etc., Several B2B information service providers who have operated traditionally in the past are elevating these technological concepts for better information services and are seeing greater demand for their services.

**Digitization of Company Information and Easy Availability of Data:** As more and more businesses are on the digitization path, most of the company information or any recent developments are being published online. This has increased the reliability of investment firms and other large corporates on information service provides.

## 3. Challenges in Getting Private Market Data

**Availability of Data:** As private market data providers mostly deal with companies who are not bound to share all the information or data publicly, getting specific data or information on these companies becomes difficult. For example, private companies do not publish their revenues and hence getting this kind of information sometimes becomes a difficult task.

**Data Accuracy and Validity:** As private market data service providers deal with lots of data, maintaining accuracy of data throughout becomes a challenge as these service providers have to sometimes rely on third party sources to gather information. Updating this data on a regular basis also proves to be a challenge to service provider companies

**Data Relevance and Information Overload:** As service providers traverse through large volumes of data, there are possibilities that these companies collate information or data that can be of no or minimal use to their customers. Providing data that is most relevant to the customers becomes a difficult task and considered as a challenge in this industry. Also, in this information age, the chances of businesses experiencing information overload is very high.

**Data Collection Standards:** Sometimes the data collection process of information service provider companies may not be defined. Collection of data in non-prescribed form or format can sometimes make the information less usable.

**Data to Insight Building:** Although information service providers collect large amounts of data, inability to convert them to information and then to a valuable, actionable insight remains a challenge.

**Costs Involved:** Another key challenge that private market data service providers face is the total costs that these companies incur while capturing, analysing and offering the information to their business customers. Cost factors like cost of revenue, general and administrative costs, sales and marketing costs all impact the profits of these service providers.

Generally, those private market data service providers who are pre-dominantly located in regions like North America or Europe experience this due to the differentiated compensation structure for the workforce employed (Analyst compensation costs). Also, other factors data operations, costs of procuring third party data, the technical team's location and data hosting costs all influence the overall costs. However, in regions like Asia where the costs involved in operating business is much lesser have an advantage.

As an example, the below table depicts the remuneration in services profession in USA, UK and India. (As per IMD World Talent Ranking 2020).

| **Remuneration in Services Profession (Gross Annual Income including supplements such as Bonuses)** | USA – USD 59,616 |
|---|---|
| | UK – USD 39,774 |
| | India – USD 6,508 |

From the above table it is quite clear that remuneration in countries like India is almost 10 times lower than that in United States and around 6 times lower than that in UK. This has been one of the key advantage for companies like Tracxn that operates mostly out of India and is able to have cost advantage over its competitors like whose workforce is mostly located outside India at higher costs.

### 4. Importance of Coverage in Segments & Geographies

### Geographical Coverage

Most of the strong players in private market data service industry operate globally and cover companies across different regions and geographies. In the private market data service industry, the depth of coverage plays a vital role as the customers in this industry are not limited to a particular geography and have investment related interests across private companies located in different regions. The depth of coverage also depends on the effectiveness of the platform and the technology that has been employed to build this platform and the automation that goes into these platforms. Tracxn that was started in 2012 has already covered more than 1.40 million companies as of May 2021, that is, within 9 years of inception. This has been possible only because of the efficiency of the platform that has been achieved through automation. Tracxn that was started just a little over half a decade back is among

leading global market intelligence providers for private company data and rank among the top five players globally in terms of number of companies profiled. The company through its strong platform not only covers large number of private companies but also has developed expertise in providing in-depth information about of private market companies across sectors and geographies.

**Industry Coverage**

Tracking companies based on the industry has become a norm for private market data providers. Keeping a track of companies based on the industries they belong to is helping private market data providers to cater to specific needs of their customers. For example, a particular investment banking firm or a PE firm would be needing information purely with respect to the private companies who are doing well in the finance sector. They would be keener to understand what these private companies are doing. Having this level of information tracked helps private market data providers to provide accurate insights that in-turn will help investment firms in quick and accurate investment decision making.

**Technology Coverage**

Technology tracking is gaining importance as more and more private market investors and other customers of private market data are narrowing their focus on tech based companies. Technology tracking including the companies which are doing exceptionally well in one particular technology can be advantageous for data service providers as the demand for this type of information is increasing. For example, if a large technology company is looking to acquire or support a speech technology start-up, the tech company would be keen to understand what kind of start-ups exist in the business landscape and how are they performing. Having this information handy helps them to cut down on its efforts in shortlisting of companies.

Tracxn dedicatedly tracks technology sub-sectors and related private market companies. Tracxn also has a detailed taxonomy for these technology sectors which is one of its kind and provides an in-depth taxonomy coverage. A detailed taxonomy helps consumers of private market data to track technology topics in a much accurate manner and helps them narrow down their company search to only a specific set of companies instead of having a generic view of technology.

With strong technology coverage, in less than a decade, Tracxn has grown to become a major private market data service provider and has one of the largest coverage of private companies in emerging technology sectors including IoT, artificial intelligence, virtual reality, robotics, blockchain and electric vehicles. The company is one of the very few private market data service provider in the world to have a proprietary taxonomy for technology sector companies and prepare market maps.

**5. Key User Segments for Private Market Data**

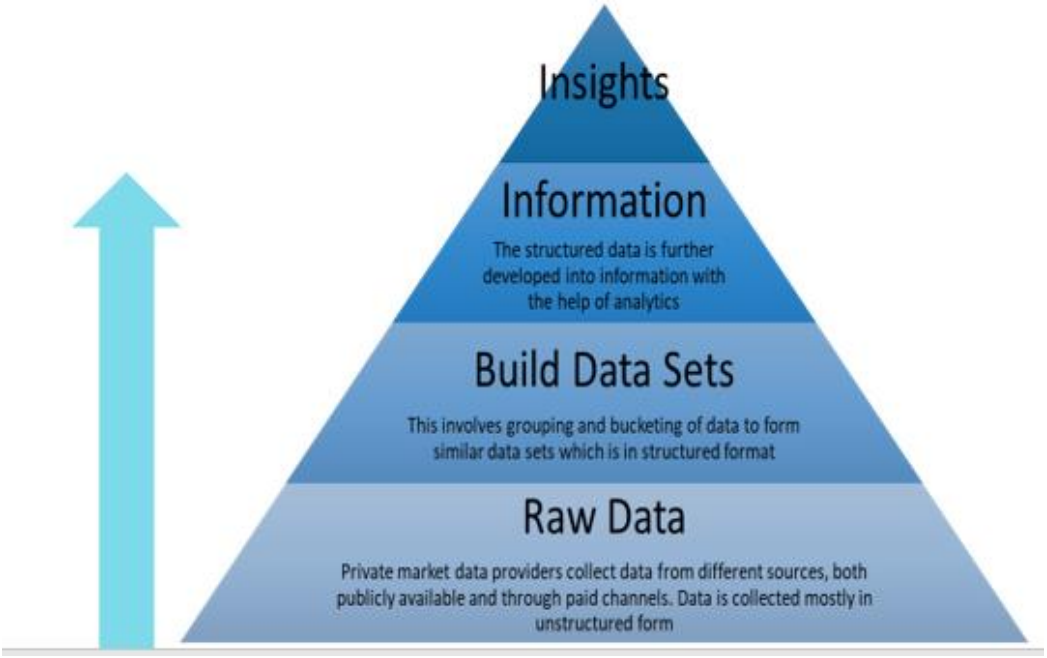
**Private Market Investors and Investment Banks:** These are generally the PE firms, VC firms and investment banks who will be keen to explore new business and other private companies for investment

**Corporates:** Many of the large companies having their funding arms or M&A arms use private market data to explore new and budding start-ups or other key private companies

**Others:** Other than these companies, several private companies themselves use private market data for acquisitions or to understand private funding patters and other aspects. Apart from these, educational institutes, start-up accelerators, government bodies all avail private market data services to understand the performance of companies, technological trends that are emerging, the funding trends and similar other aspects

The prominence of private market data has grown throughout every business. For example, several large established technology players or automobile companies are always on a look out for new technology based companies whom they can either acquire or build partnership with to bring out new, enhanced products or offerings. Similarly, several banking companies use these services to understand the emergence of new fin-tech firms that can re-write the how financial sector operate and become better technologically equipped.

## 6. Key Revenue & Business Models on Private Market Data Industry




Private market data providers collect unstructured data from different sources and build them into meaningful insights that can be readily used by its customers for business related decision making. Private company data providers create data collection standards which enables them to track each and every company on both its current data and information and also on the historical trend. Using the collated data and through usage of technology based tools, these companies build insights.

**Revenue Model: Subscription based revenue model remains the most common**

**SUBSCRIPTION BASED REVENUE MODEL**

- Most widely existing revenue model
- Per user/month revenue model
- Enables businesses customers to have better control and avoids vendor lock-in

**PAY-AS-YOU-USE REVENUE MODEL**

- Not so widely existing revenue model
- Customers can pay only for a portion of data that they would be interested in

Subscription based model has been one of the widely existing revenue model and has been popular among customers looking for private market data. Most of the service providers offer their services via platform and customers can avail these services on monthly, quarterly, half yearly or through annual subscriptions. The private market data providers generally have pricing plans that are designed for businesses of every size and shape. The pricing plans range from as simple as single user subscription plan to 3 or 5 user plans (targeted at mid-market) and more than 5 user plans (targeted at large customers who have high requirements). Among these plans, the mid-market plans are known to be the most popular as most of the PE firms or other investment companies have a limited member internal research groups who will be the typical users of these platforms.

## Technology Trends

### Use of technology for data capturing and processing remains a key ongoing trend in the market

### Importance of technology in the Private Market Data Industry

Technology has grown to be backbone of the every industry of-late. Most of the businesses which are known to be tech savvy have been able to retain their customer base and have also been able to win new customers using sophisticated technological platforms, solutions or services. B2B information services industry too has evolved over a period of time. In the traditional form, most of this information services was delivered through a conventional method where service providers would simply collect data and provide the same on their website or any other media. As technology has progressed, most of the technology based services are now being delivered via cloud. Using cloud as a base, many of the businesses including information service providers have transformed their offerings. In case of private market data providers, the industry today is dominated by new age service providers whose core remains technology platform through which they offer their services. Technology penetration in the form of AI, analytics, data scraping, visualization tools and other has been the success story for most of the private market data providers.

Using artificial intelligence (AI), machine learning (ML), Analytics and other business intelligence (BI) tools, private market data providers have been able to automate most of the processes in their business intelligence offering platform. These businesses are reaping the benefits of their technology inclination as more and business customers are finding it easier to get data or information or insights with pin-point accuracy without the need for browsing through multiple pages or data.

Almost all the private market data service providers elevate cloud technology to host their services. These service providers partner with the likes of AWS, Google Cloud, Microsoft Azure and similar others and avail their cloud infrastructure. Cloud based platforms offer greater flexibility and agility to platforms which is not possible through traditional on-premise deployment methods. Business customers of private market data providers expect these platforms to be agile and respond to any query in real-time. The integration of cloud technologies coupled with use of open source technologies is also enabling service providers to extract relevant data through multiple sources automatically. Use of open source technologies is helping these service providers to scrape data through publicly available information and save both time and costs of doing the same manually.

The private market data service platforms built today is rigorously designed by integrating new age technological capabilities and concepts. For example, Tracxn as a company has an in house developed sophisticated engine to find new and interesting private companies. Tracxn platform is built on ElasticSearch, MongoDB for scalable backend and analytics and Redis for in-memory caching. In addition it also employs AI based analytical concepts for capabilities like auto-extract and auto-recommendations.

### Growth of Artificial Intelligence

B2B information service providers for long have relied on traditional approach and have mostly used manual methods for data collection and processing. With growing advancement in artificial intelligence, private company data providers have been successful in integrating AI capabilities into their platform for better data extraction and processing. These service providers have been investing in AI enhancements where technology powered machine learning models are developed and further enhanced as per the data requirement.

In the past, most of these companies relied on human inputs at different juncture of data collection and processing and not more than 20% to 30% of the data collection and processing was automated. With human intervention, the data collection rules and formats had to be pre-defined and could only change only when humans did so. This made human dependency high for these platforms and thus also opened up the possibility of errors.

With advancement in technology, machine learning based algorithms have been integrated into both backend and frontend of the platform. The machine learning algorithm are such that they automatically modify based on the research requirements and also through analysing the historical trend of data captured. In the current scenario, most of the private market data providers have automated 40% to 60% of their data collection and processing capabilities and plan to further elevate new enhancements of AI technology to fine tune their platforms.

**Need of AI, Data Intelligence in Information Services**

Role of AI based data processing is gaining importance for better and quicker business intelligence building. Most of the businesses today want accurate data in quick time and also want this data to be updated in real-time for better analysis. Having a manual form of data extraction and updating would not be feasible idea as it is both time consuming and maybe sometimes inaccurate. Some of the key reasons for growth of usage of AI and data intelligence by private market data providers include:

**Processing of Large Volume of Data:** As more and more businesses are going digital and publishing their company information, news and other data online or on other digital channels, there is a large volume of data that is being generated that require months or even years for humans to decode and extract information. Instead, the use of AI based concepts with pre-defined ML algorithms is helping private company data providers to move through large volumes of data and extract what is required.

**Extract Accurate Data:** In the traditional human based data extraction process, there is a very high chance of human errors and these errors can sometimes result in loss of customer for private company data providers. With advancement in AI technologies, service providers have been successful in minimizing data accuracy errors which has resulted in greater trust by investment firms in these private company data providers.

**Better Insight Building:** Use of AI concepts can help private company data providers in automatically creating datasets from the extracted data. These datasets can then be interconnected to form information which in-turn can become an insight and all this can be made automatically without much of human intervention

**Building Better Data Models and Predictive Analytics Models:** With continuous influx of data, AI based platforms would be capable to analyse the historical and present data and this can result in prediction of trend that would help these private company data providers to build predictive business intelligence models which would in-turn help their customers in better decision making with minimalistic financial risks.

**Importance of Automation**

The process of automation is not possible without integrating artificial intelligence (AI) capabilities. Extensive of use of AI based concepts can result in automation of several processes in building business intelligence. Some of important aspects that automation addresses in the information services industry include:

| | |
|---|---|
| **Lesser Time to Market** | With automation in place, private market data providers can reduce time take to provide insights with respect to a technology or a company or any other info |
| **Regular Updating of Data** | Automation can help these private market data providers to update data in real-time which increases the relevancy of data an in-turn add value to the insights provided |
| **Minimizing Data Related Errors** | Manual process of data extraction and processing can lead to errors. Automating these processes with right algorithm can improve the quality of data collected |
| **Exploring of Large Volumes of Data** | Exploring data from large volumes of data can be a time consuming task when done manually. Automation can help in exploring more data in lesser time |
| **Building Data Forecasting Models** | Private companies can use automation technologies to capture right data and thus build forecasting models through which they can add value to their offerings |

**Market Size of Private Market Data Service**

**Gap in Total Addressable Market and Total Available Market is expected to further heat-up the competition in private market data service provider landscape**

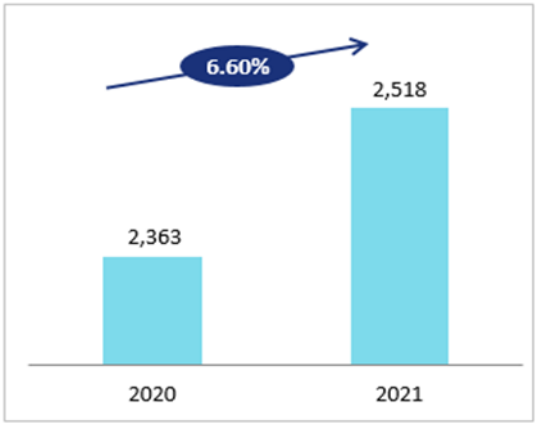
**Current Global Market Size & Market Forecast**

Private market data is a subset of the bigger B2B information services market. Most players in this market are a mix of old and new companies and have seen strong growth over a period of time. Private markets are growing

rapidly worldwide and the business activities happening around these companies have been immense. To stay in competition, businesses, especially PE firms, VC firms, large corporates have to have greater insight into the market. These businesses should know which sectors are making exceptional growth; skill-set that is prevalent in market and also about what other private market investors or large corporates are doing. To understand this, these firms have to dedicate both time and resources to develop an in-house research teams that tracks the progress of private companies across the globe. However, due to lack of time and limited resources, businesses prefer services from private market intelligence providers who not only collect data across multiple factors but also provide valuable insights that help businesses in better and quicker decision making without compromising on the core business activities.

**Private Market Data Service – Market Size (Total Available Market)**

*Total Available Market for Private Data Service 2021 (USD Million)*

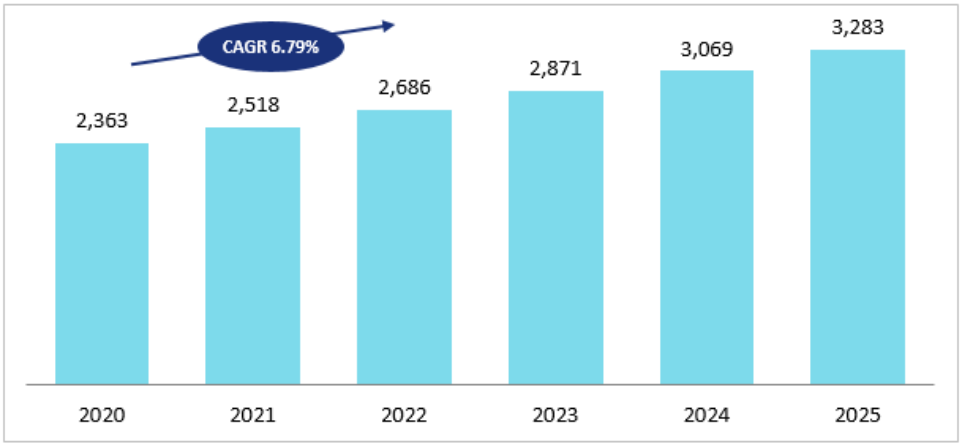



Total Available Market is the market that has not yet been fully penetrated and still has opportunities as there are many different PE, VC, M&A teams and public and private side research teams which are getting incorporated but are not yet using private market data service. Total Available Market is dependent on factors like the total number of investment firms, corporates and other entities that are added every year, the pricing that changes over a period of time and also the gradual shift of businesses from a single user to multiple user subscriptions.

*Source: Secondary Data, Frost & Sullivan Analysis*

**Private Market Data Service Market – Forecast 2021-2025 (Total Available Market)**

***Total Available Market Revenue Forecast 2021-2025 (USD Million)***

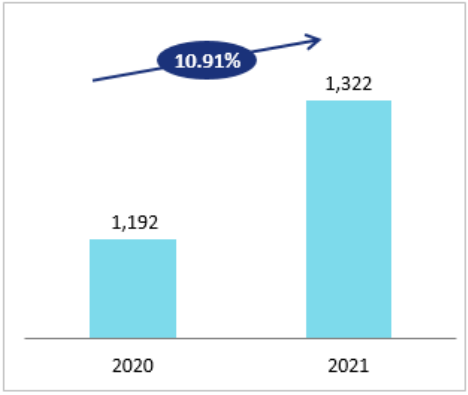



*Source: Secondary Data, Frost & Sullivan Analysis*

The total available market for private market data service industry is expected to grow at a rate of close to 6.79%. The growth of the market is expected to be mainly dependent on the growth of number of PE, VC and other investment firms, large corporates and other entities who will be willing to invest in private companies. Growth in this market will also be driven by increasing demand for better and accurate strategic decision making by organizations; for competition analysis by existing private companies; for peer benchmarking; for understanding the technology trends that is shaping up; for governments to make strategic investment decisions; for availing funding by private companies and similar others.

**Private Market Data Service – Market Size (Total Addressable Market)**

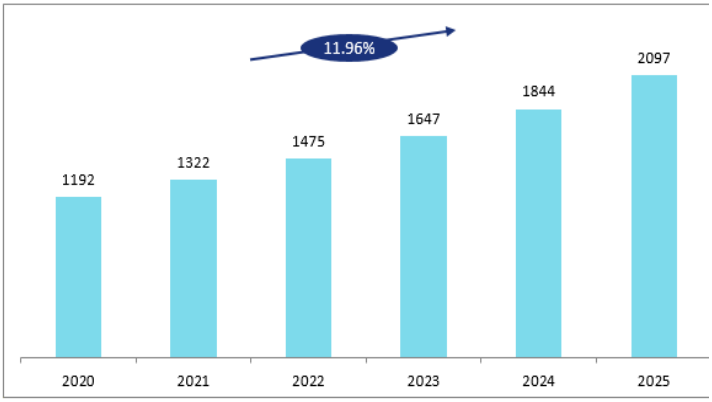
*Total Addressable Market for Private Data Service 2021 (USD Million)*




*Source: Secondary Data, Frost & Sullivan Analysis*

**Private Market Data Service Market – Forecast 2021-2025 (Total Addressable Market)**

*Total Addressable Market Revenue Forecast 2021-2025 (USD Million)*



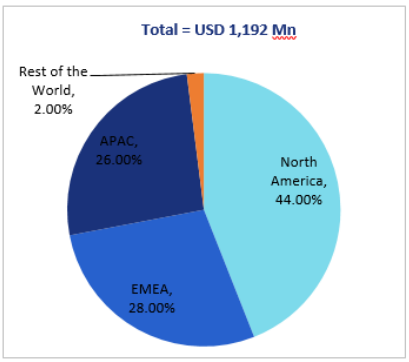

*Base Year 2020*
*Source: Secondary Data, Frost & Sullivan Analysis*

Total Addressable market is the market that has been captured by private market data service providers and the players are realizing the revenue by serving the PE, VC and other investment firms who have been investing in private market data services. This market, similar to total available market is depended on the pricing, the number of new investment firms incorporated every year, the pricing that has changed. However, this market is also dependent on the percentage of penetration that has happened in the market where service providers have been able to tap the market successfully.

The total addressable market is expected to grow as private market data service providers are expected to further penetrate the market in next 5 years. According to Frost and Sullivan estimates, the market penetration in 2020 stood at close to 50% which is expected to go up to as high as 65% in next 5 years.

**Private Market Data Services Revenue (Total Addressable Market) – By Region**

***Private Market Data Service Revenue (Total Addressable Market) by Region, 2020***



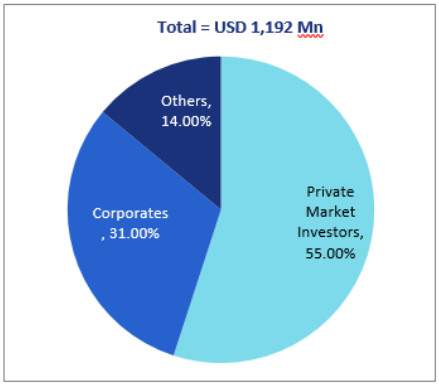

Region wise, North America continues to be the biggest revenue generator in comparison to other geographical regions. USA has one of the highest number of private companies which range from technology based firms and vast number of start-ups. Also, the region consists of highest number of PE firms, VC firms, investment banking companies and large corporate companies with funding arms. After North America, EMEA and APAC have been contributing at the same range to the overall private market data service market. Europe, despite the recent developments has continued to grow. Asia has one of the fastest growing region amongst all as this region is witnessing highest number of business activities and investment activities. It is expected that this region will surpass EMEA in the near future as more and more private companies are emerging in this region and investment activities are growing proportionately.

*Source: Secondary Data, Frost & Sullivan Analysis*

**Private Market Data Services Revenue (Total Addressable Market) – By User Segment**

*Private Market Data Service Revenue (Total Addressable Market) by User Segment, 2020*

In terms of user segment, private market investors which include the PE firms, the venture capital companies and investment banking companies have been the biggest adopters of private market data services. The number of PE firms has been growing rapidly globally. More and more number of investors are emerging across different regions




and are thus using private market data extensively for better business decision making. Apart from PE and VC firms, investment banks, the funding arms or M&A subsidiary of large corporates have been one of next biggest users of private market data services. These firms are always on a look-out for technology start-ups or other small companies who have disrupting business models or business ideas or technology based products that can re-write how certain industries function. These companies are either acquired by large corporates or a partnership is formed for development of advanced offerings. In addition to this, several start-ups and other emerging mid-market companies, educational organizations who have their own requirements like funding, technology acquisition requirements or trend assessment and other such requirements have been using private market data extensively.

*Source: Secondary Data, Frost & Sullivan Analysis*

***Global User Segment Split for Private Market Data Service - 2020***

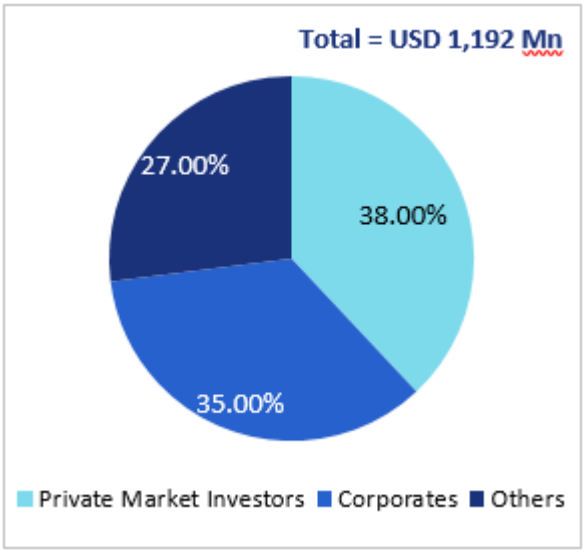
| | Total No. of Organizations | North America | Europe | Asia | Australia | Africa | South America |
|---|---|---|---|---|---|---|---|
| **PE** | 16,584 | 8,370 | 4,316 | 2,597 | 416 | 610 | 276 |
| **VC** | 26,641 | 12,186 | 7,201 | 5,593 | 626 | 613 | 423 |
| **Hedge Fund** | 10,000 | 5,941 | 2,061 | 1,140 | 272 | 303 | 282 |
| **Angel Network** | 1,209 | 599 | 350 | 174 | 34 | 30 | 21 |
| **Debt Fund** | 1,513 | 843 | 396 | 163 | 53 | 39 | 20 |
| **Investment Bank** | 11,710 | 5,037 | 3,123 | 2,321 | 524 | 477 | 227 |
| **Accelerator/Incubator** | 7,037 | 2,499 | 2,057 | 1,884 | 204 | 274 | 119 |
| **Family Office** | 1,261 | 653 | 393 | 159 | 34 | 11 | 11 |
| **Listed Entities** | 44,350 | 7,871 | 8,248 | 24,146 | 1,952 | 1,077 | 1,056 |
| **Limited Partners** | 1,435 | 934 | 296 | 124 | 37 | 30 | 14 |
| **Educational Institutions** | 30,188 | 9,076 | 6,344 | 12,449 | 870 | 869 | 580 |
| **Angel Investors** | 300,000 | 144,419 | 77,437 | 54,552 | 8,530 | 9,406 | 5,657 |

*Source: Frost & Sullivan Analysis*

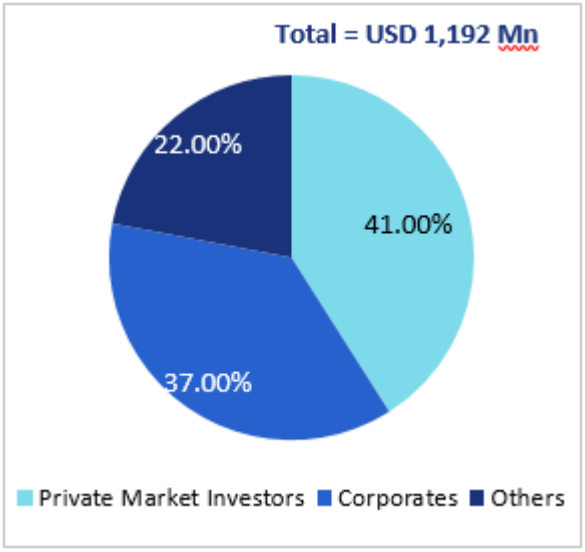
The above table provides the approximate split of end-user groups for private market data. As indicated, North America has the largest number of users all the three user groups, that is, the private market investors, the corporates and the others.

**Private Market Data Service (Total Addressable Market) - By User Segment**

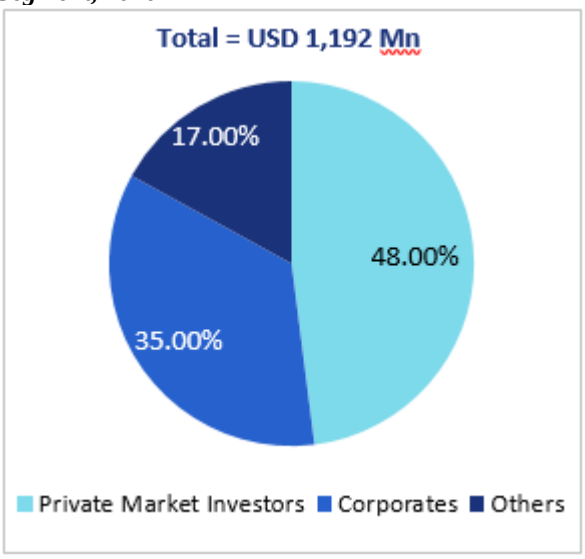
***North America Private Market Data Service Revenue by User Segment, 2020***



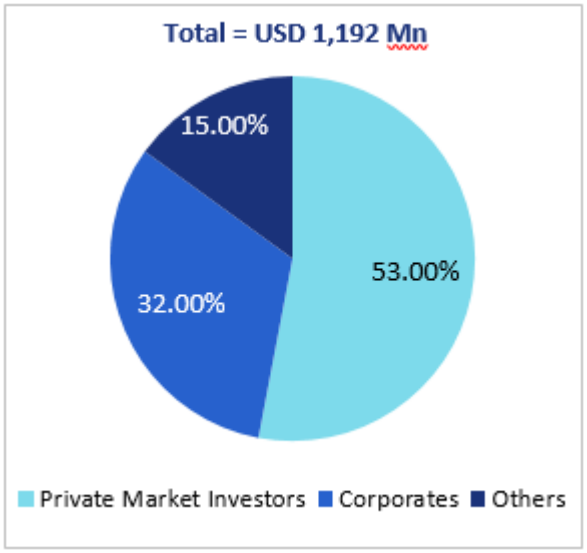

***EMEA Private Market Data Service Revenue by User Segment, 2020***




***APAC Private Market Data Service Revenue by User Segment, 2020***




***Rest of the world Private Market Data Service Revenue by User Segment, 2020***




*Source: Secondary Data, Frost & Sullivan Analysis*

In all the geographies, investment firms form the largest users of private market data services. Regions like North America and Europe have large number of PE firms, VC companies and large corporates who have equal interests in funding, acquisitions and other similar activities and hence use private market data services extensively. The rate of growth in the coming years will be high in APAC region as more and more private companies will attract funding and other investment activities in the near future.

**Competition Analysis of Private Market Data**

**Technology Backed Platforms and In-depth Coverage to be the most important factors influencing Competition**

The private market data service providers or private company data intelligence provider market typically constitutes of two kinds of players. First set of players are typically the ones who have been in the market for many decades and have evolved over a period of time and have integrated advanced capabilities and data

processing mechanisms to provide curated information or insights. The second set of players are those who are mostly new age private market data service providers who have started with a platform approach and have incorporated several cutting edge technologies built around artificial intelligence (AI), analytics and other concepts which makes their platform robust and highly responsive, . These companies started with these technologically sound platforms and have enhanced their platform capabilities over a period of time. Most of the private market data provider companies have originated from countries like USA, UK, India and other similar countries where there are lot of business activities happening and there has been a need for such service providers due to increased investments in the region.

***Tracxn***

**SWOT Analysis of Tracxn**

| | |
|---|---|
| **STRENGTH**<br>• High tech platform that has been developed with continuous research<br>• Emerging tech companies tracking (which most of other players do not offer)<br>• Accurate data building and deeper insight generation<br>• Cost advantage as most of company's workforce is based in India. | **WEAKNESS**<br>• Lesser play in regions like North America<br>• Fairly new in the industry |
| **OPPORTUNITIES**<br>• Further increasing its market share in regions like APAC which are high growth areas for private market<br>• Investing further on technology platform that can provide meaningful insights<br>• Furthering its tech market tracking platform which is unique by its nature | **THREATS**<br>• The company faces stiff competition from<br>A) Free online and offline sources of information on companies and businesses, including government records, company websites, and open online databases, which offer database for free as well as for subscription.<br>B) Current and potential customers' internal and home-grown company databases; other providers of third-party company attributes, technology attributes, and business contact information; other providers of online private companies, market information databases and platforms |

**USP of Tracxn**

- Within a short span of time, Tracxn has grown to be one of the major players in the private market data service provider space. The company tracks more than 1.40 million companies with approximately 1200 companies added every day to its repository of companies. Tracxn also covers over 1800 feeds along with 3.0 million (as of May 2021) news and event tracking and also generates more than 5000 reports every year.
- Tracxn provides Enterprise-grade Data Curation for high-paid professionals, deeper coverage of new age companies, deeper sector coverage, richer company taxonomy, detailed competition set, financials, cap tables and much more
- Also, since most of the workforce of Tracxn operates out of India, the company, by default has a cost advantage over its competitors based out of countries like USA. As discussed in the previous sections, remuneration in services profession in India is almost 10 times lower than that of US and hence this is highly advantageous for private data provider companies like Tracxn.

The private market intelligence market is expected to grow further as more and more businesses are looking to invest in new opportunities. Most companies will try to have strong before-hand knowledge on companies, geographies and other financial and non-financial aspects of business to make informed decisions and the role of private market data service providers will grow further in the near future.

## OUR BUSINESS

*Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 18 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 – Significant Factors Affecting our Results of Operations" beginning on pages 25, 182 and 237, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.*

*Unless otherwise indicated or the context otherwise requires, the financial information included herein is based on or derived from our Restated Financial Information included in this Draft Red Herring Prospectus. For further information, see "Financial Statements" beginning on page 182. Unless the context otherwise requires, in this section, references to "our Company", "the Company", "we", "us" or "our", refers to Tracxn Technologies Limited.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Global Information Services Market" dated August 2021 (the "**F&S Report**") prepared and issued by F&S, appointed by us on April 5, 2021, and exclusively commissioned by and paid for by us in connection with the Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the F&S Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For further details and risks in relation to the commissioned report, see "Risk Factors – Internal Risk Factors – Industry information included in this Draft Red Herring Prospectus has been derived from an industry report prepared by F&S, commissioned by and paid for by us for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate." on page 45.*

### Overview

We are among the leading global market intelligence providers for private company data and rank among the top five players globally in terms of number of companies profiled offering data of private market companies across sectors and geographies (*Source: F&S Report*). We have one of the largest coverage of private companies in emerging technology sectors including IoT, artificial intelligence, virtual reality, robotics, blockchain and electric vehicles (*Source: F&S Report*). We have an asset light business model and operate a Software as a Service ("**SaaS**")-based platform, *Tracxn*, that scanned over 550 million web domains, and profiled over 1.4 million entities across 1,805 Feeds categorized across industries, sectors, sub-sectors, geographies, affiliations and networks globally, as of May 31, 2021. Our platform has 2,358 Users across 855 Customer Accounts in over 50 countries, as of March 31, 2021. Our Customers include a number of Fortune 500 companies and/or their affiliates such as Unilever Industries Private Limited.

We offer customers private company data for deal sourcing, identifying M&A targets, deal diligence, analysis and tracking emerging themes across industries and markets, among other uses, through our subscription-based platform, *Tracxn*. We launched our platform in Fiscal 2015 with a particular focus on the global emerging technology sector, providing users with detailed profiles of companies including detailed information of funding rounds and acquisition related information, taxonomy and market maps, global competitor benchmarking, financial information, valuation and capitalization tables, employee count, investor profiles, competitor mapping, information about founders, key team and board member, company and sector specific reports and news events. We have since then expanded our coverage to include 18 data modules and over 1.4 million entities, as of May 31, 2021. Our extensive global database of entities coupled with customized solutions and features allows customers to source and track companies across sectors and geographies to address their requirements. We are among the few private market data service provider to have a proprietary taxonomy for technology sector companies and prepare market maps (*Source: F&S Report*).

Our platform uses an in-house developed algorithm based on a combination of technology and human analysts, to process vast amounts of data, create profiles and provide market intelligence on private market companies. Our human-in-the-loop plays a strategic role, focusing on quality assurance and addressing data and intelligence gaps that technology alone cannot solve. We believe that this combination of technology coupled with human-in-the-loop has helped us maintain a high degree of accuracy and effectiveness while exponentially expanding our global coverage. Our platform includes multiple work-flow tools such as a customizable customer relationship

management ("**CRM**") tool integrated with our database allowing for better deal management. The platform allows personalization for enhanced tracking and data driven insights. Its capabilities include sourcing dashboards both locally and globally, portfolio tracking, data intelligence and data analytics.

Over the years, we have developed a systematic process of sourcing data including technology-based data extraction and instantaneous data upload through APIs. We also rely on information from websites, news reports, press releases, social media and events to identify and track private market company information. As a part of our sourcing process, we also obtain financial and non-financial information through automation from regulatory filings globally. We have an added layer of language translation that is used for sourcing information from countries where English is not the primary language.

We have a geographically diversified Customer Account base comprising (i) private market investors and investment banks viz., venture capital and private equity investors, investment banks, (ii) corporates across industries, and (iii) others including government agencies, universities, accelerators and incubators. Our Customer Accounts have increased at a CAGR of 34.73%, from 471 Customer Accounts, as of March 31, 2019 to 855 Customer Accounts, as of March 31, 2021. We have maintained long standing relationships with our Customers and as of March 31, 2021, 22.69% or 194 active Customer Accounts have been associated with us for over three years (with a maximum gap of three months between subscriptions).

We are led by our Promoters, Neha Singh and Abhishek Goyal, who are first generation entrepreneurs. Each of them has significant experience in the venture capital and technology industry and have in the past been associated with venture capital firms such as Accel Partners and Sequoia Capital. Both have been recognized by Fortune India in the '40 Under 40' list in 2018 and 2019. Neha Singh was also recognized as being amongst 'The Most Powerful Women', as part of the 'Rising Stars' category by Business Today in 2019 and recognized as an 'Outstanding Women' by Outlook Business in 2016. We are supported by an experienced and dedicated team of Key Management Personnel who have significant experience in all aspects of our business operations and who have helped grow our operations. We have been recognized by Forbes as among the 'Top 100 Analytics Startups of 2015' and by Business Today as one of the 'Coolest Startups of India' in 2016.

Our operations have been supported by investments from angel investors such as Ratan Tata, the NRJN Family Trust, Neeraj Arora, Sachin Bansal, Binny Bansal, Amit Ranjan, Girish Mathrubootham, Anand Rajaraman, Amit Singhal and Ashish Gupta. We have also received investments from Elevation Capital, Accel Partners, Sequoia Capital, Prime Venture Partners and KB Investments.

A key factor that drives demand for the B2B information service market is the availability of information readily for businesses and investment firms to gain insights. These organizations can simply plug in the data or information or insights that are already there to build cases which will support their decision making (*Source: F&S Report*). As part of our product development strategy, we intend to continue to add new information, data sets and features to our platform so as to provide our customers, both current and future, a comprehensive information database that would assist them in their investment decisions.

Key operational and financial performance indicators in relation to our business are set out in the table below:

| Parameters | As of / For the Year ended March 31, | | |
|---|---|---|---|
| | 2019 | 2020 | 2021 |
| ***Operational Parameters*** | | | |
| Customer Accounts[(1)] | 471 | 642 | 855 |
| Users[(2)] | 1,861 | 2,075 | 2,358 |
| Entities Profiled | 546,864 | 937,698 | 1,345,311 |
| ***Financial Parameters*** | | | |
| Revenue from operations (₹ thousand) | 331,871.44 | 373,342.21 | 437,786.71 |
| Contract Price (₹ thousand) | 364,205.23 | 404,577.79 | 510,391.40 |

*Notes:*

*(1) Customer Accounts refers to the distinct contracts entered into by our Company with each customer at the time of measurement. Paid subscriptions may include access for a single or multiple number of Users of the customer.*

*(2) Users refers to the number of user accesses available to a Customer Account on the platform at the time of measurement and does not include educational/student accounts.*

*(3) Contract Price refers to the gross invoice value towards services to be provided for a given period of time, as agreed under the subscription agreement with the customer.*

**Strengths**

***Leading global provider of differentiated private market data and intelligence***

We are among the leading private market intelligence providers for private company data globally and rank among the top five players globally in terms of number of companies profiled that offer private market data across sectors and geographies (*Source: F&S Report*). Our extensive global database coupled with customized solutions and features allows customers to source and track companies across sectors and geographies to address their requirements. Our platform offers detailed coverage of company information that includes company profiles, funding rounds, capitalization tables, financials and valuation, news, team size and trends, competition mapping and information about founders (to the extent available publicly).

We are focused on increasing the number of entities reviewed and profiled by us. The number of entities we profiled on our platform has increased at a CAGR of 56.85%, from over 540,000 as of March 31, 2019 to over 1.30 million, as of March 31, 2021. As of May 31, 2021, the number of entities we profiled on our platform were over 1.40 million. In Fiscal 2021, information of approximately an average of 1,624 new entities across various sectors was added to our platform on a daily basis. We are also focused on expanding the scope of information of entities profiled by us. For example, as of May 31, 2021, we maintained a database of over 1,030,000 competition maps, over 360,000 funding rounds and over 90,000 acquisition rounds. We also prepared profiles for over 30,000 investors including venture capital and private equity firms, funds, limited partners, networks, accelerators and incubators and profiled over 17,000 entities that based on our internal assessment, will be '*Soonicorns*' or companies with high valuations that are expected to become unicorns in the near future and '*Minicorns*' or companies, which in our assessment are early stage companies which we believe have a potential to become unicorns, as of May 31, 2021. These '*Soonicorns*' and '*Minicorns*' along with unicorns having a valuation of over US$1 billion form the *Soonicorn* Club on our platform. Our platform also offers details of fund performance which includes mark-to-market performance and portfolio holding net worth. In Fiscal 2021, we prepared and published over 1,300 reports every quarter across sectors, sub-sectors and industry groups globally. Our coverage also includes mapping industry trends and generating reports on trending themes. Our report generation process is practically fully-automated and in Fiscal 2021, we generated over 5,500 reports across 19 categories including monthly unicorn reports, reports based on business models, company specific reports, sector focused reports and geography-based reports.

We also provide global coverage of emerging technology sectors with 1,805 Feeds categorized across industry, sectors, sub-sectors, geographies, affiliations and networks globally, as of May 31, 2021, including sectors such as internet first insurance, life sciences technology and regulatory technology. We believe our focus on covering new and emerging sectors sets us apart from our competitors. We undertake taxonomy for technology sector companies and are among the few private market data providers to undertake proprietary taxonomy for technology sector companies and prepare market maps (*Source: F&S Report*). As of May 31, 2021, we have over 42,000 taxonomy nodes that cover a significant number of the entities profiled on the platform.

***Diverse, longstanding and growing global customer base***

We have a diverse base of 855 Customer Accounts present in over 50 countries, as of March 31, 2021. Our Customer Account base has increased by 384 Customer Accounts at a CAGR of 34.73% in the last three Fiscals, from 471 Customer Accounts as of March 31, 2019 to 855 Customer Accounts as of March 31, 2021, as a result of our marketing efforts and referrals by existing customers. Some of these Customer Accounts are for Customers that include 'Fortune 500' companies and/or their affiliates such as Unilever Industries Private Limited. Our global customer base helps us limit our dependency on a specific customer, industry or geography thereby reducing financial and concentration risk.

We classify our customers as below:

*Private Market Investors and Investment Banks*. Private market investors such as venture capital and private equity firms and investment banks that rely on our platform for, *inter alia*, deal sourcing, diligence and market intelligence. Certain of our customers in this segment include Accel Management India LLP, Artiman Ventures, growX ventures Fund I, Elevation Capital Limited and Kae Capital Management Private limited.

*Corporates*. We also cater to a number of corporate development, investment and innovation teams at organizations such as Unilever Industries Private Limited, Wipro Limited, Lixil Corporation, and Yamaha Motor Solutions India Private Limited that use our platform for *inter-alia*, their M&A activity, strategic investment

decisions, purchase decisions and partner selection.

*Others*. Our platform is also used by government agencies, government banks, academic institutions, start-up accelerators and incubators and customers in this segment include Bank of Baroda and Tech City Ventures, UK.

The table below sets out certain information in relation to our customers such as the number of Customer Accounts across categories, as of the dates indicated:

| Categories | As of March 31, | | |
|---|---|---|---|
| | 2019 | 2020 | 2021 |
| Private Market Investors and Investment Banks | 252 | 338 | 456 |
| Corporations | 147 | 191 | 246 |
| Others[#] | 72 | 113 | 153 |
| **Total** | **471** | **642** | **855** |

*# Others include government agencies, academic institutions, start-up accelerators and incubators.*

Our Customer Accounts are also diversified across geographies and no single country contributed to more than 36.72% of our total revenue from operations in the last three Fiscals. The table below sets out the break-up of our Customer Accounts across geographies, in each of the last three Fiscals:

| Geography | As of March 31, | | |
|---|---|---|---|
| | 2019 | 2020 | 2021 |
| Americas | 133 | 145 | 207 |
| APAC (Excluding India) | 38 | 58 | 92 |
| EMEA | 126 | 166 | 241 |
| India | 174 | 273 | 315 |
| **Total** | **471** | **642** | **855** |

We believe that our service offerings coupled with our enterprise grade customer support have led to consistent customer retention rates. For example, certain of our key customers including Wipro Limited, Accel Management India LLP and Artiman Ventures which have been associated with us close to five years. As of March 31, 2021, seven of our top 10 Customer Accounts (by revenue in Fiscal 2021) have been associated with us for over three years while over 22.69% of our Customer Accounts have been using our platform for over three years. Our long-standing relationship with our customers is evidenced by our customer retention rate (calculated for a particular Fiscal as the number of annual billing accounts renewed divided by the total number of annual billing accounts due for renewal in the Fiscal) and in Fiscals 2019, 2020 and 2021, our customer retention ratio was 67.68%, 73.39% and 74.38% respectively.

***Scalable and secure technology platform conceptualized and developed in-house***

Our platform, based on a combination of technology and human analysts, is able to process vast amounts of data. We conceptualized and developed our platform in-house, and it is designed to be scalable and reliable providing us flexibility to launch new features as per our internal product road map. The platform has been designed and built primarily using new-age technologies, for hosting on cloud infrastructure. At its core, *Tracxn* is a data and market intelligence platform with over a million curated entity profiles mapped to over 40,000 different business models, searchable in near real-time through a set of search tools built in-house using an open search engine and analytics solution. In addition, we have built a range of business and workflow tools like an inbuilt CRM tool, custom dashboard builder, tools for sourcing, tracking companies, portfolio tracking, API support, browser extensions, ability to save searches and provide alerts and export tools. We also offer enterprise grade support for customer queries with personalized support over chat, email and instant messaging applications.

We believe that we have a high-performance, user-friendly and interactive interface coupled with a scalable back-end framework based on open source technologies. The *Tracxn* platform is hosted on cloud servers that provide backups to ensure minimal downtime and outages. Our uptime percentage in Fiscal 2021 was 99.99%. We also deploy new-age technologies to build our systems that power our datasets and enables faster processing. For gathering private market data, we have built a web-crawling and data engine that reviews over 550 million web domains at the back-end. It adds over 200,000 entities on a daily basis to the database and several data points are tracked across various digital footprints of entities. We had reviewed 8,384 web domains reviewed as of May 31, 2021 to be added on the platform and add curated profiles of over 1,600 new entities, on an average, every day to

our platform. Our in-house developed data-mining engine, runs complex queries and allows us to automate sector classification of entities. Our data-mining engine allows us to discover new-age companies across emerging technology sectors. We have a dedicated infrastructure team to aid and build tools for the application team providing a seamless environment for faster and efficient application development.

Hosted on cloud infrastructure, our platform has in-built security features provided by the cloud infrastructure provider. In addition, we have tools that periodically check on potential threats. We use a virtual private cloud within our servers to establish a secure internal network and a safe gateway to enable communication of internal resources. The application uses industry grade hypertext transfer protocol secure or HTTPS for encrypted communication over the internet. There is an independent authentication layer as well for secure access to the platform.

***Significant cost advantages from India-based operations***

While we are an Indian SaaS company, our platform *Tracxn* serves customers globally. We believe our ability to develop and deploy the platform in India provides us with significant cost advantages. Service providers, especially those operating out of regions like India have cost advantage as their pricing is much more competitive than their global competitors. Private market service providers who have strong presence in Asian region (in terms of workforce) have a natural cost advantage than those who have majority of their workforce in North American or European region (*Source: F&S Report*).

Our business is technology driven, asset light and scalable, as evident by our employee benefit expenses, depreciation and amortization expenses and other expenses that have remained relatively unchanged despite significant increase in our revenue from operations in recent years. As of May 31, 2021, we had a lean 68-member technology and product development team. In addition, our employee benefit expenses in Fiscals 2019, 2020 and 2021 were ₹ 462,115.68 thousand, ₹ 512,792.12 thousand and ₹ 538,130.90 thousand, respectively, accounting for 139.25%, 137.35% and 122.92% of our revenue from operations, respectively. We believe that these costs are significantly lower compared with costs incurred by our competitors in other jurisdictions. Remuneration in countries like India is almost 10 times lower than that in United States and around six times lower than that in UK. The table below sets out the remuneration in services profession in USA, UK and India in 2020:

| Country | Remuneration* |
|---|---|
| United States | USD 59,616 |
| United Kingdom | USD 39,774 |
| India | USD 6,508 |

** Gross annual income including supplements such as bonuses*
*As per IMD World Talent Ranking 2020*
*(Source: F&S Report)*

Our platform requires limited costs to scale and launch additional service offerings. For example, we have been able to increase the number of entities profiles on our platform in the last three Fiscals from 546,864 as of March 31, 2019 to 1,345,311, as of March 31, 2021, while incurring ₹ 14,287.72 thousand, ₹ 20,483.76 thousand and ₹ 22,850.92 thousand towards our web hosting and domain charges in Fiscals 2019, 2020 and 2021 respectively. We are also able to implement multiple updates to our platform during a year that we believe offers customers a better experience while operating our platform. Our cost efficient structure also ensures that we are able to build greater automation as part of our processes.

***Experienced Promoters, Board of Directors and senior management team backed by marquee investors***

Our Promoters, Neha Singh and Abhishek Goyal have significant experience in the software and technology sectors and are involved in our day-to-day operations. They have previously been associated with venture capital firms such as Accel Partners and Sequoia Capital and therefore, have been able to leverage their technology and venture capital experience to develop the *Tracxn* platform. Our senior management team has also helped us in implementing our development and operating strategies over the years. Their understanding of user requirements, industry trends and demands, have enabled us to diversify our service offerings and capabilities thereby allowing us to grow our operations consistently.

In addition, our Board comprises nominee directors of Elevation Capital, Vivek Kumar Mathur and Ravi Chandra Adusumalli, whose strategic guidance and insights have also helped grow our operations. Our shareholders include venture capitalist and private equity firms including Ratan Tata, the NRJN Family Trust, Neeraj Arora,

Sachin Bansal, Binny Bansal, Amit Ranjan, Girish Mathrubootham, Anand Rajaraman, Amit Singhal and Ashish Gupta and Elevation Capital, Accel Partners, Sequoia Capital, Prime Venture Partners and KB Investments. We have benefited, and expect to continue to benefit, from capital sponsorship and professional expertise of our shareholders.

**Strategies**

***Continue to grow account base***

We have been able to consistently grow our Customer Accounts over the last three Fiscals. Our Customer Accounts have increased from 471 Customer Accounts, as of March 31, 2019 to 642 Customer Accounts as of March 31, 2020 and we had 855 Customer Accounts, as of March 31, 2021. Private equity firms, venture capital firms and investment banking companies have been the biggest adopters of private market data services. Apart from private equity, venture capital firms and investment banks, the funding arms or M&A focused subsidiaries of large corporates have been one of the next biggest users of private market data services. (*Source: F&S Report*) With the growing users of private market data, we intend to capitalize on the opportunity to serve the growing market by continuing to grow our customer base.

We have historically incurred significant expenditure in expanding our sales and marketing team to increase customer acquisition as well as on our customer success team to focus on retention of existing users and accounts. We intend to expand our sales team to continue to focus on customer acquisition. We acquire new leads through a combination of inbound and outbound sales effort. Our endeavour will be to continue to grow our account base through referrals from our existing customers. As part of our strategy to grow our account base, we intend to participate in and undertake, event partnerships for media and industry events. We believe this will allow us to market our platform to corporates that attend such events. We will also focus on entering into channel partnerships for distribution of our service offerings. As we look to expand our operations, we intend to have additional sales and marketing representatives in geographies outside India to target new customers in such geographies. To generate brand awareness and traffic for our platform, we intend to continue to utilize content-based marketing through content articles, search engine optimization, email newsletters, social media, press mentions and media partners.

***Expand share of revenues among existing customers***

We intend to continue to grow our operations by increasing our revenue from our existing customers, including with whom we have developed long standing relationships. We devote significant attention and resources to being able to understand the behaviour, preferences and trends of our customers and markets through research and our automated data extraction engines. We believe that this gives us a distinct perspective that we bring to our platform. With this approach, we aim to be able to address other aspects of our customers' operating and growth strategy.

We aim to sustain the annual revenue contribution of a customer in subsequent years after the year of acquisition of such customer. To achieve this goal, we intend to structure our pricing in a manner that serves the customer's requirements, and introduce tiered pricing and upsell features/ subscriptions to our existing customers through differentiated offerings. We also intend to follow a three-pronged approach that includes growing the number of users within an account, generating additional data downloads and adding more Customer Accounts or different teams within an organization. Our customer success team will be focused on servicing our Customer Accounts. Expansion of our relationships with existing active customers will remain a key strategy going forward as we continue to leverage our expertise and knowledge of emerging technology trends in order to drive growth for our business.

***Continue to grow platform to offer additional services***

We intend to continue to devote substantial resources towards expanding our platform. In Fiscal 2021, we made 13,448 updates to our platform and added data of 407,613 entities, 5,526 reports, 628,724 news items and 76,466 funding rounds and acquisition transactions. We intend to continue to focus on expanding modules and data on our platform. As of May 31, 2021, we had 68 employees in our technology and product development team focused on developing product enhancements.

As part of our product development initiatives, we intend to introduce various product enhancements that we believe will offer value to existing customers as well as enable us to generate additional revenues. We are

developing tools that will integrate into our existing platform allowing our customers to use our platform as a single source for their requirements. For example, certain enhancements that we are developing include generation of mark to market reports for fund performance and track other fund data, automated sourcing tools for use within the platform, personalized widgets, investor management tools and multi-lingual support. Certain additional features that we intend to add to the platform include tools for advanced search and filtering and import of data from our platform to spreadsheets. We also intend to continue to focus on automation of our internal processes and in particular, the collation of data. We will also look to invest in deploying additional technologies for our platform that we believe will enable us to scale our product offerings.

***Capitalize on industry opportunities to expand coverage of our customers***

Private companies have always been a backbone of global economic growth and continue to contribute to the positive business environment. As per estimates, there are around 190 million to 200 million private companies worldwide. Private companies have shown continuous signs of growth and with globalization and with emergence of favourable business environments across most countries globally, private sector companies are expected to further push for growth. The increasing private market is becoming increasingly relevant and private market AUM stood at around US$ 6 trillion in 2019 and is expected to reach around US$ 8.45 trillion by 2025. Growth in AUM will mostly be driven by private equity firms and venture capital firms who would look to focus more on shifting their investments from public equity funds to private equity markets. The rate of creation of companies has increased exponentially, while companies are remaining private for longer. (*Source: F&S Report*)

The total addressable market for private market data was US$ 1,322 million in 2021 and revenue is expected to grow at a CAGR of 11.78% to US$ 2,097 million in 2025. The total addressable market is expected to grow as private market data service providers are expected to further penetrate the market in the next five years. According to F&S estimates, the market penetration in 2020 stood at close to 50% which is expected to go up to as high as 65% in next five years. The growth of the market is expected to be mainly dependent on the growth of the number of private equity, venture capital and other investment firms, large corporates and other entities who will be willing to invest in private companies. (*Source: F&S Report*) The growing private market data presents us with a significant opportunity to address the information requirements for such customers that rely on data.

***Expand into adjacent customer segments***

Our customers have organically found additional use cases of our private market and emerging technology data. These include product discovery where customers can search and find vendors for various software, tools and other use cases. Limited partners use our platform for fund performance data whereas sales personnel rely on our platform for augmenting company information to improve their sales outreach.

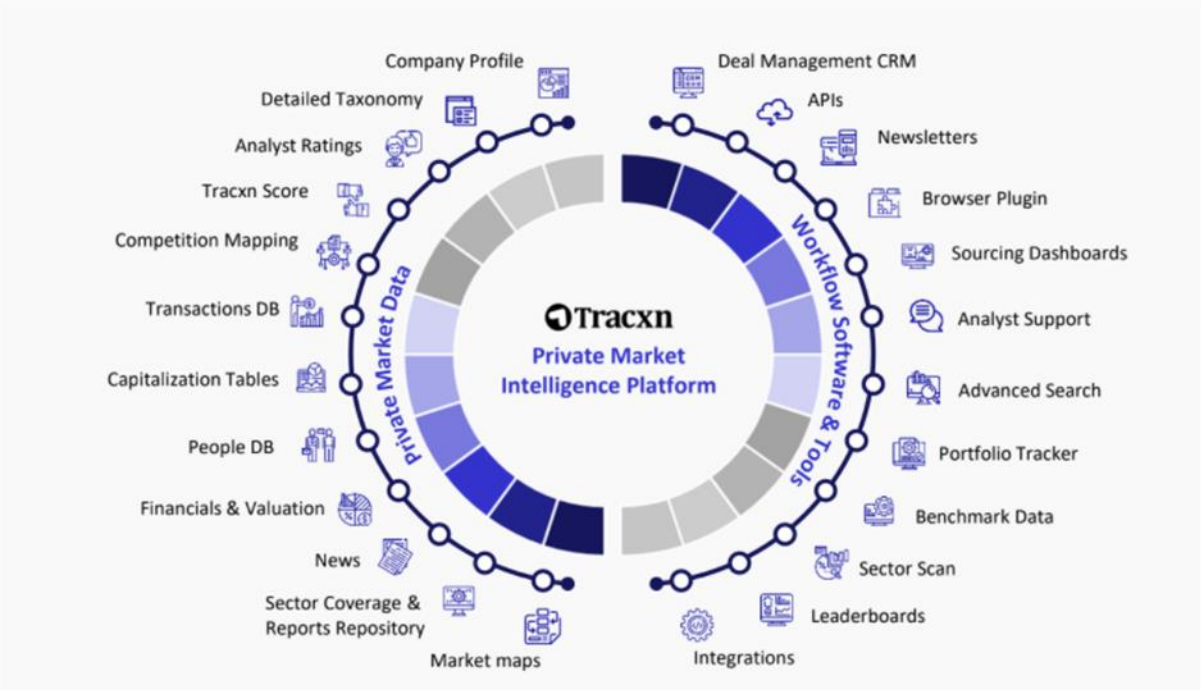
We intend to modify our existing platform to offer additional features and modules to enable us to tap into these segments thereby expanding our total addressable market. To this end, we obtain customer feedback regularly as well as include modules in the product road map that makes our platform more relevant for our customers' defined use cases. We also intend to provide additional specialized modules to customers for incremental utilization of our platform. We believe this will allow us to add new customer segments and utilize our existing data with incremental coverage of data points to provide such additional modules without incurring significant additional costs or effort.

***Expand our operations through inorganic growth channels***

We intend to acquire businesses and technologies that complement our existing capabilities and which we believe will result in the growth of our platform. We may consider investment opportunities to be able to acquire new technologies, or generate cross selling opportunities, in order to grow our platform or to expand our presence internationally. We believe such acquisitions or investments will support our strategy of long-term growth, strengthen our competitive position and increase our market share, and will aid in acquiring technical expertise and achieving greater scale to grow our earnings and increase shareholder value.

## Our Business Operations

### *Tracxn* Platform




*[Illustrative]*

Our aim is to provide a detailed private market intelligence platform for our global customer base. It consists of the following:

***Private Company Data***

We provide an extensive global database of private companies across sectors, geographies and stages. Customers use this database for sourcing, diligence and tracking private companies across various sets of criteria to address their requirements. As of May 31, 2021, we profiled over 1.40 million entities across 1,805 Feeds categorized across industries, sectors, sub-sectors, geographies, affiliations and networks globally. We offer analyst-curated profiles of private companies across various types of companies including private funded, private unfunded, public, acquired and deadpooled (i.e., entities that have shut down their operations).

Information areas that we typically cover subject to availability for private companies include:

- Company description including either a short description or detailed description, or both;
- Factual details including such as location of the company and the year of establishment;
- Detailed industry taxonomy based on the sector, technology and business model of the company;
- Competitor mapping and details;
- Global equivalents and similar models in other geographies;
- Funding details such as investment rounds as well as investors by round;
- Transactions including acquisitions or investments undertaken;
- Company key team information such as information in relation to the founders, board members and investors (in select countries);
- Detailed historic news of companies;
- Legal entities (in select countries);
- Financial information and capitalization tables (in select countries);
- Current valuation as well as historic valuation trends (in select countries); and
- Team size and growth (in select countries).

The table below sets forth private company information that we have tracked as of the dates indicated:

| Particulars | As of March 31, | | |
|---|---|---|---|
| | 2019 | 2020 | 2021 |
| No. of Entities | 546,864 | 937,698 | 1,345,311 |
| Feeds | 407 | 1,457 | 1,789 |

***Emerging Technology Sector Data***

We provide one of the largest coverage of private companies in emerging technology sectors globally (*Source: F&S Report*). As of May 31, 2021, we covered 1,805 Feeds and 35 practice areas globally.

Our emerging technology sector coverage includes for all the sectors tracked, comprehensive coverage of companies, detailed sector taxonomy, market map, sector trends, news and reports. Our detailed taxonomy tree captures key sectors, technologies and business models within each industry. Each industry is divided into multiple sectors and further within each sector, multiple business models are mapped. Each entity's information uploaded on the platform is mapped to one or more of these business models and tagged to that respective node. As of May 31, 2021, we offered 42,254 taxonomy nodes and mapped over 1.40 million entities across these nodes.

*[Illustrative]*

***Transactions and Other Data***

We have a comprehensive database of global private company transactions. Our database covers private companies globally and provides information with respect to the following:

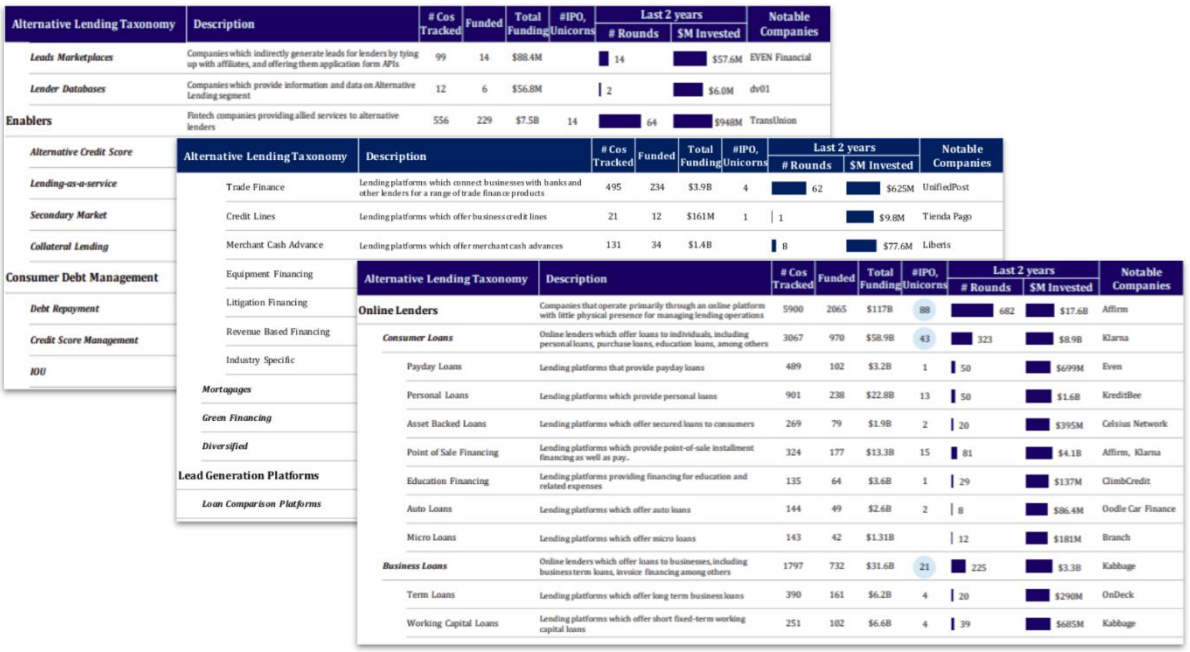
- Funding transactions
- M&A transactions
- Private company financials
- Capitalization tables
- Fund and investor database (including institutional investors, limited partners and angel investors)
- Investment bank and facilitator database
- Company key team information including that of founders, board members and investors

The table below sets forth information of our database for the dates indicated:

| Particulars | As of March 31, | | | As of May 31, 2021 |
|---|---|---|---|---|
| | 2019 | 2020 | 2021 | |
| Funding Transactions | 229,894 | 296,032 | 353,519 | 360,413 |
| M&A Transactions | 57,099 | 74,460 | 93,439 | 96,572 |
| Investor Profiles | 17,561 | 27,910 | 39,070 | 39,552 |

***Industry Taxonomy***

We provide proprietary and detailed industry taxonomy for the private market sectors and companies, with key focus on new-age emerging technology sectors. Taxonomy helps map the industry, sector, sub-sector, technology and business model for the companies; and also provides a top-down map of all the sectors. Each of the 35 industries are mapped into 1,805 sectors, and these sectors are further split into 42,254 taxonomy nodes. Each company covered on the platform is mapped in one of more of these taxonomy nodes. These industry taxonomy nodes are defined by a team of sector-based analysts. Every day over 1,200 companies are added onto the platform that are then mapped to their corresponding nodes through a mix of technology and human analysts.



| Alternative Lending Taxonomy | Description | # Cos Tracked | Funded | Total Funding | #IPO, Unicorns | Last 2 years # Rounds | Last 2 years $M Invested | Notable Companies |
|---|---|---|---|---|---|---|---|---|
| *Leads Marketplaces* | Companies which indirectly generate leads for lenders by tying up with affiliates, and offering them application form APIs | 99 | 14 | $88.4M | | 14 | $57.6M | EVEN Financial |
| *Lender Databases* | Companies which provide information and data on Alternative Lending segment | 12 | 6 | $56.8M | | 2 | $6.0M | dv01 |
| **Enablers** | Fintech companies providing allied services to alternative lenders | 556 | 229 | $7.5B | 14 | 64 | $948M | TransUnion |
| *Alternative Credit Score* | | | | | | | | |
| *Lending-as-a-service* | | | | | | | | |
| *Secondary Market* | | | | | | | | |
| *Collateral Lending* | | | | | | | | |
| **Consumer Debt Management** | | | | | | | | |
| *Debt Repayment* | | | | | | | | |
| *Credit Score Management* | | | | | | | | |
| *IOU* | | | | | | | | |

| Alternative Lending Taxonomy | Description | # Cos Tracked | Funded | Total Funding | #IPO, Unicorns | Last 2 years # Rounds | Last 2 years $M Invested | Notable Companies |
|---|---|---|---|---|---|---|---|---|
| Trade Finance | Lending platforms which connect businesses with banks and other lenders for a range of trade finance products | 495 | 234 | $3.9B | 4 | 62 | $625M | UnifiedPost |
| Credit Lines | Lending platforms which offer business credit lines | 21 | 12 | $161M | 1 | 1 | $9.8M | Tienda Pago |
| Merchant Cash Advance | Lending platforms which offer merchant cash advances | 131 | 34 | $1.4B | | 8 | $77.6M | Liberis |
| Equipment Financing | | | | | | | | |
| Litigation Financing | | | | | | | | |
| Revenue Based Financing | | | | | | | | |
| Industry Specific | | | | | | | | |
| *Mortgages* | | | | | | | | |
| *Green Financing* | | | | | | | | |
| *Diversified* | | | | | | | | |
| **Lead Generation Platforms** | | | | | | | | |
| *Loan Comparison Platforms* | | | | | | | | |

| Alternative Lending Taxonomy | Description | # Cos Tracked | Funded | Total Funding | #IPO, Unicorns | Last 2 years # Rounds | Last 2 years $M Invested | Notable Companies |
|---|---|---|---|---|---|---|---|---|
| **Online Lenders** | Companies that operate primarily through an online platform with little physical presence for managing lending operations | 5900 | 2065 | $117B | 88 | 682 | $17.6B | Affirm |
| *Consumer Loans* | Online lenders which offer loans to individuals, including personal loans, purchase loans, education loans, among others | 3067 | 970 | $58.9B | 43 | 323 | $8.9B | Klarna |
| Payday Loans | Lending platforms that provide payday loans | 489 | 102 | $3.2B | 1 | 50 | $699M | Even |
| Personal Loans | Lending platforms which provide personal loans | 901 | 238 | $22.8B | 13 | 50 | $1.6B | KreditBee |
| Asset Backed Loans | Lending platforms which offer secured loans to consumers | 269 | 79 | $1.9B | 2 | 20 | $395M | Celsius Network |
| Point of Sale Financing | Lending platforms which provide point-of-sale installment financing as well as pay. | 324 | 177 | $13.3B | 15 | 81 | $4.1B | Affirm, Klarna |
| Education Financing | Lending platforms providing financing for education and related expenses | 135 | 64 | $3.6B | 1 | 29 | $137M | ClimbCredit |
| Auto Loans | Lending platforms which offer auto loans | 144 | 49 | $2.6B | 2 | 8 | $86.4M | Oodle Car Finance |
| Micro Loans | Lending platforms which offer micro loans | 143 | 42 | $1.31B | | 12 | $181M | Branch |
| *Business Loans* | Online lenders which offer loans to businesses, including business term loans, invoice financing among others | 1797 | 732 | $31.6B | 21 | 225 | $3.3B | Kabbage |
| Term Loans | Lending platforms which offer long term business loans | 390 | 161 | $6.2B | 4 | 20 | $290M | OnDeck |
| Working Capital Loans | Lending platforms which offer short fixed-term working capital loans | 251 | 102 | $6.6B | 4 | 39 | $685M | Kabbage |

*[Illustrative]*

*Taxonomy Creation*

We follow a process for each new industry and sector coverage that we launch. This process involves the following:

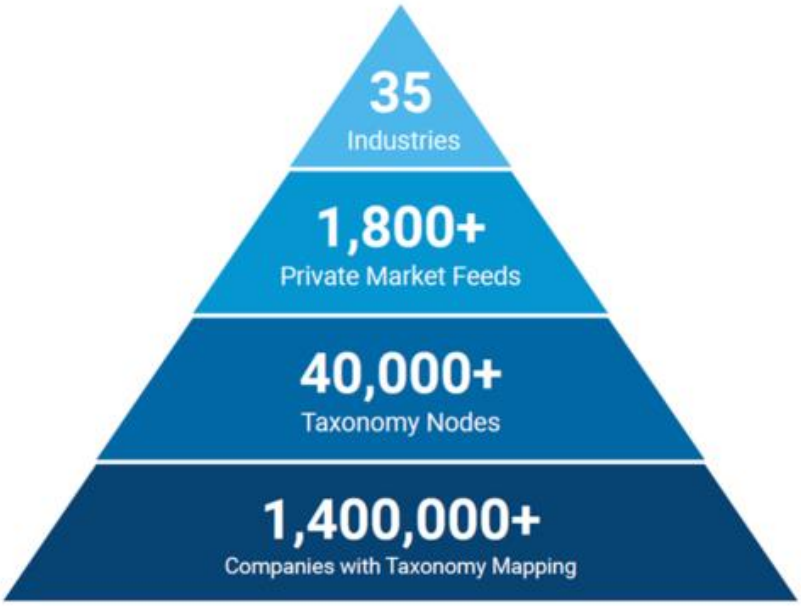
*Industry to Sector Mapping*: The first step in preparation of the taxonomy involves the classification of industries to various sectors under which we group entities and their respective information. We primarily focus on emerging technology sectors.

*Sector to Detailed Taxonomy*: We thereafter undertake a one-time detailed process of building the feed definition as we launch a new sector coverage. For each sector, we review notable corporates and undertake external research to identify different types of business models that exist in such sectors. The scope of the feed is then defined, and detailed rules are set out that enable creation of a filter over the entities. Similar entities are grouped and similar groups are bundled together. Following discussions between our sector team and operations teams, the first draft of the taxonomy is generated.

*Taxonomy Updation*: On an on-going basis, incremental updates are carried out as necessary, to the global taxonomy tree. The sector research team undertakes mapping of new companies found on the taxonomy nodes on a daily basis. In case it comes across an entity that does not have a node, it raises a ticket. Other methods through which new nodes are added include client feedback through 'MyAnalyst' queries and trending keywords not covered in an existing map. As companies get deadpooled, certain nodes are deleted. Approximately 1,600 nodes are added per month to the taxonomy collection.

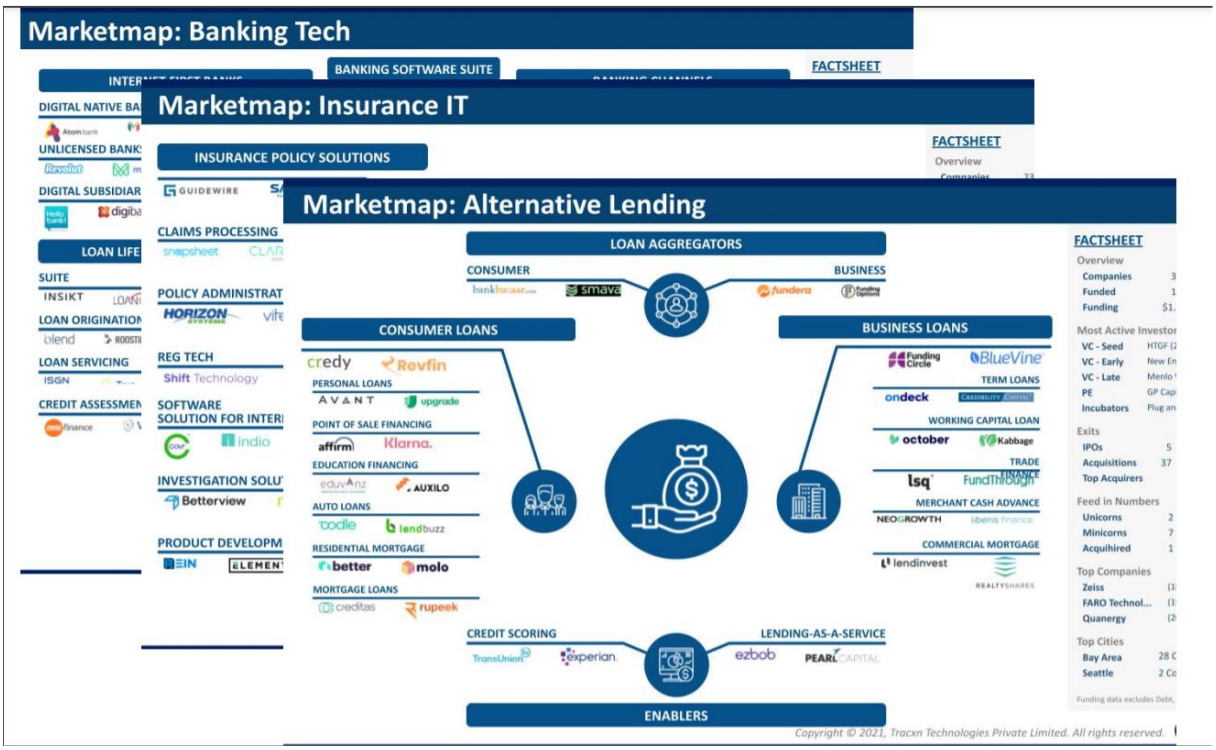
*Taxonomy to Company Mapping*: The mapping of companies to taxonomy trees is undertaken partly through use of technology and partly by the sector research team. The new entities that are added to our platform daily are also mapped to the corresponding nodes.

Details of our taxonomy nodes, as of May 31, 2021, are set out below.




***Market Maps***

Market maps provide a quick visual overview of all emerging technology sectors, key sub-sectors and leading companies within a node or an industry. These maps are schematic representation with a factsheet containing sector overview, most active investors, exits, ratings, top companies and top geographies.




*[Illustrative]*

***Reports***

We generate more than 5,000 reports every year which makes us one of the leading players providing large

repository of reports globally across all emerging technology sectors (*Source: F&S Report*). We provide reports across multiple sectors, geographies, business models, emerging themes, investment activities and trends as well as fund wise mark-to-market reports. The reports we generate allow users to understand and be up to date on the start-up landscape as well as private market investment activity across various sectors. The reports are generated monthly and annually across various sectors and geographies.

Our report generation process is almost fully automated. The various steps involved in preparation of our reports is set out below:

*Topic Identification*: The report generation process begins by identification of the topic of the report.

*Report Design*: We undertake design of the report storyline and determine the data, charts and analysis that is to be included in the report. We process feedback from multiple stakeholders which is then incorporated in the report and the output report format is finalized.

*Report Coding*: We use code to design slides, charts and data within a report. This is then further coded into the "Data Fetcher" module (which pulls data from the platform) and "Data Manipulator" module (which processes this data to produce various analyses represented through charts).

*Report Production*: Our report production is almost fully automated. This begins by a ticket generation which gets input from a defined calendar that identifies the reports due to be published on a particular day. The report is then automatically generated using the above report code and the finalized reports are published on the platform using API.

The table below sets forth information on reports that we generate for the dates indicated:

| Particulars | As of March 31, | | |
|---|---|---|---|
| | 2019 | 2020 | 2021 |
| Categories of Reports | 5 | 10 | 19 |
| No. of Reports Published | 1,098 | 5,211 | 10,737 |

***Tracxn Score***

We have developed an in-house rating system for '*investment attractiveness*' of private companies. The score is based on various parameters and sub-scores across size, growth, execution, team, market and other parameters for each company. It is relative and updated real time based on new events and changes in any of the above specified metrics for the company or for its peers. "Tracxn Score" is available for a large number of entities that we profile on the platform.

***Editor Ratings***

In order to highlight the strengths of a company, we provide ratings to the high potential and high growth companies. The rating is accorded based on a combination of certain public matrices as well as detailed assessment by our sector specialist team. Each company is rated across parameters like team profile, company size and execution, market opportunity and competition. These ratings also help us in shortlisting high-potential private companies for the Soonicorn Club which includes already break-out ones like unicorns as well as high-potential ones like '*Soonicorns*' or soon-to-be-unicorns and '*Minicorns*' and as of May 31, 2021, we had over 60,000 companies with editor ratings available to users.

**Platform Workflow and Tools**

We provide multiple workflows software and tools to our customers for their various use cases. These tools help customers leverage our platform in their workflow as well as personalise and customise the platform data as per their requirements.

***Deal Flow Management***: Through this CRM tool, users are able to manage their deal pipeline, store, share and collaborate on deal documents, meeting notes, presentations with team members, maintain timelines and manage key deal activities. Data on the entities in the CRM is automatically augmented and kept up-to-date using platform data, thereby saving time otherwise spent in researching the companies through manual entry. Email alerts can be provided whenever a company in the CRM raises a funding round, a company is mentioned in the news or if any

editor ratings are updated.

***APIs***: Customers have an option to upgrade to our API pack which enables them to query and access our platform database directly. Customers can build proprietary models on the data and can configure it using a full range of filters and sorts.

***Newsletters***: We provide newsletters to our customers, which are essentially a collection of newsletters based on sector, geography, practice areas, which customers subscribe to, based on their requirements and interests. These newsletters are sent daily and weekly to customers who have subscribed to them to keep them updated on the recent activities in their areas of interest.

***Personalized Dashboards for Sourcing and Tracking***: Our platform provides personalisation capabilities enabling users to set up sourcing and tracking boards to discover new companies, track news and events within their defined areas, whether it be based on industry, sectors, network, investor categories and geographies. Post defining their mandate, any new companies, news or events added falling under their mandate will get automatically added to their dashboard. The user can set up custom email alerts to receive these updates directly.

***MyAnalyst Support***: We provide enterprise-grade support to our users for their research queries through a dedicated team of analysts that provide support through email, platform chat and select social media platform. As of May 31, 2021, we had a team of 18 on-demand analysts providing support for 18 hours a day for five days a week with holiday support and on Saturday, for nine hours.

***Browser Plug-ins***: We have developed browser extensions through which users can obtain a company's information. While visiting a site, if the user clicks on the extension, such user is instantly fed key information such as the company's primary business, funding and valuation, competitors, investors, and latest news.

***Advanced Search***: The 'Advanced Search' function enables users to search companies using multiple parameters, keywords or phrases and is powered by ElasticSearch. One can simply use '+' or '-' to include or exclude any keyword respectively to refine the search result.

***Portfolio Tracker***: Users can have a single view of their portfolio of companies and keep a track of all their recent activities which includes search of any funding round, any latest news or events related to companies included in the portfolio.

***Benchmarking Data***: We provide benchmarking data related to funding rounds and funding multiples for tracking trends and internal metrics relevant to the private market investors and corporates. We provide benchmarking for funding round sizes by stage, sector and geography, funding multiples and acquisition multiples on our platform. For example, our platform provides data about what is the typical growth-stage round size and how that has trended across years as well as how that compares across geographies. Funding multiples provide a view on the ratio of valuation to revenue of the companies which have been funded for a sector or geography in the time-period selected.

***Sector Scan***: Users can get on-demand sector scan providing a shortlist of high potential companies and their factsheets for any industry, sector or investment theme. This includes a sector snapshot, company factsheets, longlist and shortlist of companies operating in the sector, leaderboards by various metrics and a one-pager on the shortlisted companies.

**Data Engine**

We are able to provide quality private market intelligence at scale by using multiple data engines, which are able to gather data from various sources, classify and standardize the data to be used finally on the platform.

***Data Mining and Statistical Models***: We have a scalable and intelligent data backend that aggregates and mines information about entities globally. We aggregate unstructured data about entities through publicly available online sources. As of May 31, 2021, we scanned over 550 million web domains at the backend and added over 55 million domains in Fiscal 2021. We then extract various data points that allow us to capture technographic and firmographic data. We have developed an in-house scoring algorithm using these parameters that helps us identify the private market entities to focus on. The human-in-the-loop in the form of our analysts and data operations team help provide feedback to improve our scoring model.

***Automated Data Processing Models***: We leverage technology to process unstructured data to usable and actionable information and insights. We have automation models that extract, parse and standardize data from multiple sources such as images, documents, scanned portable document format or pdf using optical character recognition technology and map relevant data to respective fields. We also have capability to source data from multilingual sources using automated translation tools to parse and translate data proposed to be mapped.

***Sources of Data***: We use multiple sources to curate our data. We have identified data sources that we believe are reasonably reliable and accurate to cover each of the data points that are then processed and curated to be put on the platform.

Our key data sources include:

*Online Public Information*: Publicly available information on the internet such as company websites, fund websites.

*Regulatory Filings*: Data from regulatory filings that is available across various regulatory bodies under various statutes such as annual returns, investment related filings and other similar available information.

*Contributions*: We also receive contributions by company representatives, funds and investors.

***Analysts***: We have a 90-member sector-focused analyst team, as of May 31, 2021. The analyst team is divided across industry segments and sectors. The analyst team defines the industry and sector coverage, develops sector taxonomy, covers and maps entities in the taxonomy, provides editor ratings, defines new report formats as well as new data points to be covered. For traditional industries, we hire based on industry experience and for most new-age industries, we have an in-house detailed training program.

***Quality Assurance***: Our quality assurance processes endeavour to ensure accuracy and comprehensiveness of the data provided on the platform. There are two layers of quality assurance that includes automated quality checks and manual reviews as detailed below:

*Automated Error Code Based Review*: In-house models are used to highlight aberrations in the data added. Variety of error codes are used for determination and grouping of similar errors across the data sets. Nearly all data is reviewed with this method, and aberrations are analysed and verified.

*Dipstick Review*: In addition to the automated review, we also undertake a manual review where certain data added is selected for a detailed review.

***Operations***: Our data engine is backed by processes for building and expanding large data sets. Following are the building blocks of certain of our data engines:

*Standard Operating Procedures ("**SOP**")*: We have implemented detailed internal SOP documentation for most data modules with training guides, walkthroughs and case examples. Unhandled exceptions encountered in daily operations are escalated to the concerned team for regular updating of SOPs.

*Development and Launch of New Data Points*: We have a templatized process design for launching new data points. The process is powered by a centralized hiring team for ramp-up of teams and a central automation team for standardized design implementation and automation and backend IT support platform.

*Regulatory Approvals:* We have a team that liaises with local authorities to get country approvals for extraction of information in other jurisdictions.

*Tracking and Reporting*: We maintain a daily review and tracking of each unit level. We also maintain tracking, MIS and backend workflow for the modules.

*Automation*: We have local automation teams for each business unit. In addition to the central engineering team, business unit specific reporting automations, process automations and improvement projects are conducted.

**Technology**

Our platform is designed and built for SaaS delivery format and is available globally through web browsers on computers and mobile. Our technology and infrastructure are built to be scalable, reliable and secure. The platform is hosted entirely on cloud architecture. The design and deployment of our platform are centered on the following areas:

***New Age Technology Stack***: Our platform is backed by technology stacks for building a scalable, high performance and fast processing of vast amounts of data including for data storage and search; for bulk processing of background jobs; stack for hosting and computing; a java script library for building user interfaces for high performance and reusable frontend; and an open-source software provisioning, configuration management, and application-deployment tool, for application infrastructure management.

***Data aggregation and mining using statistical models and algorithms***: We have in-house infrastructure for web-crawling, data extraction, parsing, data mining engine and analysis. As of May 31, 2021, we scanned over 550 million web domains at the backend. The data is reviewed on prioritisation algorithms, analysing various data points, scoring and prioritizing these data sets through various processing funnels.

***Scalability***: We use cloud infrastructure with our in-house developed internal software for auto setup and deployment of any newly added server to the system to scale workloads of varying sizes at any time. Our microservices based architecture and load balancing system enables different parts of the platform to work independently and automatically ensuring that the end users experience high performance. We use queuing systems to ensure execution of a high number of simultaneous tasks. Our platform employs a highly scalable, distributed search engine allowing to run real-time complex queries on large volume of structured and unstructured data.

***Reliability****:* We use cloud infrastructure to host our platform along with dynamic load balancing to distribute incoming requests onto different servers and use infrastructure management systems to manage the server infrastructure automatically resulting in minimal manual intervention. Due to these capabilities, our platform had an uptime percentage of 99.99% in Fiscal 2021.

***Security***:

*Infrastructure:* We undertake regular security scans to detect any potential threats. We make use of virtual private cloud within our cloud infrastructure to establish an internal network ensuring high-grade security.

*Application:* All our external communication is secured with encryption through HTTPS. We have an independent authentication layer and store passwords by implementing industry standards. We have multiple automated checks that highlight potential cases of suspicious usage. These are then analyzed for further investigation.

***Product Development***: We update our platform almost on a daily basis. Our platform updates are pushed to customers without any downtime for users of our platform.

***Team***: The technology and platform are backed by product, design and engineering teams. The engineering team is further divided into data, application and infrastructure teams. These teams are responsible for a number of activities including data aggregation, maintaining and scaling large datasets and databases, data mining, backend cloud infrastructure development and management and analytics, launch of modules and functionalities, development of internal tools, user management and security and data API management.

**Go-to-Market Strategy**

***Sales***: We have an internal sales team of 91 members, as of May 31, 2021, that covers Asia-Pacific, Europe, Middle East and Africa and Americas. Our team structure ensures that we maintain our sales activities for 20 hours a day. The team addresses all inbound and outbound leads through online channels via platform demonstrations, online meetings and calls.

The sales team has well-defined key performance indicators and undergo regular performance reviews. Recruitment and training of our sales representatives is done in-house. We hire sales representatives based on specified skills. Senior roles are filled internally or hired externally with strict hiring criteria. For new sales team member onboarding and training, we have a defined, self and systematic training program followed by a

managerial review supported by a central monitoring team.

Our sales operations are supported by a custom-built technology infrastructure that has been developed and is maintained by a sales enablement team. The custom infrastructure includes automated processes and systems for improving efficiency, increasing productivity, measurement of key performance indicators like CRM for lead management, automatic generation of daily work plan for each sales representative, opportunity management dashboards, central collateral repository, pipeline review and reporting dashboards.

***Marketing***: We primarily undertake digital marketing where we reach out to prospective and existing customers primarily through online channels including emails, social media and search engine optimisation. Our primary focus is on content marketing. We do not undertake any paid advertising and we have an in-house team that manages our marketing activities.

We undertake various content marketing strategies including making sample data on publicly available pages and search engine optimization, providing content for articles and sharing industry newsletters, sector and geography focused reports. The marketing content is internally generated and published using our publicly available pages, social media accounts as well as through direct emails to our prospective and past users.

To build our brand awareness, we provide data to leading media outlets both in India and globally to use our data and quote us as sources in their articles and news reports. We also collaborate as knowledge partners for various events and report publications.

To strengthen our brand, we publish "*Tracxn*" awards across two categories – '*Tracxn Soonicorn Awards*' and '*Tracxn Emerging Awards*'. The '*Tracxn Soonicorn Awards*' recognize promising companies across different sectors and industries within a single geography that are likely soon-to-be unicorns or attain a valuation of US$1 billion, while the '*Tracxn Emerging Awards*' recognize companies which are the growing startups in a sector or industry within a single geography. We believe that this helps us in increasing our brand recall, social media presence as well as in improving our engagement with the companies. We actively use our various social media handles for increasing overall engagement with our external stakeholders.

We also conduct regular webinars for our users and prospective customers to introduce new features launched, key platform modules available on the platform and to increase the overall engagement with our existing and prospective customers. We regularly use social media to share snippets of key insights, latest trends across sectors and industry through report snippets and webinar updates.

**Customer Success**

Our aim is to provide enterprise-grade support for our global customer base.

***Onboarding***: Once a new customer is closed by our sales team, it is passed to the customer success team for onboarding and ongoing support. The customer success team provides the platform demo while onboarding of new customers keeping in mind specific use cases of different types of customers. We also offer customized onboarding guides that enable users to start exploring the platform on their own and are focused on features relevant to the use case of the respective customer category. An account manager is assigned to every customer who supports the customer in the initial set-up, customization of the platform, resolution of queries and is available to the customer for ongoing support.

***Support***: The customer success team addresses any queries or support tickets that come up from customers. We have an automated ticketing system through which all queries are logged into our system and tracked for timely closure. We try to resolve all the customer tickets and the support team operates across multiple time shifts working five days for 18 hours while on Saturday, we provide support for nine hours.

In addition, the customer success team also conducts monthly webinars on newly launched features and modules and does periodic touch points with customers to increase engagement. The customer success team is responsible for the renewal and upselling within Customer Accounts.

**Customer Segments**

We work with 855 Customers across 50 countries, as of May 31, 2021. No single Customer accounted for more than 1.40% of our revenue from operations in the last three completed Fiscals. Our customers span various

industries including investment industry, financial services, technology, healthcare, CPG, auto, manufacturing, education, non-profit and social impact. Our Customers include some of the world's largest organisations including a number of Fortune 500 companies and/or their affiliates such as Unilever Industries Private Limited. We classify our customers in three main segments as below:

*Private Market Investors and Investment Banks*: Our customers in this segment include venture capital firms, private equity firms and investment banks.

*Corporates*: Our customers include corporate development, investment and innovation teams at large corporates.

*Others*: Our customers include universities, accelerators and incubators and government agencies

The table below sets forth details of our Customer Accounts, as of the dates indicated:

| Customer Segment | As of March 31, | | |
|---|---|---|---|
| | 2019 | 2020 | 2021 |
| Private Market Investors and Investment Banks | 252 | 338 | 456 |
| Corporations | 147 | 191 | 246 |
| Others[#] | 72 | 113 | 153 |
| **Total** | **471** | **642** | **855** |

*# Others include government agencies, academic institutions, start-up accelerators and incubators.*

**Competition**

The market for private market intelligence is competitive, rapidly evolving, and fragmented (*Source: F&S Report*).

Our current competitors include free online and offline sources of information on companies and businesses, including government records, company websites, and open online databases, our current and potential customers' internal and homegrown company databases; other providers of third-party company attributes, technology attributes, and business contact information; other providers of online private companies, market information databases and platforms. Our competitors include, among others, other private market data service providers such as Crunchbase, CBInsights, PrivCo and Pitchbook (*Source: F&S Report*).

We believe the principal factors that drive competition between vendors in the market include comprehensive platform offering; quality and accuracy of data; breadth and depth of data; ease of use and deployment; tangible benefits and return on investment for customers; data privacy and security; and sophistication of solutions used to manage, maintain and combine intelligence. We believe we compete reasonably across these factors. For further information, see "*Risk Factors – We face competition from and could lose market share to our competitors, which could adversely affect our business, financial condition and results of operations.*" on page 27.

**Intellectual Property Rights**

Our success and ability to compete depend in part upon our ability to protect our technology and to establish and adequately protect our intellectual property rights. We have obtained registrations for 11 trademarks, including *Minicorn*, *Soonicorn* and *Tracxn*.com under various classes in India. In addition, our trademark application to register the mark '*Tracxn*' is currently pending. The Trademarks Registry has received an objection to our application and we have filed a response to certain queries raised by the Trademarks Registry to our application. Also see, "*Risk Factors – We may be unable to successfully protect our intellectual property rights from being infringed by others, including competitors*" on page 36.

**Human Resources**

As of May 31, 2021, we had 629 full-time employees on our payroll. The following table sets forth a breakdown of our employees by function as of May 31, 2021:

| Function | Number of Employees |
|---|---|
| Analysts and Data Operations | 377 |
| Product and Technology | 68 |

| | |
|---|---|
| Sales Marketing and Customer Success | 129 |
| Business Support | 55 |
| **Total** | **629** |

We have an internal recruitment team where we have defined 'Whom to Hire' frameworks across teams optimizing the hiring process and allowing us to scale teams across functions. We have developed an in-house methodology for managing our recruitment process. There is a defined and structured appraisal framework as well for yearly performance review.

We place significant emphasis on training our personnel and increasing their skill levels, and fostering ongoing employee engagement. We organize in-house training for our employees through skill building programs and professional development programs at all levels and across all functions. We obtain feedback periodically from our employees both team-wise and at an organisation level. Employees can also reach out to senior management with any queries. Our employees are not unionised into any labour or workers' unions and we have not experienced any major work stoppages due to labour disputes or cessation of work in the last three years. See, "*Risk Factors - Failure to attract and retain highly skilled professionals may materially adversely affect our business, financial condition, cash flows and results of operations.*" on page 41.

**Insurance**

We have obtained a health insurance policy for our employees. Further, we have obtained a directors and officers' liability insurance. Also, see "*Risk Factors – Our insurance coverage could prove inadequate to satisfy potential claims or protect us from potential operational hazards and losses which may have a material adverse effect on our financial condition, results of operations and cash flows.*" on page 32.

However, our insurance policies may not be able to cover all of our losses and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies.

**Corporate Social Responsibility ("CSR")**

We seek to integrate our business values with our operations so we may undertake our business activities in an ethical and transparent manner. Further, we seek to improve our fulfilment of social responsibilities and enhance our economic practices in an attempt to create a positive impact on the society. Our CSR Committee comprising Neha Singh, Abhishek Goyal and Payal Goel has adopted a CSR policy with a focus on educational, healthcare and medical relief, and environmental sustainability, among others.

**Properties**

Our registered office is located at 48, First Floor, DVG Road, Basavangudi, Bengaluru 560 004, Karnataka, India on leased premises. Our corporate office is located at L-248, 2nd Floor, 17th Cross, Sector 6, HSR Layout, Bengaluru 560 102, Karnataka, India which is leased by us.

## KEY REGULATIONS AND POLICIES IN INDIA

*The following is an overview of the important laws, policies and regulations which are relevant to our business and related sectors. The regulations set out below are not exhaustive and are only intended to provide general information. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The following is only intended to provide general information to the investor and is neither designed nor intended to be a substitute for professional legal advice. For details of government approvals obtained by us, where necessary, in compliance with these regulations, refer to "Government and Other Approvals" on page 269.*

### I. Industry-specific Regulations

***Information Technology Act, 2000 and the rules made thereunder***

The Information Technology Act ("**IT Act**") was enacted to provide legal recognition to transactions carried out by various means of electronic data interchange involving alternatives to paper-based methods of communication and storage of information. The IT Act also seeks to facilitate the electronic filing of documents and to create a mechanism for the authentication of electronic documentation through digital signatures. The IT Act prescribes punishment for publishing and transmitting obscene material in electronic form. The IT Act has extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India. Additionally, the IT Act also empowers the Government of India to direct any of its agencies to intercept, monitor or decrypt any information in the interest of the country's sovereignty, integrity, defence and security of India, among other things. The Information Technology (Procedure and Safeguards for Blocking for Access of Information by Public) Rules, 2009 specifically permit the Government of India to block access of any information generated, transmitted, received, stored or hosted in any computer resource by the public, the reasons for which are required to be recorded by it in writing.

By means of an amendment in 2008, the IT Act legalized the validity of contracts formed through electronic means. Additionally, the IT Act creates liability for negligence in dealing with or failure to protect sensitive personal data and gives protection to intermediaries in respect of liabilities for third party information made available to or hosted by them. The Act does so by prescribing civil and criminal liability including fines and imprisonment for computer-related offences including those relating to unauthorized access to computer systems, tampering with or unauthorised manipulation of any computer, computer system or computer network and, damaging computer systems and creates liability for negligence in dealing with or handling any sensitive personal data or information in a computer resource and in maintaining reasonable security practices and procedures in relation thereto.

In April 2011, the Department of Information Technology, Ministry of Electronics and Information Technology, Government of India ("**DoIT**"), in exercise of its power to formulate rules with respect to reasonable security practices and procedures and sensitive personal data, notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 ("**IT Security Rules**") in respect of Section 43A of the IT Act, which prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The IT Security Rules require every such body corporate to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, ensuring the security of all personal data collected by it and publishing such policy on its website. The IT Security Rules further require that all such personal data be used solely for the purposes for which it was collected and any 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 Personal Data Protection Bill, 2019***

The Personal Data Protection Bill, 2019 ("**Data Privacy Bill**"), which proposes to supersede the IT Act deals with the provisions relating to compensation payable by companies for failure to protect personal data. The Data Privacy Bill also establishes a Data Protection Authority of India. Currently, the Data Privacy Bill categorizes two kinds of data, (a) "Personal Data" data about or relating to a natural person who is directly or indirectly identifiable, having regard to any characteristic, trait, attribute or any other feature of the identity of such natural person, whether online or offline, or any combination of such features with any other information, and shall

include any inference drawn from such data for the purpose of profiling; and (b) "Sensitive Personal Data" includes such personal data, which may, reveal, be related to, or constitute, amongst others: (i) financial data; (ii) health data; (iii) official identifier; (iv) sex life; (v) sexual orientation; and (vi) biometric data. The applicability of the Bill also extends to foreign companies that handle data of individuals in India. The Bill accords certain rights to individuals with respect to the protection of their data. However, there are certain exceptions to protection offered under the Data Privacy Bill, such as, act done in interest of security of state, public order, sovereignty and integrity of India and friendly relations with foreign states, and act done for preventing incitement to commission of any cognizable offence relating to the above matters. Processing of personal data is also exempted from provisions of the Data Privacy Bill under certain conditions, as long as such processing is for a specific, clear and lawful purpose, this includes an act undertaken for prevention, investigation, or prosecution of any offence, or personal, domestic, or journalistic purposes. As on date, the Data Privacy Bill is pending with Joint Parliamentary Committee and is yet to be notified and take effect.

## II. Labour Legislations

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

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 was enacted to curb the rise in sexual harassment that women were facing in their workplaces and it intended to make workplaces safer for them by enacting for prevention of such harassment and redressal of complaints and for matters connected with sexual harassment. The terms sexual harassment and workplace are both defined in the act. Every employer is required to constitute an "Internal Complaints Committee" and every officer and member of the company shall hold office in the committee for a period not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at the workplace. Every employer has a duty to provide a safe working environment at the workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, displaying rules relating to sexual harassment at any conspicuous part of the workplace, providing necessary facilities to the committee formed for dealing with the complaint, such other procedural requirements to assess the complaints.

***Other applicable labour legislations***

The employment of workers, depending on the nature of activity, is, at present, regulated by a wide variety of generally applicable labour laws. The following is an indicative list of labour laws applicable to our operations owing to the nature of our business activities:

- Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- Employees' Compensation Act, 1923;
- Employees' State Insurance Act, 1948;
- Equal Remuneration Act, 1976;
- Maternity Benefit Act, 1961;
- Payment of Bonus Act, 1965; and
- Payment of Gratuity Act, 1972.

***Labour Codes***

In order to rationalize and reform labour laws in India, the Government has enacted four labour codes that would subsume primarily all of the central labour laws and would collectively form the governing labour legislations, as and when brought into effect. These four codes are:

(a) *The Code on Wages, 2019*

The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and proposes to subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The Central Government has notified certain provisions of this code predominantly concerning the constitution of the Central Advisory Board and other provisions of this code will be brought into force on a date to be notified by the Central Government.

(b) *The Occupational Safety, Health and Working Conditions Code, 2020*

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

(c) *The Industrial Relations Code, 2020*

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

(d) *The Code on Social Security, 2020*

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government.

***Shops and establishments legislations in various states***

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered. These legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of opening and closing hours, daily and weekly working hours, rest intervals, overtime, holidays, leave, health and safety measures, termination of service, wages for overtime work, maintenance of shops and establishments and other rights and obligations of the employers and employees. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the legislations. In the case of our Company, the Karnataka Shops and Commercial Establishments Act, 1961 is an applicable law under this head.

**III. Foreign Investment Laws**

***The Foreign Exchange Management Act, 1999 ("FEMA") and regulations framed thereunder***

Foreign investment in India is governed primarily by the provisions of the FEMA, and the rules, regulations and notifications thereunder, as issued by the RBI from time to time and the FEM Rules and the FDI Policy. In terms of the FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which the foreign investment is sought to be made. In terms of the FDI Policy, the authority to grant government approval for foreign investment under the FDI Policy and FEMA has now been entrusted to the concerned administrative ministries/departments.

The total holding by any individual NRI, on a repatriation basis, shall not exceed five percent of the total paid-up equity capital on a fully diluted basis or shall not exceed five percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. However, the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of our Company.

The total holding by each FPI or an investor group, shall be less than 10 percent of the total paid-up equity capital on a fully diluted basis or less than 10 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together, including any other direct and indirect foreign investments in the Indian company permitted under these rules, shall be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). Further, all

investments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the FDI Policy.

## IV. Tax-Related Legislations

***Central Goods and Services Tax Act, 2017***

The Central Goods and Services Tax Act, 2017 (the "**GST Act**") levies tax on the supply of goods and services throughout India to replace multiple taxes levied by the Central and State Governments on production, supply and sale of goods and providing of services in India, applicable from July 1, 2017. Under the GST Act, goods and services are taxed under five different categories, being 0%, 5%, 12%, 18% and 28%. GST is levied on all transactions such as supply, transfer, purchase, barter, lease, or import of goods and/or services. Transactions made within a single state are levied with Central GST ("**CGST**") by the Central Government and State GST ("**SGST**") by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST ("**IGST**") is levied by the Central Government. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

Additional tax-related laws that are applicable to us include the Income Tax Act, 1961 along with various rules and notifications issued by the tax authorities.

## V. Intellectual Property Laws

Intellectual property in India enjoys protection under both common law and statutes. Under statutes, India provides for patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957 and trademark protection under the Trade Marks Act, 1999. These enactments provide for the protection of intellectual property by imposing civil and criminal liability for infringement. In addition to the domestic laws, India is a party to several international intellectual property-related instruments including the Patent Cooperation Treaty, 1970, the Paris Convention for the Protection of Industrial Property, 1883, the Berne Convention for the Protection of Literary and Artistic Works, 1886, the Universal Copyright Convention adopted at Geneva in 1952, the International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations, 1961 and as a member of the World Trade Organisation is a signatory to the Agreement on Trade-Related aspects of Intellectual Property Rights.

***Trade Marks Act, 1999 and the Trade Marks Rules, 2017***

The Trade Marks Act, 1999 as amended (the "**Trade Marks Act**") governs the law pertaining to the protection of trade marks in India. Once a mark is registered, it is valid in India only for a period of 10 years and can be renewed from time to time in perpetuity. Registration of a trade mark grants the owner a right to exclusively use the trade mark as a mark of goods and services and provides for remedies in case of the fraudulent use of deceptively similar marks by any third party. The Trade Marks Rules, 2017 as amended (the "**Trade Marks Rules**") lays down certain guidelines including the process for determination of "well-known trademark", representation of sound marks, recognition of e-mail as a mode of service, new registration fees and mandatory filing of statements of users.

***Copyright Act, 1957***

The Copyright Act, 1957, along with the Copyright Rules, 1958, (collectively, "**Copyright Laws**") serves to create property rights for certain kinds of intellectual property, generally called works of authorship. The Copyright Laws protect the legal rights of the creator of an 'original work' by preventing others from reproducing the work in any other way. This intellectual property protected under the Copyright Laws includes literary works, among others, which, in terms of the Copyright Act, 1957, include computer programs, tables and compilations, including computer databases. The Copyright Laws prescribe a fine, imprisonment or both for violations, with an enhanced penalty on second or subsequent convictions. While copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration constitutes prima facie evidence of the particulars entered therein and may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Upon registration, the copyright protection for a work exists for a period of 60 years following the demise of the author. Reproduction of a copyrighted work for sale or hire and issuing of copies to the public, among others, without consent of the owner of the copyright are acts which expressly amount to an infringement of copyright.

## VI. Other Laws

In addition to the aforementioned material laws and regulations, which apply to our Company, our Company is also required to comply with the provisions of the Companies Act and rules framed thereunder, the Consumer Protection Act, 2019, and other applicable statutes promulgated by the relevant Central and State Governments including the central and state tax laws.

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief history of our Company

Our Company was incorporated as 'Tracxn Technologies Private Limited' pursuant to a certificate of incorporation dated August 11, 2012 issued by the RoC. Thereafter, pursuant to the conversion of our Company to a public limited company, the name of our Company was changed to 'Tracxn Technologies Limited', and a fresh certificate of incorporation dated July 28, 2021 was issued to our Company by the RoC.

### Change in registered office of our Company

Our Company has not changed its registered office since its incorporation.

### Main Objects of our Company

The main object contained in the Memorandum of Association of our Company is as mentioned below:

1. *To carry on the business of collecting data through various sources like news, blogs, financial portals, social media, etc., to analyze data using various software and programs, prepare and present data about 'companies' and 'websites' and to provide the analyzed data to the customers.*

2. *To operate in the domain of computer applications, products and internet service. To carry on all or any business of designing, developing, implementing, supporting, enhancing, modifying, customizing, converting, software solutions programs, products and services, both in Domestic and International markets.*

3. *To carry on all or any business of marketing and distributing the software solutions developed by the Company directly to consumers or enterprises.*

### Amendments to our Memorandum of Association

Set out below are the amendments to our Memorandum of Association in the ten years preceding the date of this Draft Red Herring Prospectus:

| Date of Shareholders' resolution / amendment | Nature of Amendment |
|---|---|
| September 30, 2013 | The authorized share capital of our Company was increased from ₹ 100,000, divided into 100,000 Equity Shares of the Company of ₹ 1 each, to ₹ 1,500,000, divided into 1,500,000 Equity Shares of the Company of ₹ 1 each. |
| March 2, 2015 | The authorized share capital of our Company was increased from ₹ 1,500,000, divided into 1,500,000 Equity Shares of the Company of ₹ 1 each, to ₹ 4,680,000, divided into 1,500,000 Equity Shares of the Company of ₹ 1 each and 318,000 Preference Shares of the Company of ₹ 10 each. |
| September 30, 2015 | The authorized share capital of our Company was increased from ₹ 4,680,000, divided into 1,500,000 Equity Shares of the Company of ₹ 1 each and 318,000 Preference Shares of the Company of ₹ 10 each, to ₹ 4,900,000, divided into 1,500,000 Equity Shares of the Company of ₹ 1 each and 340,000 Preference Shares of the Company of ₹ 10 each. |
| December 12, 2015 | The authorized share capital of our Company was increased from ₹ 4,900,000, divided into 1,500,000 Equity Shares of the Company of ₹ 1 each and 340,000 Preference Shares of the Company of ₹ 10 each, to ₹ 6,000,000, divided into 1,500,000 Equity Shares of the Company of ₹ 1 each and 450,000 Preference Shares of the Company of ₹ 10 each. |
| April 2, 2016 | The authorized share capital of our Company was increased from ₹ 6,000,000, divided into 1,500,000 Equity Shares of the Company of ₹ 1 each and 450,000 Preference Shares of the Company of ₹ 10 each, to ₹ 9,000,000, divided into 1,500,000 Equity Shares of the Company of ₹ 1 each and 750,000 Preference Shares of the Company of ₹ 10 each. |
| July 23, 2019 | The authorized share capital of our Company was increased from ₹ 9,000,000, divided into 1,500,000 Equity Shares of the Company of ₹ 1 each and 750,000 Preference Shares of the Company of ₹ 10 each, to ₹ 12,000,000, divided into 1,500,000 Equity Shares of the Company of ₹ 1 each and 1,050,000 Preference Shares of the Company of ₹ 10 each. |
| July 8, 2021 | Amendment to reflect the change in the name of our Company from 'Tracxn Technologies Private Limited' to 'Tracxn Technologies Limited'. |
| July 8, 2021 | The authorized share capital of our Company was increased from ₹ 12,000,000, divided into |

| Date of Shareholders' resolution / amendment | Nature of Amendment |
|---|---|
| | 1,500,000 Equity Shares of the Company of ₹ 1 each and 1,050,000 Preference Shares of the Company of ₹ 10 each, to ₹ 120,000,000, divided into 109,500,000 Equity Shares of the Company of ₹ 1 each and 1,050,000 preference shares of the Company of ₹ 10 each |

**Major events and milestones of our Company**

The table below sets forth the key events in the history of our Company:

| Calendar Year | Particulars |
|---|---|
| 2013 | Issue of an aggregate of 107,244 Equity Shares to our Angel Investors, including Sachin Bansal, Binny Bansal and Sahil Barua, among others. |
| 2015 | First institutional fund-raising activity by our Company, comprising an issue of 100 Equity Shares and 317,262 Series A CCPS to Elevation Capital. |
| 2016 | Issue of an aggregate of 74,825 Series A2 CCPS to Ratan N. Tata and Rathnagirish Mathrubootham, among others. |
| | Launched a funding database, 'Soonicorn Club', investors database and news features and the application programming interface on our platform. |
| | Issue of an aggregate of 156,423 Series A4 CCPS to Elevation Capital, Accel India IV (Mauritius) Limited, SCI Investments V and Seabright II Limited, among others. |
| 2017 | Issue of an aggregate of 20,707 Series B1 CCPS to Elevation Capital, Accel India IV (Mauritius) Limited, WGG International Limited and Seabright II Limited. |
| | Launched 'Tracxn Score', reports and live chat features on our platform. |
| 2018 | Launched personalised dashboards on our platform. |
| 2019 | Issue of 70,872 Series B2 CCPS to KB Global Platform Fund. |
| | Launched a portfolio tracker and an acquisitions database on our platform. |
| 2020 | Launched advanced search within our platform. |
| | Launched a collection of sector-based newsletters on our platform. |
| 2021 | Crossed customers in over 50 countries. |

**Awards, accreditations or recognitions**

Our Company has received the following awards, accreditation and recognition:

| Calendar Year | Particulars |
|---|---|
| 2016 | Recognised as being rank 1 amidst five-year old start-ups, in a feature on the '*Coolest Start-ups*' by the Business Today magazine |

**Launch of key products or services, entry or exit in new geographies**

For details of launch of key products or services, entry in new geographies or exit from existing markets, capacity or facility creation and the location of plants see "– *Major Events and Milestones of our Company*" and "*Our Business*" on pages 155 and 131**,** respectively.

**Financial or Strategic Partners**

Our Company does not have any financial or strategic partners as on the date of filing this Draft Red Herring Prospectus.

**Time or cost overruns**

There have been no time or cost overruns pertaining in the setting up of projects by our Company since incorporation.

**Defaults or rescheduling of borrowings with financial institutions/banks**

Our Company has not defaulted on repayment of any loan availed from any banks or financial institutions. The tenure of repayment of any loan availed by our Company from banks or financial institutions has not been rescheduled.

**Revaluation of assets**

Our Company has not revalued its assets since its incorporation.

**Our holding company**

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding Company.

**Our subsidiaries, associates and joint ventures**

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiaries, associates, or joint ventures.

**Details regarding acquisition or divestment of business or undertakings**

There have been no material acquisitions or divestments of business or undertakings by our Company since its incorporation.

**Mergers or amalgamation**

Our Company has not been party to any merger or amalgamation since its incorporation.

**Details of shareholders' agreements**

Details of subsisting shareholder's agreements among our shareholders *vis-a-vis* our Company, which our Company is aware of, as on the date of this Draft Red Herring Prospectus, are provided below:

***Shareholder's agreement dated December 10, 2020 entered into amongst the Company, the Promoters, the Investors and Prashant Chandra, as amended by the amendment agreement dated March 30, 2021, and the amendment to the shareholders agreement dated August 4, 2021***

Our Company originally entered into a subscription agreement dated April 17, 2015 with our Promoters and Elevation Capital (previously, SAIF Partners India V Limited) pursuant to which, Elevation Capital subscribed to 317,262 Series A CCPS and 100 equity shares of the Company at an aggregate consideration amount of ₹ 215,250,776.50. Our Company also entered into a shareholders agreement dated April 17, 2015, with our Promoters, Elevation Capital and the remaining shareholders at the time to record the mutual understanding with respect to rights and obligations in terms of the shareholding in our Company and certain other matters contained therein.

Thereafter, pursuant to various following rounds of investments in our Company, separate subscription agreements were entered into by our Company with the respective subscribers. Certain details of each of the subscription agreements (collectively, the "**Investment Agreements**") entered into by our Company, are set forth hereunder.

(i) Subscription agreement dated April 17, 2015 entered into amongst our Company, the Promoters and Elevation Capital pursuant to which, Elevation Capital subscribed to 317,262 Series A CCPS and 100 equity shares of our Company at an aggregate consideration amount of ₹ 215,250,776.50;

(ii) Investment and amendment to shareholders agreement dated October 23, 2015, entered into amongst our Company, Elevation Capital, the Promoters, Sachin Bansal, Binny Bansal, Mukul Singhal, Bindu Gupta, Sahil Barua, Deepak Singh, Prashant Chandra and Krishna Kolluri, pursuant to which Krishna Kolluri subscribed to 5,055 Ordinary CCPS of our Company for an aggregate consideration of ₹ 2,275,002.75.

(iii) Series A2 investment agreement dated December 23, 2015 entered into amongst our Company, the Promoters and Ratan N. Tata pursuant to which, Ratan N. Tata subscribed to 11,168 Series A2 CCPS at an aggregate consideration amount of ₹ 12,999,552.00;

(iv) Series A2 investment agreement dated January 13, 2016 entered into amongst our Company, the

Promoters and Beenext Pte. Limited pursuant to which, Beenext Pte. Limited subscribed to 8,376 Series A2 CCPS at an aggregate consideration amount of ₹ 9,749,664.00;

(v) Series A2 investment agreement dated January 13, 2016 entered into amongst our Company, the Promoters and Rahul Mehta pursuant to which, Rahul Mehta subscribed to 2,792 Series A2 CCPS at an aggregate consideration amount of ₹ 3,249,888.00;

(vi) Series A2 investment agreement dated January 13, 2016 entered into amongst our Company, the Promoters and Anand && Venky, LLC pursuant to which, Anand && Venky, LLC subscribed to 5,584 Series A2 CCPS at an aggregate consideration amount of ₹ 64,99,776.00;

(vii) Series A2 investment agreement dated January 21, 2016 entered into amongst our Company, the Promoters and VH Capital pursuant to which, VH Capital subscribed to 11,168 Series A2 CCPS at an aggregate consideration amount of ₹ 12,999,552.00;

(viii) Series A2 investment agreement dated January 21, 2016 entered into amongst our Company, the Promoters and Rathnagirish Mathrubootham pursuant to which, Rathnagirish Mathrubootham subscribed to 5,584 Series A2 CCPS at an aggregate consideration amount of ₹ 6,499,776.00;

(ix) Series A2 investment agreement dated January 21, 2016 entered into amongst our Company, the Promoters and Apoletto Asia Ltd pursuant to which, Apoletto Asia Ltd subscribed to 2,792 Series A2 CCPS at an aggregate consideration amount of ₹ 3,249,888.00;

(x) Series A2 investment agreement dated January 27, 2016 entered into amongst our Company, the Promoters and Trustees, NRJN Family Trust pursuant to which, Trustees, NRJN Family Trust subscribed to 11,168 Series A2 CCPS at an aggregate consideration amount of ₹ 12,999,552.00;

(xi) Series A2 investment agreement dated January 29, 2016 entered into amongst our Company, the Promoters and Aneesh Reddy Boddu pursuant to which, Aneesh Reddy Boddu subscribed to 515 Series A2 CCPS at an aggregate consideration amount of ₹ 599,460.00;

(xii) Series A2 investment agreement dated February 4, 2016 entered into amongst our Company, the Promoters and Ashish Harish Bhinde pursuant to which, Ashish Harish Bhinde subscribed to 859 Series A2 CCPS at an aggregate consideration amount of ₹ 999,876.00;

(xiii) Series A2 investment agreement dated February 4, 2016 entered into amongst our Company, the Promoters and Gaurav Deepak pursuant to which, Gaurav Deepak subscribed to 859 Series A2 CCPS at an aggregate consideration amount of ₹ 999,876.00;

(xiv) Series A2 investment agreement dated February 4, 2016 entered into amongst our Company, the Promoters and 3ONE4 Capital Fund – Scheme I, through its investment manager, 3ONE4Capital Advisors LLP pursuant to which, 3ONE4 Capital Fund – Scheme I subscribed to 11,168 Series A2 CCPS at an aggregate consideration amount of ₹ 12,999,552.00;

(xv) Series A2 investment agreement dated February 19, 2016 entered into amongst our Company, the Promoters and Manoj Kumar Gandhi pursuant to which, Manoj Kumar Gandhi subscribed to 2,792 Series A2 CCPS at an aggregate consideration amount of ₹ 3,249,888.00;

(xvi) Series A3 investment agreement dated February 20, 2016 entered into amongst our Company, the Promoters and WGG International, Limited pursuant to which, WGG International, Limited subscribed to 11,991 Series A3 CCPS at an aggregate consideration amount of ₹ 16,750,587.63;

(xvii) Series A4 investment agreement dated April 5, 2016 entered into amongst our Company, the Promoters and Seabright II Ltd pursuant to which, Seabright II Ltd subscribed to 76,304 Series A4 CCPS at an aggregate consideration amount of ₹ 132,000,578.72;

(xviii) Series A4 investment agreement dated May 9, 2016 entered into amongst our Company, the Promoters and WGG International, Limited pursuant to which, WGG International, Limited subscribed to 3,815 Series A4 CCPS at an aggregate consideration amount of ₹ 6,599,682.95;

(xix) Series A4 investment agreement dated May 24, 2016 entered into amongst our Company, the Promoters and Elevation Capital pursuant to which, Elevation Capital subscribed to 76,304 Series A4 CCPS at an aggregate consideration amount of ₹ 132,000,578.72;

(xx) Series A4 investment agreement dated June 20, 2016 entered into amongst our Company, the Promoters and Amit Ranjan pursuant to which, Amit Ranjan subscribed to 1,145 Series A4 CCPS at an aggregate consideration amount of ₹ 1,980,769.85;

(xxi) Series A4 investment agreement dated July 6, 2016 entered into amongst our Company, the Promoters and Amitabh And Shilpa Singhal Living Trust pursuant to which, Amitabh And Shilpa Singhal Living Trust subscribed to 4,578 Series A4 CCPS at an aggregate consideration amount of ₹ 7,919,619.54;

(xxii) Series A4 investment agreement dated July 7, 2016 entered into amongst our Company, the Promoters and Accel India IV (Mauritius) Limited pursuant to which, Accel India IV (Mauritius) Limited subscribed to 38,152 Series A4 CCPS at an aggregate consideration amount of ₹ 66,000,289.36;

(xxiii) Series A4 investment agreement dated July 7, 2016 entered into amongst our Company, the Promoters and SCI Investments V pursuant to which, SCI Investments V subscribed to 28,614 Series A4 CCPS at an aggregate consideration amount of ₹ 49,500,217.02;

(xxiv) Series B1 investment agreement dated October 26, 2017 entered into amongst our Company, the Promoters and WGG International Limited pursuant to which, WGG International Limited subscribed to 828 Series B1 CCPS at an aggregate consideration amount of ₹ 2,111,259.24;

(xxv) Series B1 investment agreement dated October 26, 2017 entered into amongst our Company, the Promoters and Accel India IV (Mauritius) Limited pursuant to which, Accel India IV (Mauritius) Limited subscribed to 37,650 Series B1 CCPS at an aggregate consideration amount of ₹ 96,001,099.50;

(xxvi) Series B1 investment agreement dated October 26, 2017 entered into amongst our Company, the Promoters and Elevation Capital pursuant to which, Elevation Capital subscribed to 20,707 Series B1 CCPS at an aggregate consideration amount of ₹ 52,799,329.81;

(xxvii) Series B1 investment agreement dated November 21, 2017 entered into amongst our Company, the Promoters and Seabright II Limited pursuant to which, Seabright II Limited subscribed to 4,016 Series B1 CCPS at an aggregate consideration amount of ₹ 10,240,117.28;

(xxviii) Series B1 investment agreement dated January 15, 2018 entered into amongst our Company, the Promoters and SCI Investments V pursuant to which, SCI Investments V subscribed to 12,550 Series B1 CCPS at an aggregate consideration amount of ₹ 32,000,366.50;

(xxix) Series B2 investment agreement dated August 27, 2019 entered into amongst our Company, the Promoters and KB Global Platform Fund pursuant to which, KB Global Platform Fund subscribed to 70,872 Series B2 CCPS at an aggregate consideration amount of ₹ 209,460,778.56;

(xxx) Series B2 investment agreement dated October 6, 2020 entered into amongst our Company, the Promoters and WGG International Limited pursuant to which, WGG International Limited subscribed to 634 Series B2 CCPS at an aggregate consideration amount of ₹ 1,873,774.32.

For further details of the shareholding of the Other Investors in our Company, see "*Capital Structure*" on page 74.

Following the execution of such Investment Agreements, our Company, along with our Promoters, Prashant Chandra and the Investors, entered into a shareholders agreement dated December 10, 2020 ("**Shareholders Agreement**") for the purposes of providing for and governing the rights of the shareholders of our Company including those relating to the management and operations of our Company.

In terms of the Shareholders Agreement, certain Other Investors have various rights including the right to avail reports and information such as audited annual financial statements, including profit and loss accounts, balance sheet and cash flow statements within 60 days from the end of the relevant Financial Year, quarterly bank account statements of the Company within 10 (Ten) days of the end of each calendar quarter, monthly income statements within 15 (Fifteen) days of the end of each calendar month, among others; the right to maintain capital through purchase of pro rata share in the event of a further issue of shares by our Company; and the right to tag along in the event of sale of shares by any of the Promoters. In addition to the above, one of our investors, Elevation Capital, has certain specific special rights under the Shareholders Agreement including but not limited to the right of first refusal and the right of first offer in the event certain shareholders decided to transfer their shares, Director nomination rights, consent requirements before our Company can take various actions, including changes in the authorized, subscribed, issued or paid up capital of our Company, amendment to our Memorandum of Association, appointment of Key Managerial Personnel, among others.

The Shareholders' Agreement was amended pursuant to an amendment agreement dated March 30, 2021, pursuant to which certain obligations of our Company to buy-back securities held by the Other Investors were deleted. Additionally, the Shareholders Agreement was amended pursuant to an amendment agreement dated August 4, 2021 entered into between the Company, the Promoters, Prashant Chandra and the Investors ("**Amendment Agreement**") pursuant to which the Other Investors have, *inter alia,* agreed to waive certain of their rights under the Shareholders Agreement from the date of the Amendment Agreement.

Further, the Shareholders Agreement and the Amendment Agreement shall automatically terminate upon the consummation of an initial public offering by our Company, without requiring any further action by any party. Until such termination of the Shareholders' Agreement, certain Other Investors shall retain several rights in our Company, such as the right to receive audited financial statements within 60 days of the end of a financial year. Further, Elevation Capital shall retain certain additional rights until the termination of the Shareholders' Agreement, including (i) additional information rights, including the right to receive business plans, monthly income statements, quarterly bank account statements, etc., (ii) the right to nominate an observer to our Board, and (iii) the right to require our Company to offer it an exit by buying all or part of the securities held by it, in the event of a material breach of the Shareholders' Agreement, amongst others. Additionally, until the termination of

the Shareholders' Agreement, our Company shall require the consent of Elevation Capital in order to undertake certain actions, *inter alia* including any changes to the authorised, subscribed or paid-up share capital of our Company, amendments to our memorandum of association, the creation or dissolution of any subsidiaries and the appointment of any key managerial personnel, amongst others.

The Shareholders' Agreement grants Elevation Capital the right to nominate one Director on our Board, as long as it holds 7% or more in our Company, and such right shall survive after termination of the Shareholders' Agreement. In terms of the provisions of our Articles of Association, upon the shares of our Company becoming listed, such right shall be placed before our Shareholders for their approval through a special resolution, following the listing of the Equity Shares, and shall become valid upon approval of the same.

**Agreements with Key Managerial Personnel, Director, Promoter or any other employee**

Neither our Promoters, nor any of the Key Managerial Personnel, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

**Guarantees given by our Promoter Selling Shareholders**

Our Promoter Selling Shareholders have not given any guarantee to any third parties as on the date of this Draft Red Herring Prospectus.

**Other agreements**

Our Company has not entered into any other subsisting material agreement, including with strategic partners, joint venture partners and/or financial partners, other than in the ordinary course of business.

## OUR MANAGEMENT

### Board of Directors

The Articles of Association require that our Board shall comprise of not less than three Directors and not more than 15 Directors, provided that our Shareholders may appoint more than 15 Directors after passing a special resolution in a general meeting.

As on the date of filing this Draft Red Herring Prospectus, we have eight Directors on our Board, of whom two are Executive Directors and six are Non-Executive Directors, including four Independent Directors. Of such Independent Directors, one is a woman Director. 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 our Board and constitution of committees thereof.

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

| Name, designation, date of birth, address, occupation, current term, date of appointment and DIN | Age (years) | Other directorships |
|---|---|---|
| **Neha Singh**<br><br>*Designation*: Chairperson and Managing Director<br><br>*Date of birth*: February 2, 1985<br><br>*Address*: H 1101, Mantri Espana, Behind Sakra Hospital, Bellandur, Bengaluru 560103, Karnataka, India<br><br>*Occupation*: Business<br><br>*Current term*: For a period of five years, with effect from August 6, 2021, and liable to retire by rotation<br><br>*Period of directorship*: Since June 14, 2016<br><br>*DIN*: 05331824 | 36 | *Indian Companies*<br><br>Reindeer Software Solutions Private Limited<br><br>*Foreign Companies*<br><br>Nil |
| **Abhishek Goyal**<br><br>*Designation*: Vice Chairman and Executive Director<br><br>*Date of birth*: June 27, 1981<br><br>*Address*: H 1101, Mantri Espana, Behind Sakra Hospital, Bellandur, Bengaluru 560103, Karnataka, India<br><br>*Occupation*: Business<br><br>*Current term*: For a period of five years, with effect from August 6, 2021, and liable to retire by rotation<br><br>*Period of directorship*: Since January 2, 2013<br><br>*DIN*: 00423410 | 40 | *Indian Companies*<br><br>Reindeer Software Solutions Private Limited<br><br>*Foreign Companies*<br><br>Nil |

| Name, designation, date of birth, address, occupation, current term, date of appointment and DIN | Age (years) | Other directorships |
|---|---|---|
| **Ravi Chandra Adusumalli**<br><br>*Designation*: Non-Executive Director<br><br>*Date of birth*: January 14, 1976<br><br>*Address*: 1045, Quarry Mountain Lane, Park City 84098, Utah, United States of America<br><br>*Occupation*: Service<br><br>*Current term*: Liable to retire by rotation<br><br>*Period of directorship*: Since June 14, 2016<br><br>*DIN*: 00253613 | 45 | *Indian Companies*<br><br>1. Le Travenues Technology Private Limited<br>2. Rivigo Services Private Limited<br>3. Urbanclap Technologies India Private Limited<br>4. Capfloat Financial Services Private Limited<br>5. Nextgen Project Management Systems Private Limited<br>6. One97 Communications Limited<br>7. Paytm E-Commerce Private Limited<br><br>*Foreign Companies*<br><br>1. SAIF Partners India IV Limited<br>2. SAIF India IV FII Holdings Limited<br>3. SAIF Partners India IV Holdings Limited<br>4. SAIF Partners India IV Investors Limited<br>5. Elevation Capital V Limited<br>6. Elevation Capital V FII Holdings Limited<br>7. Elevation Capital V Holdings Limited<br>8. Elevation Capital V Management<br>9. Elevation Capital VI Limited<br>10. Elevation Capital VI FII Holdings Limited<br>11. Elevation Capital VI Holdings Limited<br>12. Elevation Capital VI Management<br>13. Elevation Capital VII Limited<br>14. Elevation Capital VII FII Holdings Limited<br>15. Elevation Capital VII Holdings Limited<br>16. Elevation Capital VII Management<br>17. Elevation Company Limited<br>18. Think Elevation Capital Growth Opportunities<br>19. Think Elevation Capital LLC<br>20. Software Is Correct Inc. |
| **Vivek Kumar Mathur**<br><br>*Designation*: Non-Executive Nominee Director*<br><br>*Date of birth*: October 7, 1962<br><br>*Address*: D151, Westend Heights, DLF Phase – V, Gurgaon 122009, Haryana, India<br><br>*Occupation*: Service<br><br>*Current term*: Not liable to retire by rotation<br><br>*Period of directorship*: Since April 23, 2015<br><br>*DIN*: 03581311 | 58 | *Indian Companies*<br><br>1. Paytm Payments Services Limited<br>2. Paytm Insuretech Private Limited<br>3. Busybees Logistics Solutions Private Limited<br>4. One97 Communications India Limited<br>5. Senco Gold Limited<br>6. Aye Finance Private Limited<br><br>*Foreign Companies*<br><br>Nil |

| Name, designation, date of birth, address, occupation, current term, date of appointment and DIN | Age (years) | Other directorships |
|---|---|---|
| **Brij Bhushan**<br><br>*Designation*: Independent Director<br><br>*Date of birth*: January 8, 1981<br><br>*Address*: C-201, Vasundhara Apartment, Plot No 16, Dwarka, Delhi 110 075, India<br><br>*Occupation*: Service<br><br>*Current term*: For a period of five years, with effect from August 6, 2021<br><br>*Period of directorship*: Since August 6, 2021<br><br>*DIN*: 03624436 | 40 | *Indian Companies*<br><br>Samast Technologies Private Limited<br><br>*Foreign Companies*<br><br>PT Samast Indonesia |
| **Nishant Verman**<br><br>*Designation*: Independent Director<br><br>*Date of birth*: October 25, 1979<br><br>*Address*: Flat No. N1104, Tower 7, Adarsh Palm Retreat, Bellandur, Bengaluru 560 103, Karnataka, India<br><br>*Occupation*: Professional<br><br>*Current term*: For a period of five years, with effect from August 6, 2021<br><br>*Period of directorship*: Since August 6, 2021<br><br>*DIN*: 05128414 | 41 | *Indian Companies*<br><br>Overleap Networks Private Limited<br><br>*Foreign Companies*<br><br>Nil |
| **Payal Goel**<br><br>*Designation*: Independent Director<br><br>*Date of birth*: September 12, 1982<br><br>*Address*: #2D, Swati Apartments, 8 Gangai Street, Kalakshetra Colony, Besant Nagar, Chennai 600090, Tamil Nadu<br><br>*Occupation*: Professional<br><br>*Current term*: For a period of five years, with effect from August 6, 2021<br><br>*Period of directorship*: Since August 6, 2021<br><br>*DIN*: 09196284 | 38 | *Indian Companies*<br><br>Nil<br><br>*Foreign Companies*<br><br>Nil |
| **Rohit Jain**<br><br>*Designation*: Independent Director<br><br>*Date of birth*: July 3, 1974<br><br>*Address*: F404, AKME Ballet Apartments, Outer Ring Road, Doddanekundi, Bengaluru 560037, Karnataka, India | 47 | *Indian Companies*<br><br>1. Propertyshare Online Platform Private Limited<br>2. Fyle Technologies Private Limited<br>3. JSM Advisers Private Limited<br>4. 9Main Advisors Private Limited<br><br>*Foreign Companies* |

| Name, designation, date of birth, address, occupation, current term, date of appointment and DIN | Age (years) | Other directorships |
|---|---|---|
| *Occupation*: Professional<br><br>*Current term*: For a period of five years, with effect from August 6, 2021<br><br>*Period of directorship*: Since August 6, 2021<br><br>*DIN*: 06876642 | | Nil |

** Nominee of Elevation Capital, pursuant to the Shareholders' Agreement. For more information, see the section "History and Certain Corporate Matters" on page 154.*

**Brief profiles of our Directors**

**Neha Singh** is the Chairperson and Managing Director of our Company and is a founder of our Company. She holds a bachelor's and master's degree in technology, with specialisations in computer science and engineering, from the Indian Institute of Technology Bombay, as part of its dual degree program, as well as a master's degree in business administration from the Leland Stanford Junior University. She has previously served as an associate with The Boston Consulting Group (India) Private Limited, and an investment analyst with Sequoia Capital India Advisors Private Limited. In 2016, she was profiled as an 'Outstanding Woman' by Outlook Business, and as being amongst 'The 40 who matter in the Indian start-up ecosystem' by Mint. She was recognised as part of the '40 under 40' list by Fortune India in 2018 and 2019. She was also recognised as being amongst 'The Most Powerful Women', as part of the 'Rising Stars' category by Business Today in 2019.

**Abhishek Goyal** is the Vice Chairman and Executive Director on the Board of our Company and is a founder of our Company. He holds a bachelor's degree in technology, specialising in computer science and engineering, from the Indian Institute of Technology, Kanpur. He has previously served as a consultant with 3i Infotech Limited and Erasmic Consulting Private Limited, and has also worked with organisations such as Amazon Development Centre (India) Private Limited, Yahoo Software Development India Private Limited, Accel India Management LLP and Andale Information Technologies Private Limited. He has been recognised as part of the '40 under 40' list by Fortune India in 2018 and 2019.

**Ravi Chandra Adusumalli** is a Non-Executive Director of our Company. He holds a bachelor's degree in economics and government from Cornell University. He is currently the managing partner of Elevation Capital.

**Vivek Kumar Mathur** is a Non-Executive Nominee Director on the Board of our Company and has been nominated to our Board by Elevation Capital pursuant to the terms of the Shareholders' Agreement. He holds a bachelor's degree in engineering, with honours, specialising in the chemical branch, and a masters' degree in science, with honours, specialising in chemistry, each from the Birla Institute of Technology and Science, and a master's degree in business administration from the Graduate College of the University of Iowa. He has previously served as the executive director for customer service at Dell International Services Private Limited and is currently a partner at Light Ray Advisors LLP.

**Brij Bhushan** is an Independent Director on the Board of our Company. He holds a bachelor's degree in technology, specialising in computer engineering, from Maharshi Dayanand University, Rohtak and post graduate diploma in management from the Indian Institute of Management, Bengaluru. He has previously worked with Bain & Company India Private Limited, Flextronics Software Systems Limited and Infosys Technologies Limited in software engineering and consultancy roles and has served as a vice president of the corporate department of Nexus India Capital Advisors Private Limited. He is the co-founder and chief executive officer of Samast Technologies Private Limited.

**Nishant Verman** is an Independent Director on the Board of our Company. He holds a bachelor's degree in science, with a specialization in computer engineering from The University of Michigan along with a master's degree in business administration from the Northwestern University. He has previously worked with Flipkart Internet Private Limited and Canaan Advisors Private Limited, and is currently the chief executive officer of Overleap Networks Private Limited.

**Payal Goel** is an Independent Director on the Board of our Company. She holds a bachelor's degree in arts, with honours, from the University of Delhi. She has also completed the post graduate program in management at the

Indian School of Business, Hyderabad, India. She has previously worked at Peepul Capital Advisors, Aspada Investment Advisors Private Limited and Flipkart Internet Private Limited. She is currently working as a corporate development manager at Google India Private Limited.

**Rohit Jain** is an Independent Director on the Board of our Company. He holds a bachelor's degree in technology, specialising in computer science and engineering, from Indian Institute of Technology, Delhi and a master's degree in science from The University of North Carolina at Chapel Hill. He has previously worked with Microsoft Corporation, IBM India Private Limited and Google India Private Limited in software engineering and research roles. He has also worked as a principal at SAIF Advisors Private Limited and is currently the managing partner of JSM Advisers Private Limited.

**Details of directorship in companies suspended or delisted**

None of our Directors is or was a director of any listed company, whose shares are or were suspended from being traded on any stock exchanges, in the last five years prior to the date of this Draft Red Herring Prospectus, during the term of their directorship in such company.

Further, none of our Directors is, or was, a director of any listed company, which has been or was delisted from any stock exchange during the term of their directorship in such company.

**Relationships between our Directors and Key Managerial Personnel**

Except for Neha Singh and Abhishek Goyal, who are spouses, none of our Directors are related to each other or to any of our Key Managerial Personnel.

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

Except Vivek Kumar Mathur, who has been appointed as a nominee of Elevation Capital pursuant to the provisions of the Shareholders Agreement and our Articles of Association, none of our Directors have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others. For details regarding the Shareholders Agreement, see section "*History and Corporate Structure – Details of shareholders' agreements*" on page 156.

**Service contracts with Directors**

Our Company has not entered into any service contracts with our Directors which provide for benefits upon the termination of their employment.

**Borrowing Powers**

The Board is authorised to borrow amounts up to the aggregate of the paid up capital, free reserves and securities premium of our Company.

**Terms of appointment of our Directors**

a) **Terms of employment of our Executive Directors**

***Neha Singh, Chairperson and Managing Director***

Neha Singh was appointed as the Chairperson and Managing Director of our Company pursuant to a resolution passed by our Board on August 2, 2021 and our Shareholders on August 6, 2021, for a period of five years with effect from August 6, 2021. She receives remuneration from our Company in accordance with the Board resolution dated August 2, 2021 and the resolution of our shareholders approved in their general meeting held on August 6, 2021. The details of the remuneration that Neha Singh is entitled to and the other terms of her employment are enumerated below:

| Sr. No. | Category | Remuneration |
|---|---|---|
| 1. | **Salary** | ₹ 7,500 thousand per annum |
| 2. | **Allowances and reimbursements** | As per the policies adopted by the Company for this purpose from time to time |

| Sr. No. | Category | Remuneration |
|---|---|---|
| 3. | **Statutory Payments** | As per applicable law, including contributions to provident fund and gratuity payments. |

***Abhishek Goyal, Vice Chairman and Executive Director***

Abhishek Goyal was appointed as our Vice Chairman and Executive Director pursuant to a resolution passed by our Board on August 2, 2021 and our Shareholders on August 6, 2021, for a period of five years with effect from August 6, 2021. He receives remuneration from our Company in accordance with the Board resolution dated August 2, 2021 and the resolution of our shareholders approved in their general meeting held on August 6, 2021. The details of the remuneration that Abhishek Goyal is entitled to and the other terms of his employment are enumerated below:

| Sr. No. | Category | Remuneration |
|---|---|---|
| 1. | **Salary** | ₹ 7,500 thousand per annum |
| 2. | **Allowances and reimbursements** | As per the policies adopted by the Company for this purpose from time to time |
| 3. | **Statutory Payments** | As per applicable law, including contributions to provident fund and gratuity payments. |

b) **Sitting fees and commission to Non-Executive Directors and Independent Directors**

Our Non-Executive Directors are not entitled to receive any sitting fees or commission. Our Non-Executive Directors may be reimbursed for expenses as permitted under the Companies Act and the SEBI Listing Regulations.

Pursuant to a resolution of the Board dated August 2, 2021, our Independent Directors are entitled to receive sitting fees of ₹ 100.00 thousand and ₹ 25.00 thousand for attending each meeting of our Board and the committees constituted of the Board respectively. Further, pursuant to resolutions of our Board and Shareholders dated August 2, 2021 and August 6, 2021 respectively, our Independent Directors are also entitled to receive a fixed fee of ₹ 1,000.00 thousand per annum. Further, our Independent Directors may be paid commission and reimbursement of expenses as permitted under the Companies Act and the SEBI Listing Regulations.

**Compensation paid to our Directors**

a) **Executive Directors**

The table below sets forth the details of the remuneration (including sitting fees, salaries, commission and perquisites), professional fee, consultancy fee paid to our Executive Directors for the Fiscal 2021:

*(in ₹ thousand)*

| Sr. No. | Name of the Executive Director | Remuneration for Fiscal 2021 |
|---|---|---|
| 1. | Neha Singh | 6,632.47 |
| 2. | Abhishek Goyal | 3,596.55 |

b) **Non-Executive Directors**

No remuneration (including sitting fees and commission) was paid to our Non-Executive Directors, including our Non-Executive Nominee Director, for the Fiscal 2021.

c) **Independent Directors**

As our Independent Directors were appointed after March 31, 2021, no remuneration (including sitting fees and commission) was paid to our Independent Directors for the Fiscal 2021.

**Payments or benefits to Directors**

Our Company has not entered into any contract appointing or fixing the remuneration of a Director, Whole-time Director, or manager in the two years preceding the date of this Draft Red Herring Prospectus.

Except as disclosed under "– *Compensation paid to our Directors*" on page 165, in Fiscal 2021, our Company has not paid any commission or granted any amount or benefit on an individual basis to any of our Directors other than the sitting fees / remuneration paid to them for such period.

**Contingent and deferred compensation payable to our Directors**

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation payable to our Directors, which does not form part of their remuneration.

**Bonus or profit-sharing plan for our Directors**

Our Company does not have any performance linked bonus or a profit-sharing plan in which our Directors have participated.

**Shareholding of Directors in our Company**

Our Articles of Association do not require our Directors to hold qualification shares.

The table below sets forth details of Equity Shares held by our Directors as on date of this Draft Red Herring Prospectus:

| Name | No. of Equity Shares | Percentage of the pre-Offer paid up share capital (%)* | Percentage of the post-Offer paid up share capital (%) |
|---|---|---|---|
| Neha Singh | 25,542,184 | 25.46 | [●] |
| Abhishek Goyal | 25,542,184 | 25.46 | [●] |

** Assuming (i) conversion of 28,614 Series A4 CCPS and 12,550 Series B1 CCPS held by SCI Investments V to Equity Shares, and (ii) issuance of 2,140,528 Equity Shares by way of a bonus issue to SCI Investments V as on the date of conversion of Preference Shares held by them to Equity Shares, prior to filing of the Red Herring Prospectus.*

**Interest of Directors**

All our Directors may be deemed to be interested to the extent of fees and commission, if any, payable to them for attending meetings of the Board or a committee thereof, as well as to the extent of other remuneration, commission and reimbursement of expenses, if any, payable to them by our Company. Neha Singh and Abhishek Goyal may be deemed to be interested to the extent of remuneration paid to them for services rendered as officers of our Company. For further details, see "*Financial Statements – Annexure V – Note 26*" on page 222.

Our Directors may also be regarded as interested to the extent of the Equity Shares, if any, held by them and to the extent of any dividend payable to them and other distributions in respect of these Equity Shares. For further details regarding the shareholding of our Directors, see "– *Shareholding of Directors in our Company*" on page 166. Our Non-Executive Nominee Director may be deemed to be interested to the extent of the shareholding of Elevation Capital in our Company.

All our Directors may be deemed to be interested in the contracts, agreements / arrangements entered into or to be entered into by our Company with any company which is promoted by them or in which they hold directorships or any partnership firm in which they are partners as declared in their respective capacity.

There is no material existing or anticipated transaction whereby Directors will receive any portion of the proceeds from the Offer.

As on the date of this Draft Red Herring Prospectus, except for Neha Singh and Abhishek Goyal, who are Promoters of our Company, none of our other Directors are interested in the promotion of our Company. For further details, see "*Our Promoters and Promoter Group*" on page 177.

Our Directors do not have any interest in any property acquired or proposed to be acquired of or by our Company.

Further, our Directors do not have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery during the three years preceding the date of this Draft Red Herring Prospectus.

Except as disclosed below and as stated in the section "*Financial Statements – Annexure V – Note 26*" on page 222, and to the extent of the shareholding of our Directors in the Company, none of our Directors have any other interest in our business or our Company.

**Other confirmations**

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of them qualify as a Director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

**Changes to our Board in the last three years**

Except as mentioned below, there have been no changes in our Directors in the last three years:

| Name | Designation (at the time of appointment / change in designation / cessation) | Date of appointment / change in designation / cessation | Reason |
|---|---|---|---|
| Ravi Chandra Adusumalli | Non-Executive Director | July 21, 2021 | Change of designation to Non-Executive Director |
| Brij Bhushan | Independent Director | August 6, 2021 | Appointment to our Board |
| Nishant Verman | Independent Director | August 6, 2021 | Appointment to our Board |
| Payal Goel | Independent Director | August 6, 2021 | Appointment to our Board |
| Rohit Jain | Independent Director | August 6, 2021 | Appointment to our Board |
| Neha Singh | Chairperson and Managing Director | August 6, 2021 | Change of designation to Chairperson and Managing Director |
| Abhishek Goyal | Vice Chairman and Executive Director | August 6, 2021 | Change of designation to Executive Director |

**Corporate Governance**

The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of the applicable requirements for corporate governance in accordance with the SEBI Listing Regulations, and the Companies Act, 2013, including those pertaining to the constitution of the Board and committees thereof.

As on the date of filing this Draft Red Herring Prospectus, we have eight Directors on our Board, of whom two are Executive Directors and six are Non-Executive Directors, including two Independent Directors. Of such Independent Directors, one is a woman Director.

**Committees of our Board**

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board committees:

(a) Audit Committee
(b) Nomination and Remuneration Committee
(c) Stakeholders' Relationship Committee
(d) Risk Management Committee; and
(e) Corporate Social Responsibility Committee.

For purposes of the Offer, our Board has also constituted an IPO Committee.

**(a) Audit Committee**

The Audit Committee was constituted by a resolution of our Board dated August 6, 2021. It is in compliance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations. The current constitution of the Audit Committee is as follows:

| Name of Director | Position in the Committee | Designation |
|---|---|---|
| Rohit Jain | Chairperson | Independent Director |
| Nishant Verman | Member | Independent Director |
| Neha Singh | Member | Chairperson and Managing Director |

The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. Its terms of reference are as follows:

**Powers of Audit Committee**

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; and

(4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and

(5) such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

**Role of Audit Committee**

The role of the Audit Committee shall include the following:

(1) oversight of financial reporting process and the disclosure of financial information relating to Tracxn Technologies Limited (the "**Company**") to ensure that the financial statements are correct, sufficient and credible

(2) recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee

(3) approval of payment to statutory auditors for any other services rendered by the statutory auditors

(4) formulation of a policy on related party transactions, which shall include materiality of related party transactions

(5) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given

(6) examining and 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. Modified opinion(s) in the draft audit report.

(7) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval

(8) 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter

(9) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process

(10) approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed

***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 applicable Accounting Standards and/or the Companies Act, 2013.*

(11) scrutiny of inter-corporate loans and investments

(12) valuation of undertakings or assets of the Company, wherever it is necessary

(13) evaluation of internal financial controls and risk management systems

(14) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems

(15) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit

(16) discussion with internal auditors of any significant findings and follow up there on

(17) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board

(18) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern

(19) recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services

(20) 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

(21) reviewing the functioning of the whistle blower mechanism

(22) monitoring the end use of funds raised through public offers and related matters

(23) overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases

(24) approval of appointment of chief financial officer (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

(25) reviewing the utilization of loans and/or advances from / investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision; and

(26) carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time."

Further, the Audit Committee shall mandatorily review the following information:

a) Management discussion and analysis of financial condition and results of operations

b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management

c) Management letters / letters of internal control weaknesses issued by the statutory auditors

d) Internal audit reports relating to internal control weaknesses

e) The appointment, removal and terms of remuneration of the chief internal auditor

f) Statement of deviations in terms of the SEBI Listing Regulations:

   a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations; and

   b. annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of the SEBI Listing Regulations.

g) review the financial statements, in particular, the investments made by any unlisted subsidiary.

The Company Secretary of our Company shall serve as the secretary of the Audit Committee.

The Audit Committee is required to meet at least four times in a year under Regulation 18(2)(a) of the SEBI Listing Regulations.

The quorum for a meeting of the Audit Committee shall be two members or one third of the members of the Audit Committee, whichever is greater, with at least two independent directors.

**(b) Nomination and Remuneration Committee**

The Nomination and Remuneration committee was constituted by a resolution of our Board dated August 6, 2021. The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations. The current constitution of the Nomination and Remuneration committee is as follows:

| Name of Director | Position in the Committee | Designation |
|---|---|---|
| Payal Goel | Chairperson | Independent Director |
| Nishant Verman | Member | Independent Director |
| Brij Bhushan | Member | Independent Director |

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI Listing Regulations. Its terms of reference are as follows:

(1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the "**Board**" or "**Board of Directors**") a policy relating to the remuneration of the directors, key managerial personnel and other employees ("**Remuneration Policy**").

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

(i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully

(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

(2) Formulation of criteria for evaluation of independent directors and the Board

(3) Devising a policy on Board diversity

(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 and carrying out evaluation of every director's performance (including independent director)

(5) Analysing, monitoring and reviewing various human resource and compensation matters

(6) Deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors

(7) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors

(8) Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary

(9) Reviewing and approving the Company's compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws

(10) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, if applicable

(11) Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

(a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and

(b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.

(12) Perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.

The Nomination and Remuneration Committee is required to meet at least once in a year under Regulation 19(3A) of the SEBI Listing Regulations.

The quorum for a meeting of the Nomination and Remuneration Committee shall be two members or one third

of the members of the committee, whichever is greater, including at least one independent director.

**(c) Stakeholders' Relationship Committee**

The Stakeholders' Relationship Committee was constituted by a resolution of our Board dated August 6, 2021. The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations. The current constitution of the Stakeholders' Relationship Committee is as follows:

| Name of Director | Position in the Committee | Designation |
|---|---|---|
| Brij Bhushan | Chairperson | Independent Director |
| Neha Singh | Member | Chairperson and Managing Director |
| Rohit Jain | Member | Independent Director |

The scope and function of the Stakeholders' Relationship Committee is in accordance with Regulation 20 of the SEBI Listing Regulations. Its terms of reference are as follows:

(1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, non-receipt of annual report or balance sheet, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints

(2) review of measures taken for effective exercise of voting rights by shareholders

(3) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities

(4) Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time

(5) review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services

(6) review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and

(7) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

The Stakeholders' Relationship Committee is required to meet at least once in a year under Regulation 20(3A) of the SEBI Listing Regulations.

**(d) Risk Management Committee**

The Risk Management Committee was constituted by a resolution of our Board dated August 6, 2021. The current constitution of the Risk Management Committee is as follows:

| Name of Director | Position in the Committee | Designation |
|---|---|---|
| Neha Singh | Chairperson | Chairperson and Managing Director |
| Amit Agarwal | Member | Chief Operating Officer |
| Prashant Chandra | Member | Chief Financial Officer |

The scope and function of the Risk Management Committee is in accordance with Regulation 21 of the SEBI Listing Regulations. Its terms of reference are as follows:

(i) Approve and periodically review the risk management policies of the Corporation 's operations

(ii) Review significant reports from regulatory agencies relating to risk management and compliance issues, and management's responses

(iii) Policies and procedures establishing risk management governance, risk management procedures, and risk control infrastructure for operations

(iv) Review and approve the Corporation's risk appetite statement on an annual basis; approve any material amendment to the risk appetite statement

(v) Review and approve the Contingency Funding Plan contained in the Corporation's Liquidity Policy at least annually, and approve any material revisions to this plan prior to implementation

(vi) Review significant risk exposures and the steps, including policies and procedures, that management has taken to identify, measure, monitor, control, limit and report such exposures, including, without limitation, credit, market fiduciary, liquidity, reputational, operational, fraud, strategic, technology (data-security, information, business-continuity risk, etc.), and risks associated with incentive compensation plans

(vii) Review and evaluate the Corporation's practices with respect to risk assessment and risk management

(viii) Review reports and significant findings of Risk and Compliance and the Internal Audit Department with respect to the risk management and compliance activities of the Corporation, together with management's responses and follow-up to these repolls

(ix) To evaluate various risks of the business and to draw out a risk management plan for the Company

(x) To take steps to identify and mitigate Information Technology and Cyber Security Risks that the Company is or may be exposed to, on a regular basis

(xi) To monitor and review risk management and mitigation plan of the Company

(xii) To inform board on the effectiveness of the risk management framework and process of risk management; and

(xiii) Evaluate risk exposure and tolerance.

**(e) Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee was constituted by a resolution of our Board dated August 6, 2021. The current constitution of the Corporate Social Responsibility committee is as follows:

| Name of Director | Position in the Committee | Designation |
|---|---|---|
| Neha Singh | Chairperson | Chairperson and Managing Director |
| Abhishek Goyal | Member | Vice Chairman and Executive Director |
| Payal Goel | Member | Independent Director |

The scope and function of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013. Its terms of reference are as follows:

(a) formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board

(b) identify corporate social responsibility policy partners and corporate social responsibility policy programmes

(c) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and the distribution of the same to various corporate social responsibility programs undertaken by the Company

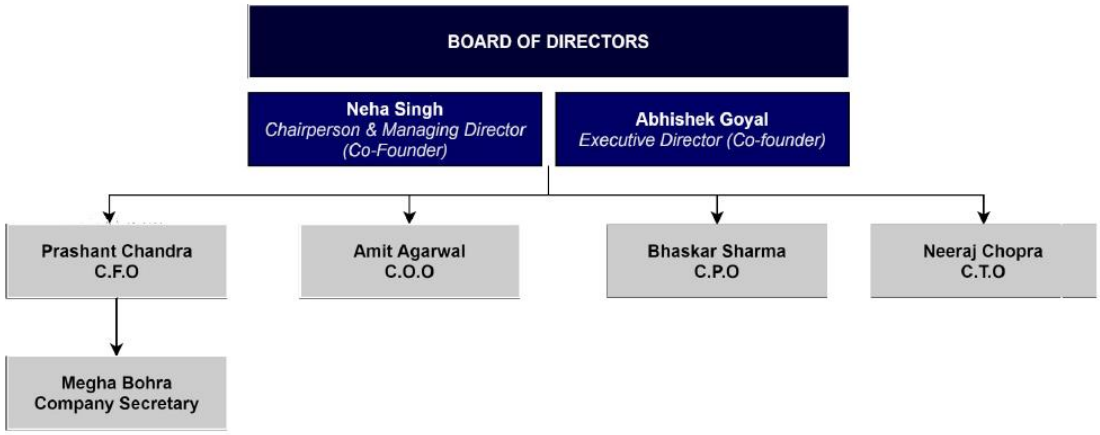
(d) delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities

(e) review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and

(f) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time, and

(g) exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

**Management organization chart**




**Key Managerial Personnel**

In addition to Neha Singh and Abhishek Goyal, Executive Directors of our Company, whose details are provided in "– *Brief profiles of our Directors*" on page 163, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are as set forth below:

**Prashant Chandra** is the Chief Financial Officer of our Company. He has been associated with our Company since September 1, 2013 and has served as our Chief Financial Officer since August 2, 2021. He handles the financial and legal functions of our Company. He holds a bachelor's degree in technology, specialising in mechanical engineering, from the Indian Institute of Technology, Kanpur and a post-graduate diploma in management from the Indian Institute of Management Society, Lucknow. He has previously worked with Infosys Technologies Limited and Amdocs Development Centre India Private Limited. The remuneration paid to him in Fiscal 2021 was ₹ 5,612.63 thousand.

**Amit Agarwal** is the Chief Operating Officer of our Company. He has been associated with our Company since March 14, 2017 and has served as our Chief Operating Officer since August 2, 2021. He handles sales, customer success, analysis, human resources and data operations in our Company. He holds a bachelor's degree in technology, with a specialisation in information technology, from the Motilal Nehru National Institute of Technology, Allahabad and a post graduate program of studies in business management from the School of Business and Human Resources at XLRI Jamshedpur. He had previously served Amba Research (India) Private Limited as an associate vice president with its equity research department and Emanation Advisors Private Limited as its managing director, and has also worked with Goldman Sachs Services Private Limited and Centrum Broking Private Limited. The remuneration paid to him in Fiscal 2021 was ₹ 4,854.30 thousand.

**Neeraj Chopra** is the Chief Technology Officer of our Company. He has been associated with our Company since May 19, 2014 and has served as our Chief Technology Officer since August 2, 2021. He is responsible for the technology team of our Company. He holds a master's degree in computer applications from the Department of Computer Science of the University of Pune. He has previously worked with Amazon Development Center

(India) Private Limited, Decho Technology India Private Limited, Arcot R&D Software Private Limited and Roam Space Travel Solutions Private Limited. The remuneration paid to him in Fiscal 2021 was ₹ 5,545.97 thousand.

**Bhaskar Sharma** is the Chief Product Officer of our Company. He has been associated with our Company since May 11, 2015 and has served as our Chief Product Officer since August 2, 2021. He is responsible for the product and marketing team of our Company. He holds a bachelor's degree in technology, with honours, from the Indian Institute of Technology, Kharagpur, with a specialisation in electrical engineering, and has completed the post graduate program in management from the Indian School of Business. He has previously worked with CEAT Limited, FlexAlgo Systems Private Limited and Nomura Structured Finance Services Private Limited. The remuneration paid to him in Fiscal 2021 was ₹ 4,745.97 thousand.

**Megha Bohra** is the Company Secretary of our Company. She has been associated with our Company since July 16, 2019 and has served as our Company Secretary since June 25, 2021. She handles secretarial functions for our Company. She holds a bachelor's and a masters' degree in commerce from Kolhan University, Chaibasa, Jharkhand and a master's degree in business laws from the National Law School of India University, Bengaluru. She is also an associate member of the Institute of Company Secretaries of India. Before her association with our Company, she has previously worked with Decision Point Consultancy Private Limited, Betul Wind Farms Limited and Atria Hydel Power Limited. The remuneration paid to her in Fiscal 2021 was ₹ 845.97 thousand.

**Relationships among Key Managerial Personnel, and with Directors**

Except as disclosed in "– *Relationships between our Directors and Key Managerial Personnel*" on page 164, none of our Key Managerial Personnel are related to each other or to the Directors of our Company.

**Arrangements and Understanding with Major Shareholders**

None of our Key Managerial Personnel have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

**Changes in the Key Managerial Personnel in last three years**

Except as mentioned below, and as specified in "– *Changes to our Board in the last three years*" on page 167, there have been no changes in the Key Managerial Personnel in the last three years:

| Name | Designation | Date of change | Reason |
|---|---|---|---|
| Megha Bohra | Company Secretary | June 25, 2021 | Appointment as our Company Secretary |
| Prashant Chandra | Chief Financial Officer | August 2, 2021 | Appointment as our Chief Financial Officer |
| Amit Agarwal | Chief Operating Officer | August 2, 2021 | Appointment as our Chief Operating Officer |
| Neeraj Chopra | Chief Technology Officer | August 2, 2021 | Appointment as our Chief Technology Officer |
| Bhaskar Sharma | Chief Product Officer | August 2, 2021 | Appointment as our Chief Product Officer |

The rate of attrition of our Key Managerial Personnel is not high in comparison to the industry in which we operate.

**Status of Key Managerial Personnel**

As on the date of this Draft Red Herring Prospectus, all our Key Managerial Personnel are permanent employees of our Company.

**Retirement and termination benefits**

Our Key Managerial Personnel have not entered into any service contracts with our Company which include termination or retirement benefits. Except statutory benefits upon termination of their employment in our Company or superannuation, none of the Key Managerial Personnel is entitled to any benefit upon termination

of employment or superannuation.

**Shareholding of the Key Managerial Personnel**

Other than the shareholding of Neha Singh and Abhishek Goyal in our Company, as disclosed under "– *Shareholding of Directors in our Company*" on page 166, and as disclosed below, none of our other Key Managerial Personnel hold any Equity Shares in our Company.

| Name | No. of Equity Shares | Percentage of the pre-Offer paid up share capital (%)* | Percentage of the post-Offer paid up share capital (%) |
|---|---|---|---|
| Prashant Chandra | 1,915,632 | 1.91 | [●] |

** Assuming (i) conversion of 28,614 Series A4 CCPS and 12,550 Series B1 CCPS held by SCI Investments V to Equity Shares, and (ii) issuance of 2,140,528 Equity Shares by way of a bonus issue to SCI Investments V as on the date of conversion of Preference Shares held by them to Equity Shares, prior to filing of the Red Herring Prospectus.*

**Contingent and deferred compensation payable to Key Managerial Personnel**

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation which accrued to our Key Managerial Personnel for Fiscal 2021, which does not form part of their remuneration for such period.

**Bonus or profit-sharing plan of the Key Managerial Personnel**

Our Company has no profit-sharing plan in which the Key Managerial Personnel participate. Our Company makes bonus payments to our Key Managerial Personnel, in accordance with their terms of appointment.

**Interest of Key Managerial Personnel**

Our Key Managerial Personnel are interested in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service.

Our Key Managerial Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held by them in our Company.

**Employee Stock Option Plan**

Our Company has an employee stock option plan. For details regarding our Company's employee stock option plan, see "*Capital Structure – Employee Stock Option Plans*" on page 84.

**Payment or Benefit to officers of our Company (non-salary related)**

No non-salary related amount or benefit has been paid or given within the two years preceding the date of the Draft Red Herring Prospectus or is intended to be paid or given to any officer of the Company, including our Directors and Key Managerial Personnel.

## OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are Neha Singh and Abhishek Goyal. As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 51,084,368 Equity Shares, representing 52.06% of the issued, subscribed and paid-up Equity Share capital of our Company as on the date of the Draft Red Herring Prospectus. For details, please see "*Capital Structure – Details of Shareholding of our Promoters and members of the Promoter Group in the Company – Build-up of the Promoters' shareholding in our Company*" beginning on page 81.

### Details of our Promoters

### 1. Neha Singh

Neha Singh, aged 36 years, is one of our Promoters and is also the Chairperson and Managing Director of our Company. For the complete profile of Neha Singh, along with details of her date of birth, personal address, educational qualifications, professional experience, position / posts held in the past, directorships held, and business and financial activities, other directorships, other ventures and special achievements, see "*Our Management – Board of Directors*" on page 160.

She holds a driver's license bearing the number KA01 20160011922. Her permanent account number is BYZPS1479P and her Aadhaar number is 4458 4906 9221.

As on date of this Draft Red Herring Prospectus, Neha Singh holds 25,542,184 Equity Shares, representing 26.03% of the issued, subscribed and paid-up equity share capital of our Company as on the date of the Draft Red Herring Prospectus.

### 2. Abhishek Goyal

Abhishek Goyal, aged 40 years, is one of our Promoters and is also the Vice Chairman and Executive Director of our Company. For the complete profile of Abhishek Goyal, along with details of his date of birth, personal address, educational qualifications, professional experience, position / posts held in the past, directorships held, and business and financial activities, other directorships, other ventures and special achievements, see "*Our Management – Board of Directors*" on page 160.

He holds a driver's license bearing the number RJ-19/DLC/2003/141798. His permanent account number is AEYPA0420Q and his Aadhaar number is 9091 1111 6561.

As on date of this Draft Red Herring Prospectus, Abhishek Goyal holds 25,542,184 Equity Shares, representing 26.03% of the issued, subscribed and paid-up equity share capital of our Company as on the date of the Draft Red Herring Prospectus.

Our Company confirms that the permanent account numbers, bank account numbers and passport numbers of our Promoters, shall be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

### Change in control of our Company

Our Promoters are the original promoters of our Company. There has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

### Interests of Promoters

Our Promoters are interested in our Company to the extent that they are the Promoters of our Company and to the

extent of their respective shareholding in our Company, their directorship in our Company and the dividends declared or payable, if any, and any other distributions in respect of their respective shareholding in our Company or the shareholding of their relatives in our Company. For details of the shareholding of our Promoters in our Company, see "*Capital Structure*" beginning on page 74. For further details of interest of our Promoters in our Company, see "*Financial Statements – Annexure V – Note 26*" at page 222.

Neha Singh and Abhishek Goyal may also be deemed to be interested to the extent of remuneration, benefits, reimbursement of expenses, sitting fees and commission payable to them as Directors on our Board. For further details, see "*Our Management*" beginning on page 160.

None of our Promoters have any interest, whether direct or indirect, in any property acquired by our Company within the preceding three years from the date of this Draft Red Herring Prospectus or proposed to be acquired by it as on the date of this Draft Red Herring Prospectus, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Our Promoters are not interested as a member in any firm or company which has any interest in our Company. Further, no sum has been paid or agreed to be paid to any of our Promoters or to any firm or company in which any of our Promoters are interested as a member, in cash or shares or otherwise by any person either to induce any of our Promoters to become, or qualify them as a director, or otherwise for services rendered by any our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company.

**Companies or firms with which our Promoters have disassociated in the last three years**

Neither of our Promoters has disassociated themselves from any other company or firm in the three years preceding the date of this Draft Red Herring Prospectus.

**Payment or Benefits to Promoters or Promoter Group**

Except as disclosed herein and as stated in "*Financial Statements – Annexure V – Note 26*" at page 222, there has been no payment or benefits by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Draft Red Herring Prospectus.

**Material Guarantees**

Our Promoters have not given any material guarantee to any third party, in respect of the Equity Shares, as of the date of this Draft Red Herring Prospectus.

**Promoter Group**

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations are set out below:

***Natural persons who are part of the Promoter Group***

The natural persons who are part of the Promoter Group, other than our Promoters, are as follows:

| Sr No. | Name of Promoter Group Member |
|---|---|
| 1. | Indu Bala |
| 2. | Vinaya Kumar |
| 3. | Anupam Singh |
| 4. | Aarti Singh |
| 5. | Makkhan Kishor Goyal |
| 6. | Manish Mradul |
| 7. | Amit Goyal |

***Entities forming part of the Promoter Group***

The entities forming part of our Promoter Group are as follows:

| Sr No. | Name of Promoter Group Member |
|---|---|
| 1. | Reindeer Software Solutions Private Limited |
| 2. | Tracxn Advisors LLP |
| 3. | ACH Ventures Inc |

## GROUP COMPANIES

In accordance with the SEBI ICDR Regulations and the applicable accounting standards, for the purpose of identification of 'group companies', our Company has considered (i) such companies with which there were related party transactions during the period for which Restated Financial Information have been disclosed in this Draft Red Herring Prospectus, as covered under the applicable accounting standards; and (ii) any other companies which are considered material by our Board.

In respect of point (ii) above, our Board at its meeting held on August 2, 2021, has considered and adopted the Materiality Policy for, *inter alia*, identification of companies that shall be considered material and disclosed as group companies in the Draft Red Herring Prospectus. In terms of the Materiality Policy, if a company (other than our subsidiaries, if any, and the companies covered under the schedule of related party transactions of the Restated Financial Information) (a) is a member of our Promoter Group; and (b) has entered into one or more transactions with our Company during the most recent Financial Year that cumulatively exceed 10% of the total revenue of the Company derived from the Restated Financial Information of such last completed full financial year, it shall be considered material and disclosed as a group company in this Draft Red Herring Prospectus.

Based on the parameters outlined above, our Company does not have any group companies as on the date of this Draft Red Herring Prospectus.

## 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 dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, in accordance with provisions of our Articles of Association and applicable law, including the Companies Act (together with applicable rules issued thereunder).

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 contractual obligations, applicable legal restrictions, results of operations, financial condition, revenues, profits, over financial condition, capital requirements and business prospects. In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under any future loan or financing documents. For more information on restrictive covenants under our current loan agreements, see "*Financial Indebtedness*" on page 264. Our Company may pay dividend by cheque, or electronic clearance service, as will be approved by our Board in the future. Our Board may also declare interim dividend from time to time. For details in relation to the risk involved in this regard, see "*Risk Factors – Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements and capital expenditures.*" on page 46.

Our Company has not declared or paid any dividends during the last three Fiscals, and the period from April 1, 2021 until the date of this Draft Red Herring Prospectus, on the Equity Shares.

## SECTION VII – FINANCIAL INFORMATION

## FINANCIAL STATEMENTS

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To

The Board of Directors
Tracxn Technologies Limited (formerly Tracxn Technologies Private Limited)
No. L-248, 2nd Floor, 17th Cross,
Sector 6, HSR Layout,
Bengaluru – 560102

**Independent Auditor's Examination Report on Restated Financial Information in connection with the proposed Initial Public Offering of Tracxn Technologies Limited (formerly Tracxn Technologies Private Limited)**

Dear Sirs,

1. This report is issued in accordance with the terms of our agreement dated August 4, 2021.

2. We have examined the attached Restated Financial Information, expressed in Indian Rupees in thousands of Tracxn Technologies Limited (formerly Tracxn Technologies Private Limited) (hereinafter referred to as the "Company" or the "Issuer") comprising

   (a) the "Restated Statement of Assets and Liabilities" as at March 31, 2021, March 31, 2020 and March 31, 2019 (enclosed as Annexure I);
   (b) the "Restated Statement of Profit and Loss" for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 (enclosed as Annexure II);
   (c) the "Restated Statement of Changes in Equity" for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 (enclosed as Annexure III);
   (d) the "Restated Statement of Cash Flows" for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 (enclosed as Annexure IV);
   (e) the "Notes to Restated Financial Information" for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 (enclosed as Annexure V); and
   (f) Statement of Adjustments to Audited Financial Statements as at March 31, 2021, March 31, 2020 and March 31, 2019 (enclosed as Annexure VI);

   (hereinafter together referred to as the "Restated Financial Information"), prepared by the Management of the Company in connection with the proposed Initial Public Offering of Equity Shares of the Company (the "IPO" or "Offer") in accordance with the requirements of

   i. Section 26 of the Companies Act, 2013 as amended from time to time (the "Act"),

   ii. Paragraph (A) of Clause 11 (I) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date (the "SEBI ICDR Regulations") issued by the Securities and Exchange Board of India (the "SEBI"); and

   iii. the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

   The said Restated Financial Information has been approved by the Board of Directors of the Company at their meeting held on August 6, 2021 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") and initialed by us for identification purposes only.

**Management's Responsibility for the Restated Financial Information**

3. The preparation of the Restated Financial Information, for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India (SEBI), BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") in connection with the proposed IPO, is the responsibility of the Management of the Company. The Restated Financial Information have been prepared by the Management of the Company on the basis of preparation stated in Annexure V - Note 2.1 to the Restated Financial Information. The Management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Restated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Act, SEBI ICDR Regulations and the Guidance Note.

**Auditor's Responsibilities**

4. Our work has been carried out considering the concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information in accordance with the Guidance Note 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 and the SEBI ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the Offer.

5. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

6. Our examination of the Restated Financial Information has not been carried out in accordance with the auditing standards generally accepted in the United States of America, standards of the Public Company Accounting Oversight Board and accordingly should not be relied upon by any one as if it had been carried out in accordance with those standards or any other standards besides the standards referred to in this report.

7. The Restated Financial Information, expressed in Indian Rupees in (INR Thousand), has been prepared by the Company's Management from:

   (a) Audited Ind AS financial statements of the Company as at and for the year ended March 31, 2021, prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on August 5, 2021. The comparative information for the year ended March 31, 2020 included in such financial statements have been prepared by making Ind AS adjustments to the audited financial statements of the Company as at and for the year ended March 31, 2020, prepared in accordance with the accounting standards notified under the section 133 of the Act read with Companies (Accounting Standards) Rules, 2006 (as amended) ("AS") which was approved by the Board of directors at their meeting held on September 30, 2020.

(b) Audited Financial Statements as at and for the year ended March 31, 2019, which were prepared in accordance with the AS, which was approved by the Board of directors at their meeting held on September 27, 2019, after making Ind AS adjustments to those financial statements as described in Annexure V - Note 30 to the Restated Financial Information. The said adjustments and restatement have been approved by the Board of Directors at their meeting held on August 6, 2021.

8. For the purpose of our examination, we have relied on Auditors' reports issued by us on the financial statements of the Company as at and for the years ended March 31, 2021, 2020 and 2019 as referred in Paragraph 7 above, on which we issued an unmodified opinion vide our reports dated August 5, 2021, September 30, 2020 and September 27, 2019, respectively.

9. We have not audited any financial statements of the Company as of any date or for any period subsequent to March 31, 2021. Accordingly, we do not express any opinion on the financial position, results or cash flows of the Company as of any date or for any period subsequent to March 31, 2021.

**Opinion**

10. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Information:

    (a) have been prepared in accordance with the Act, the SEBI ICDR Regulations and the Guidance Note;

    (b) have been prepared after incorporating adjustments in respect of changes in the accounting policies, material errors, if any and regrouping/reclassifications retrospectively (as disclosed in Annexure VI to this report) to reflect the same accounting treatment as per the accounting policies as at and for the year ended March 31, 2021, for all the reporting periods; and

    (c) there are no qualifications in the auditors' reports which require any adjustments.

11. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 8 above.

12. 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 on the financial statements of the Company.

13. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

**Emphasis of Matters**

14. We draw your attention to the following matters:

Annexure V - Note 11(b)(ii) to the restated financial information regarding the accounting treatment of certain compulsorily convertible cumulative preference shares ("CCPS") aggregating to Rs. 6,927.96 thousand and Rs. 6,219.24 thousand and securities premium thereon aggregating to Rs. 1,006,867.95 thousand and Rs. 798,115.89 thousand presented as other financial liabilities of Rs. 1,691,670.06 thousand and Rs. 1,138,464.70 thousand after fair valuation, for the years ended March 31, 2020 and March 31, 2019 respectively in accordance with Ind AS 32 'Financial Instruments: Presentation'. Such accounting treatment is not in accordance with the provisions of section 2(64) and section 43 read with Schedule III and section 52 of the Act, which requires the aggregate amount received on those shares shall be transferred to 'Preference share capital' and 'Securities Premium account'. Subsequently, shareholders' agreement was amended on March 30, 2021 with such preference shareholders agreeing to irrevocably revoke/ waive the buyback rights. From such date of the revision in Shareholders' Agreement, the said CCPS in their entirety meet the definition of an equity instrument and accordingly, other financial liabilities as at March 30, 2021 (including CCPS aggregating to Rs. 1,873.77 thousand issued during the year) have been remeasured and reclassified as equity of Rs. 6,934.30 thousand, securities premium of Rs. 1,008,735.38 thousand and retained earnings of Rs. 573,239.67 thousand, after adjusting for fair market value gain of Rs. 104,634.48 thousand for the period April 1, 2020 to March 30, 2021, in accordance with Ind AS 32. The resultant disclosure of equity and securities premium is in accordance with section 2(64), section 43 and section 52 of the Act as at March 31, 2021.

[Annexure V - Note 11(b)(ii) referred above corresponds to Note 11(b)(ii) in the financial statements for the year ended March 31, 2021 and an emphasis of matter paragraph has also been included in the independent auditor's report dated August 5, 2021 issued by us on the said financial statements of the Company for the year ended March 31, 2021.]

i. Annexure V - Note 33 to the restated financial information which explains the uncertainties and the management's assessment of the financial impact due to the lockdown and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve.

[Annexure V - Note 33 referred above corresponds to Note 33 and Note 31 in the financial statements for the years ended March 31, 2021 and March 31, 2020 respectively and an emphasis of matter paragraph has also been included in the independent auditor's report dated August 5, 2021 and September 30, 2020 issued by us on the said financial statements of the company for the years ended March 31, 2021 and March 31, 2020.]

Our opinion is not modified in respect of these matters.

**Restriction on Use**

15. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the DRHP, prepared in connection with the proposed Initial Public Offering of Equity Shares of the Company, to be filed by the Company with the Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India Limited in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Mohan Danivas S A
Partner
Membership Number 209136
UDIN: 21209136AAAACD8378

Place: Bengaluru
Date: August 6, 2021

**Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)**
**CIN: U72200KA2012PLC065294**
**Restated Financial Information**

| Sl No | Particulars | Annexure Number |
|---|---|---|
| 1 | Restated Statement of Assets and Liabilities | Annexure - I |
| 2 | Restated Statement of Profit and Loss | Annexure - II |
| 3 | Restated Statement of Changes in Equity | Annexure - III |
| 4 | Restated Statement of Cash Flows | Annexure - IV |
| 5 | Notes to Restated Financial Information | Annexure - V |
| 6 | Statement of Adjustments to Audited Financial Statements | Annexure - VI |

**Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)**
**CIN: U72200KA2012PLC065294**
**Restated Financial Information**

**Annexure - I**
**Restated Statement of Assets and Liabilities**
(All amount in INR thousands, except share and per share data, unless otherwise stated)

| Particulars | Notes / Annexures | | As at 31 March 2021 | As at 31 March 2020 | As at 31 March 2019 (Proforma) |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| **Non-current assets** | | | | | |
| Property, plant and equipment | Annexure V | 5 | 2,674.62 | 5,742.39 | 11,239.78 |
| Intangible assets | Annexure V | 6 | - | - | - |
| Current tax assets (net) | Annexure V | 8 | 25,662.17 | 22,221.93 | 23,610.72 |
| Other non-current assets | Annexure V | 9 | 104.44 | 606.16 | 223.40 |
| **Total non-current assets** | | | **28,441.23** | **28,570.48** | **35,073.90** |
| **Current assets** | | | | | |
| Financial assets | | | | | |
| i. Investments | Annexure V | 7(a) | 167,568.19 | 414,690.07 | 325,423.97 |
| ii. Trade receivables | Annexure V | 7(b) | 56,853.94 | 43,998.27 | 42,567.26 |
| iii. Cash and cash equivalents | Annexure V | 7(c) | 18,007.68 | 22,955.92 | 24,990.34 |
| iv. Loans | Annexure V | 7(d) | 3,360.00 | 10,860.00 | 8,500.00 |
| v. Other financial assets | Annexure V | 7(e) | 208,161.77 | 38.94 | - |
| Other current assets | Annexure V | 9 | 2,194.66 | 2,641.31 | 4,575.43 |
| **Total current assets** | | | **456,146.24** | **495,184.51** | **406,057.00** |
| **Total assets** | | | **484,587.47** | **523,754.99** | **441,130.90** |
| **EQUITY AND LIABILITIES** | | | | | |
| **Equity** | | | | | |
| Equity share capital | Annexure V | 10(a) | 1,107.34 | 1,107.34 | 1,107.34 |
| Instruments entirely equity in nature | Annexure V | 10(b) | 7,853.01 | 918.71 | 918.71 |
| **Other equity** | | | | | |
| Reserves and surplus | Annexure V | 10(c) | 213,271.42 | (1,354,452.79) | (830,995.10) |
| **Total equity** | | | **222,231.77** | **(1,352,426.74)** | **(828,969.05)** |
| **LIABILITIES** | | | | | |
| **Non-current liabilities** | | | | | |
| Financial liabilities | | | | | |
| i. Other financial liabilities | Annexure V | 11(b) | - | 1,691,670.06 | 1,138,464.70 |
| Contract liabilities | Annexure V | 13 | 940.21 | - | - |
| Employee benefit obligations | Annexure V | 12 | 27,851.91 | 31,918.51 | 12,516.33 |
| **Total non-current liabilities** | | | **28,792.12** | **1,723,588.57** | **1,150,981.03** |
| **Current liabilities** | | | | | |
| Financial liabilities | | | | | |
| i. Trade payables | | | | | |
| (a) Total outstanding dues of micro enterprises and small enterprises; and | Annexure V | 11(a) | 99.67 | 57.07 | 39.87 |
| (b) Total Outstanding dues other than (a) above | Annexure V | 11(a) | 14,057.05 | 4,508.94 | 4,425.31 |
| ii. Other financial liabilities | Annexure V | 11(b) | 1,420.54 | 1,139.93 | 1,077.14 |
| Contract liabilities | Annexure V | 13 | 194,112.12 | 124,633.80 | 95,908.48 |
| Employee benefit obligations | Annexure V | 12 | 12,979.82 | 10,374.92 | 6,266.38 |
| Other current liabilities | Annexure V | 14 | 10,894.38 | 11,878.50 | 11,401.74 |
| **Total current liabilities** | | | **233,563.58** | **152,593.16** | **119,118.92** |
| **Total liabilities** | | | **262,355.70** | **1,876,181.73** | **1,270,099.95** |
| **Total equity and liabilities** | | | **484,587.47** | **523,754.99** | **441,130.90** |

The above Restated Statement of Assets and Liabilities should be read in conjunction with Notes to Restated Financial Information appearing in Annexure - V and Statement of Adjustments to Audited Financial Statements appearing in Annexure - VI.

This is the Restated Statement of Assets and Liabilities referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

**Mohan Danivas S A**
Partner
Membership Number: 209136
Place: Bengaluru
Date: 6 August 2021

For and on behalf of the Board of Directors of
**Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)**

**Neha Singh**
Managing Director
DIN: 05331824

**Abhishek Goyal**
Director
DIN: 00423410

**Prashant Chandra**
Chief Financial Officer

Place: Bengaluru
Date: 6 August 2021

**Megha Bohra**
Company Secretary
M. No. A39158

Place: Bengaluru
Date: 6 August 2021

**Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)**
**CIN: U72200KA2012PLC065294**
**Restated Financial Information**

**Annexure - II**
**Restated Statement of Profit and Loss**
(All amount in INR thousands, except share and per share data, unless otherwise stated)

| Particulars | Notes / Annexures | | Year ended 31 March 2021 | Year ended 31 March 2020 | Year ended 31 March 2019 (Proforma) |
|---|---|---|---|---|---|
| **Income** | | | | | |
| Revenue from operations | Annexure V | 15 | 437,786.71 | 373,342.21 | 331,871.44 |
| Other income | Annexure V | 16(a) | 10,233.50 | 882.62 | 706.46 |
| Other gains/(losses) - net | Annexure V | 16(b) | 109,397.38 | (311,092.82) | 335,731.11 |
| **Total income** | | | **557,417.59** | **63,132.01** | **668,309.01** |
| **Expenses** | | | | | |
| Employee benefit expense | Annexure V | 17 | 538,130.90 | 512,792.12 | 462,115.68 |
| Depreciation expense | Annexure V | 18 | 2,523.15 | 5,649.38 | 6,536.71 |
| Other expenses | Annexure V | 19 | 70,240.14 | 85,018.88 | 75,664.84 |
| **Total expenses** | | | **610,894.19** | **603,460.38** | **544,317.23** |
| **Restated profit/(loss) before tax** | | | **(53,476.60)** | **(540,328.37)** | **123,991.78** |
| Income tax expense: | | | | | |
| - Current tax | Annexure V | 20 | - | - | - |
| - Deferred Tax | Annexure V | 20 | - | - | - |
| **Restated profit/(loss) for the year** | | | **(53,476.60)** | **(540,328.37)** | **123,991.78** |
| **Restated other comprehensive income** | | | | | |
| Items that will not be reclassified to profit or loss | | | | | |
| - Gain/ (loss) on remeasurement of post employment benefit obligations | Annexure V | 12 | 11,949.47 | (7,939.41) | 977.73 |
| - Income tax relating to above | | | - | - | - |
| **Restated other comprehensive income/(loss) for the year, net of tax** | | | **11,949.47** | **(7,939.41)** | **977.73** |
| **Restated total comprehensive income/(loss) for the year** | | | **(41,527.13)** | **(548,267.78)** | **124,969.51** |
| Restated earnings per equity share [nominal value per share: INR 1 (2020: INR 1; 2019: INR 1)] | Annexure V | 29 | | | |
| Basic earnings per share | | | (0.55) | (5.54) | 1.27 |
| Diluted earnings per share | | | (1.52) | (5.54) | (1.75) |

The above Restated Statement of Assets and Liabilities should be read in conjunction with Notes to Restated Financial Information appearing in Annexure - V and Statement of Adjustments to Audited Financial Statements appearing in Annexure - VI.

This is the Restated Statement of Profit and Loss
referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

**Mohan Danivas S A**
Partner
Membership Number: 209136
Place: Bengaluru
Date: 6 August 2021

For and on behalf of the Board of Directors of
**Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)**

**Neha Singh**
Managing Director
DIN: 05331824

**Abhishek Goyal**
Director
DIN: 00423410

**Prashant Chandra**
Chief Financial Officer

Place: Bengaluru
Date: 6 August 2021

**Megha Bohra**
Company Secretary
M. No. A39158

Place: Bengaluru
Date: 6 August 2021

**Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)**
**CIN: U72200KA2012PLC065294**
**Restated Financial Information**

**Annexure - III**
**Restated Statement of Changes in Equity**
(All amount in INR thousands, except share and per share data, unless otherwise stated)

**A. Equity share capital:**

| Particulars | Amount |
|---|---|
| **As at 1 April 2018 (Proforma)** | **1,107.34** |
| Changes in equity share capital | - |
| **As at 31 March 2019 (Proforma)** | **1,107.34** |
| Changes in equity share capital | - |
| **As at 31 March 2020** | **1,107.34** |
| Changes in equity share capital | - |
| **As at 31 March 2021** | **1,107.34** |

**B. Instruments entirely equity in nature**
**Compulsorily Convertible Cumulative Preference Share Capital:**

| Particulars | Notes / Annexures | Amount |
|---|---|---|
| **As at 1 April 2018 (Proforma)** | | **918.71** |
| Changes during the year | | - |
| **As at 31 March 2019 (Proforma)** | | **918.71** |
| Changes during the year | | - |
| **As at 31 March 2020** | | **918.71** |
| Changes during the year | | - |
| Changes during the year on account of modification of CCPS | Annexure V - 10(b) & 11(b) | 6,934.30 |
| **As at 31 March 2021** | | **7,853.01** |

**C. Other equity**

| Particulars | Securities premium | Employee stock option reserve | Retained earnings | Total other equity |
|---|---|---|---|---|
| **Balance as at 1 April 2018 (Proforma)** | **114,163.66** | **148,368.77** | **(1,235,971.47)** | **(973,439.04)** |
| Restated profit for the year | - | - | 123,991.78 | 123,991.78 |
| Restated other comprehensive income | - | - | 977.73 | 977.73 |
| Restated total comprehensive income for the year | - | - | 124,969.51 | 124,969.51 |
| **Transactions with owners in their capacity as owners:** | | | | |
| Share based payment expense for the year | - | 17,474.43 | - | 17,474.43 |
| **Balance as at 31 March 2019 (Proforma)** | **114,163.66** | **165,843.20** | **(1,111,001.96)** | **(830,995.10)** |
| Restated (loss) for the year | - | - | (540,328.37) | (540,328.37) |
| Restated other comprehensive (loss) | - | - | (7,939.41) | (7,939.41) |
| Restated total comprehensive (loss) for the year | - | - | (548,267.78) | (548,267.78) |
| **Transactions with owners in their capacity as owners:** | | | | |
| Share based payment expense for the year | - | 24,810.09 | - | 24,810.09 |
| **Balance as at 31 March 2020** | **114,163.66** | **190,653.29** | **(1,659,269.74)** | **(1,354,452.79)** |
| Restated (loss) for the year | - | - | (53,476.60) | (53,476.60) |
| Restated other comprehensive income | - | - | 11,949.47 | 11,949.47 |
| Restated total comprehensive (loss) for the year | - | - | (41,527.13) | (41,527.13) |
| **Transactions with owners in their capacity as owners:** | | | | |
| Share based payment expense for the year | | 27,276.29 | | 27,276.29 |
| Changes during the year on account of modification of CCPS [refer note 11(b)] | 1,008,735.38 | - | 573,239.67 | 1,581,975.05 |
| **Balance as at 31 March 2021** | **1,122,899.04** | **217,929.58** | **(1,127,557.20)** | **213,271.42** |

The above Restated Statement of Assets and Liabilities should be read in conjunction with Notes to Restated Financial Information appearing in Annexure - V and Statement of Adjustments to Audited Financial Statements appearing in Annexure - VI.

This is the Restated Statement of Changes in Equity referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

**Mohan Danivas S A**
Partner
Membership Number: 209136
Place: Bengaluru
Date: 6 August 2021

For and on behalf of the Board of Directors of
**Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)**

**Neha Singh**
Managing Director
DIN: 05331824

**Abhishek Goyal**
Director
DIN: 00423410

**Prashant Chandra**
Chief Financial Officer

Place: Bengaluru
Date: 6 August 2021

**Megha Bohra**
Company Secretary
M. No. A39158

Place: Bengaluru
Date: 6 August 2021

**Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)**
**CIN: U72200KA2012PLC065294**
**Restated Financial Information**

**Annexure - IV**
**Restated Statement of Cash Flows**
(All amount in INR thousands, except share and per share data, unless otherwise stated)

| Particulars | Notes / Annexures | | Year ended 31 March 2021 | Year ended 31 March 2020 | Year ended 31 March 2019 (Proforma) |
|---|---|---|---|---|---|
| **Cash Flow from Operating Activities:** | | | | | |
| **Restated profit / (loss) before Income Tax** | | | (53,476.60) | (540,328.37) | 123,991.78 |
| **Adjustments for:** | | | | | |
| Depreciation expense | Annexure V | 18 | 2,523.15 | 5,649.38 | 6,536.71 |
| Net (gain)/loss on disposal of Property, plant and equipment | Annexure V | 16(b) | 442.04 | - | 50.17 |
| Net gains on sale of investments | Annexure V | 16(b) | (5,493.70) | (11,776.88) | (8,870.78) |
| Net fair value gains on financial assets measured at fair value through profit or loss | Annexure V | 16(b) | (849.99) | (19,480.30) | (22,290.95) |
| Fair value (gain)/loss on CCPS measured at fair value through profit or loss | Annexure V | 16(b) | (104,634.48) | 343,744.58 | (304,429.57) |
| Interest on income tax refund | Annexure V | 16(a) | (265.22) | (536.36) | (509.46) |
| Interest income from bank deposits measured at amortised cost | Annexure V | 16(a) | (9,889.07) | (11.68) | - |
| Share based payment expense | Annexure V | 17 | 27,276.29 | 24,810.09 | 17,474.43 |
| Impairment loss/ (reversal) on financial assets | Annexure V | 19 | (833.09) | 2,118.21 | 1,375.30 |
| Unrealised Exchange Difference (net) | | | (441.92) | (1,988.13) | (1,084.45) |
| **Operating profit/ (loss) before working capital changes** | | | **(145,642.59)** | **(197,799.46)** | **(187,756.82)** |
| **Adjustment for:** | | | | | |
| (Increase)/ decrease in trade receivables | | | (10,787.59) | (2,154.64) | (6,095.34) |
| (Increase)/ decrease in loans | | | 7,500.00 | (2,360.00) | (1,900.00) |
| (Increase)/ decrease in other financial assets | | | 24.56 | (38.94) | - |
| (Increase)/ decrease in other assets | | | 948.37 | 1,551.36 | (1,738.25) |
| Increase / (decrease) in trade payables | | | 9,590.71 | 100.82 | (96.28) |
| Increase / (decrease) in contract liabilities | | | 70,418.53 | 28,725.32 | 31,626.93 |
| Increase / (decrease) in employee benefit obligations | | | 10,487.76 | 15,571.31 | 7,671.23 |
| Increase / (decrease) in other financial liabilities | | | 280.61 | 62.79 | (284.10) |
| Increase / (decrease) in other liabilities | | | (984.12) | 476.76 | 4,146.25 |
| **Cash used in operations** | | | **(58,163.76)** | **(155,864.68)** | **(154,426.38)** |
| Income taxes paid (net of refunds received, including interest theron) | | | (2,433.02) | 1,925.14 | (3,049.36) |
| **Net cash outflow from operating activities** | | | **(60,596.78)** | **(153,939.54)** | **(157,475.74)** |
| | | | | | |
| **Cash Flow from Investing Activities:** | | | | | |
| Payments for purchase of property, plant and equipment | | | - | (151.98) | (10,311.66) |
| Proceeds from sale of property, plant and equipment | | | 102.58 | - | - |
| Funds invested in bank deposits | | | (199,000.32) | - | - |
| Proceeds from sale of investments | | | 787,427.63 | 558,845.09 | 526,663.25 |
| Payments for purchase of investments in mutual funds | | | (533,962.07) | (616,854.00) | (351,700.00) |
| Interest received | | | - | 11.68 | - |
| **Net cash inflow /(outflow) from investing activities** | | | **54,567.82** | **(58,149.21)** | **164,651.59** |
| | | | | | |
| **Cash Flow from Financing Activities:** | | | | | |
| Proceeds from issue of CCPS | | | 1,873.77 | 209,460.78 | - |
| **Net cash inflow from financing activities** | | | **1,873.77** | **209,460.78** | **-** |
| | | | | | |
| **Net Increase/(Decrease) in Cash and Cash Equivalents** | | | **(4,155.19)** | **(2,627.97)** | **7,175.85** |
| Cash and Cash Equivalents as at beginning of the year | Annexure V | 7(c) | 22,955.92 | 24,990.34 | 17,814.49 |
| Effects of exchange rate changes on cash and cash equivalents | | | (793.05) | 593.55 | - |
| **Cash and cash equivalents as at end of the year** | Annexure V | 7(c) | **18,007.68** | **22,955.92** | **24,990.34** |
| | | | | | |
| **Non-cash financing activities** | | | | | |
| - Modification of CCPS | Annexure V | 11(b) | 1,588,909.35 | - | - |
| Reconciliation of cash and cash equivalents as per the cash flow statement | | | | | |
| **Cash and cash equivalents comprise of [Refer note 7(c)]:** | | | | | |
| Cash on Hand | | | 9.91 | 52.66 | 14.11 |
| Balance with banks | | | | | |
| In current accounts | | | 5,001.17 | 6,168.99 | 12,225.27 |
| In earners exchange foreign curreny accounts | | | 12,996.60 | 16,734.27 | 12,750.96 |
| **Balances per statement of cash flows** | | | **18,007.68** | **22,955.92** | **24,990.34** |

The above Restated Statement of Assets and Liabilities should be read in conjunction with Notes to Restated Financial Information appearing in Annexure - V and Statement of Adjustments to Audited Financial Statements appearing in Annexure - VI.

This is the Restated Statement of Cash Flows referred to
in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

**Mohan Danivas S A**
Partner
Membership Number: 209136
Place: Bengaluru
Date: 6 August 2021

For and on behalf of the Board of Directors
**Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)**

**Neha Singh**
Managing Director
DIN: 05331824

**Abhishek Goyal**
Director
DIN: 00423410

**Prashant Chandra**
Chief Financial Officer

Place: Bengaluru
Date: 6 August 2021

**Megha Bohra**
Company Secretary
M. No. A39158

Place: Bengaluru
Date: 6 August 2021

**Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)**
**CIN: U72200KA2012PLC065294**
**Annexure - V - Notes to Restated Financial Information**

## 1 General information

Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited) (the "Company") was incorporated as a private limited Company on 11 August 2012 under the provisions of the Companies Act 1956. Subsequently in July 2021, the Company converted into a Public Limited Company (Refer Annexure V - Note 34). The Company offers Tracxn 'Platform' on a subscription basis to global customer base; that helps Venture Capital, Private Equity Investors and Corporate Development teams to find startups across highly investable sectors by tracking and curating data of millions of startups.

## 2 Basis of preparation and Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these restated financial information. These policies have been consistently applied to all the years presented, unless otherwise stated.

### 2.1 Basis of preparation

### i) Basis of preparation and presentation

The Restated Statement of Assets and Liabilities of the Company as at 31 March 2021, 2020 and 2019 and the Restated Statement of Profit and Loss, the Restated Statement of Changes in Equity and the Restated Statement of Cash Flows for the years ended 31 March 2021, 2020, and 2019, Notes to the Restated Financial Information and Statement of Adjustments to Audited Financial Statements are together referred as "Restated Financial Information".

The Restated Financial Information has been compiled by the Company for the year ended 31 March 2021 from the Audited Financial Statements of the Company prepared in accordance with Indian Accounting Standards notified under Section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other accounting principles generally accepted in India (referred to as "Ind AS") and for the years ended 31 March 2020 and 31 March 2019 have been compiled based on Audited Financial Statement prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2016 (as amended) ("Previous GAAP") ("Audited Financial Statements") adjusted in conformity with Ind AS.

These Restated Financial Information have been prepared by the Management of the Company for the purpose of inclusion in the Draft Red Herring Prospectus ('DRHP') to be filed by the Company with the Securities and Exchange Board of India ("SEBI"), National Stock Exchange of India Limited and BSE Limited in connection with proposed Initial Public Offering ("IPO") of its equity shares.

The Restated Financial Information, which have been approved by the Board of Directors of the Company, have been prepared in accordance with the requirements of:
i. Section 26 of Part I of Chapter III of the Act ;
ii. Paragraph A of Clause 11 (I) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date (the "SEBI ICDR Regulations") issued by the SEBI; and
iii. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

The Company has decided to voluntarily adopt Ind AS for the financial year ended 31 March 2021 and prepared its first financial statements in accordance with Indian Accounting Standards (Ind AS) for the year ended 31 March 2021 with the transition date as 1 April 2019. Further, the Company has prepared proforma Ind AS financial statements for the year ended 31 March 2019 ("Proforma financial information"). This proforma financial information have been prepared by making Ind AS adjustments to the audited Previous GAAP financial statements as at and for the year ended 31 March 2019. An explanation of how the transition from Previous GAAP to Ind AS has affected the Company's Restated Financial Information is set out in Annexure V Note 30.

The Restated Financial Information have been extracted by the Management from the Audited Financial Statements and :
a) there were no audit qualifications on these financial statements;
b) there were no changes in accounting policies during the years of these financial statements;
c) material amounts relating to adjustments for previous years in arriving at profit/loss of the years to which they relate, have been appropriately adjusted;
d) adjustments have been made for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financial statements of the Company as at and for the year ended 31 March 2021 prepared under Ind AS and the requirements of the SEBI Regulation; and
e) the resultant tax impact, if any, on above adjustments has been appropriately adjusted in deferred taxes in the respective years to which they relate.

**2.1 Basis of preparation (continued)**

**ii) Historical cost convention**

The Restated Financial Information have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Companies Act, 2013 and Ind AS notified under Section 133 of the Act [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act, to the extent applicable. The audited financial statements for the year ended 31 March 2019 were prepared in accordance with Previous GAAP.

(a) certain financial assets and liabilities that are measured at fair value; and
(b) Employee share based payments

**2.2 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

The Board of directors of the Company assesses the financial performance and position of the Company and make strategic decisions. Accordingly, the Board has been identified as the chief operating decision maker. Refer Annexure V note 25 for segment information presented.

**2.3 Foreign currency translation**

**i) Functional and presentation currency**

Items included in the restated financial information of the Company are measured using the currency of the primary economic environment in which the Company operates (`the functional currency'). The restated financial information are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

**ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the Restated Statement of Profit and Loss.

Foreign exchange gains and losses are presented in the Restated Statement of Profit and Loss on a net basis within other gains/ (losses).

**2.4 Revenue from contract with customers**

**i) Sale of services**

The Company receives subscription revenue from rendering of services through its platform. Revenue from contracts with customers is recognized when services are rendered to the customer at an amount that reflects the consideration entitled in exchange for those services. The Company recognizes subscription revenues over time wherein the customer simultaneously receives and consumes the benefits provided by the Company. The progress is measured using the output method which measures revenue by comparing 'time elapsed' to the 'total subscription period.

Revenue is recognised, net of goods and services tax, when no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service. In few cases, the Company provides refunds against revenue received from certain customers. The Company estimates the refund liability on the basis of their past experience and future expectation, as that is the amount of consideration for which the entity does not expect to be entitled.

The invoicing for the services is done upfront irrespective of the duration of the subscription with a credit term of 10-15 days, which is consistent with market practice. The Company does not adjust the transaction prices for any time value of money as the transfer of the promised services to the customer and payment by the customer does not generally exceed one year.

**ii) Contract liabilities**

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract. Contract Liabilities are disclosed in Annexure V- Note 13.

**2.5 Income tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the restated financial information. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

**2.5 Income tax (continued)**

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, if any, only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax are recognised in Restated Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax (MAT) is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

**2.6 Leases**

**As a lessee:**

Leases are recognised as a Right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in substance fixed payments), less any incentives receivable
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the company under residual value guarantees
- the exercise price of a purchase option if the company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the company exercising that option.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the company's incremental borrowing rate, which is the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

If a readily observable amortising loan rate is available to the Company (through recent financing or market data) which has a similar payment profile to the lease, then the Company uses that rate as the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to Restated Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease payments that represent payments based on actual utilisation of common facilities of the leased asset are recognised in the Restated Statement of Profit and Loss as and when they are incurred.

Right-of-use assets are measured at cost comprising the following:

- the amount of initial measurement of lease liability
- any lease payments made on or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.
Payments associated with short-term leases are recognised on a straight-line basis as an expense in the Restated Statement of Profit and Loss. Short-term leases are leases with a term of 12 months or less. The lease contracts also include non -lease components which are charged to the Restated Statement of Profit and Loss as and when incurred.

**2.7 Financial instruments**

**A) Initial recognition and measurement**

The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value on initial recognition.

**B) Subsequent measurement**

**i) Financial assets carried at amortised cost**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in the statement of profit and loss using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the statement of profit and loss. Impairment losses are presented in the statement of profit and loss. Financial assets at amortised cost comprises of trade receivables, loans, cash and cash equivalents and other financial assets.

**a) Trade receivables:**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method less impairment loss, if any.

**b) Loans (Security Deposits):**

On initial recognition, Loans are measured at fair value. Since the objective is to hold these financial assets to collect contractual cash flows that are solely payments of principal and interest, these assets are subsequently measured at amortised cost using the EIR method less impairment, if any

**c) Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

**d) Other financial assets:**

On initial recognition, Other financial assets are measured at fair value, and subsequently, measured at the amortised cost, less impairment if any. Loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

**ii) Financial assets at fair value through profit or loss**

The Company holds certain investments in mutual funds which are subsequently measured at fair value through profit or loss.

**iii) Financial liabilities measured at amortised costs**

Financial liabilities are subsequently carried at amortised cost using the effective interest method. The Company's financial liabilities consist of trade payables and Other financial liabilities.

**Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year, which are unpaid. The amounts are unsecured and are usually paid within the credit period. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**2.7 Financial instruments (continued)**

**C) Financial liabilities measured at fair value through profit or loss**

Financial liabilities at fair value through profit and loss include financial liabilities designated upon initial recognition as at Fair Value Through Profit or Loss (FVTPL).

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains or losses attributable to changes in own credit risk are recognised in other comprehensive income (OCI). These gains/ loss are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Restated Statement of Profit and Loss. Financial liabilities measured at fair value through profit or loss consist of Compulsorily convertible cumulative preference shares.

**Compulsorily convertible cumulative preference shares**

The Company has assessed the debt/equity classification for compulsorily convertible cumulative preference shares (CCPS) based on the requirements in Ind AS 32. Based on the terms and conditions of issue of certain CCPS, the investor has an option to put the CCPS back to the Company for cash through a buy back in the event the Company is unable to provide an exit to the CCPS holders through a Qualified IPO or a strategic sale. As the failure to complete a qualified public offering is outside the control of the Company, it meets the definition of a contingent settlement event under IND AS 32, resulting in the CCPS being classified as a financial liability. Further, the holders' option to convert CCPS into equity shares is subject to variation due to the anti-dilution clause. Accordingly, the conversion option is to be classified as an embedded derivative and should be separated from the host debt. The Company has taken the option to classify the entire CCPS at fair value through profit or loss instead of accounting for the host debt and the embedded derivative separately. The dividends on these CCPS are recognised as finance expenses in the statement of profit and loss.

**D) Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability/equity. The difference in the respective carrying amounts is recognised in the statement of profit or loss

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

**E) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**F) Impairment**

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through 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 expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised, is recognised as an impairment gain or loss in the statement of profit and loss.

**G) Interest income**

Interest income is recognised using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

**2.8 Property, plant and equipment**

All items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

**2.8 Property, plant and equipment (continued)**

*Depreciation methods, estimated useful life and residual value:*

Depreciation is calculated using the written down value method to allocate their cost, net of their residual values, over their estimated useful life as follows:

*Management estimate of useful life*
Computer equipments: 3 years
Office equipments: 1-5 years

*Useful life as per Schedule II*
Computer equipments: 3 years
Office equipments: 5 years

The assets' residual value and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Restated Statement of Profit and Loss within other gains/ (losses).

**2.9 Intangible Assets**

**Software:**

Operating software is capitalised along with the related fixed assets. Costs associated with maintaining the software are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the company are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

*Amortisation methods and periods:*

The Company amortizes software with a finite useful life using the straight line method over three years and the useful life is reviewed at end of each reporting period, and adjusted if appropriate. The amortisation method and the estimated useful life of intangible assets are reviewed at each reporting period.

**2.10 Impairment of assets**

Assessment is done whenever there is an event or change in circumstances as to where there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of asset, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/ cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. Assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**2.11 Provisions and contingent liabilities**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. In case of long term provisions, they are disclosed by discounting at the rate used to determine the present value, which 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 provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation, that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**2.12 Fair value measurement**

Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk. All assets and liabilities for which fair value is measured or disclosed in the restated financial information are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

**2.13 Employee benefits**

**i) Short term obligations:**
Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation in the restated statement of assets and liabilities.

**ii) Other long-term employee benefit obligations**
The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss. Past service costs are recognised immediately in the Restated Statement of Profit and Loss.

The obligations are presented as current liabilities in the restated statement of assets and liabilities if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

**iii) Post employment obligations:**
The Company operates the following post-employment schemes:

**a) Defined benefit plans (gratuity)**

The company provides for gratuity, a defined benefit plan covering eligible employees in accordance with the Payment of Gratuity (Amendment) Act, 2018. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability or asset recognised in the restated statement of assets and liabilities in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Restated Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the restated statement of assets and liabilities.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

**b) Defined contribution plan such as provident fund and employees state insurance**
The Company pays provident fund contributions to publicly administered provident funds and employees state insurance funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and recognised as employee benefit expense when they are due.

**iv) Bonus plans**
The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

**2.13 Employee benefits (continued)**

**v) Share-based payments**

The fair value of options granted under the Tracxn Employee Stock Option Plan 2016" is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

• including any market performance conditions (e.g., the entity's share price)

• excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and

• including the impact of any non-vesting conditions (e.g. the requirement for employees to save or hold shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

**2.14 Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date these mandatorily convertible instruments are classified as equity.

**2.15 Contributed equity**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**2.16 Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

**2.17 Rounding of amounts**

All amounts disclosed in the restated financial information and notes have been rounded off to the nearest thousands as permitted by Schedule III of Companies Act, 2013, unless otherwise stated. Amounts mentioned as "0" in the restated financial information denote amounts rounded off, being less than INR 500.

**3 Critical estimates and judgements**

The preparation of these restated financial information requires the use of accounting estimates which could differ from the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. These note provides an overview of the areas that involved higher degree of judgement or complexity and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in the relevant notes together with information about the basis of calculation for each affected line item in the restated financial information.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

**4 (a) Significant estimates:-**

**i) Defined benefit plans and compensated absences:**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases attrition rates and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. Further details about gratuity obligations are given in Annexure V - Note 12.

**ii) Fair value measurement of CCPS:**

Fair value of CCPS is measured using Black Scholes option pricing model. The significant assumptions used in determining the fair values of CCPS are discount rates using a pre-tax rate that reflects current market assessments of the time value of money and expected volatility. For further details about Fair value measurement, refer Annexure V - note 21.

**4 (b) Critical judgement:**

**i) Recognition and measurement of deferred tax:**

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The company has not recognised the deferred tax asset in the absence of reasonable certainty supported by convincing evidence that sufficient future taxable income will be available for set-off. Further details about Deferred tax assets are given in Annexure V - Note 20.

**Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)**
**CIN: U72200KA2012PLC065294**
**Annexure - V - Notes to Restated Financial Information**
*(All amount in INR thousands, except share and per share data, unless otherwise stated)*

**5 Property, plant and equipment**

| Particulars | Gross block | | | | Depreciation | | | | Net Block |
|---|---|---|---|---|---|---|---|---|---|
| | As at 1 April 2020 | Additions | Disposals | As at 31 March 2021 | As at 1 April 2020 | For the year | Disposals | As at 31 March 2021 | |
| Computer equipments | 32,584.44 | - | 4,561.87 | 28,022.57 | 27,035.67 | 2,474.23 | 4,108.04 | 25,401.85 | 2,620.72 |
| Office equipments | 509.02 | - | 198.78 | 310.24 | 315.41 | 48.92 | 107.99 | 256.34 | 53.90 |
| **Carrying amount** | **33,093.46** | - | **4,760.65** | **28,332.81** | **27,351.08** | **2,523.15** | **4,216.03** | **25,658.19** | **2,674.62** |

| Particulars | Gross Block | | | | Depreciation | | | | Net Block |
|---|---|---|---|---|---|---|---|---|---|
| | 1 April 2019 | Additions | Disposals | As at 31 March 2020 | As at 1 April 2019 | For the year | Disposals | As at 31 March 2020 | As at 31 March 2020 |
| Computer equipments | 32,584.44 | - | - | 32,584.44 | 21,496.75 | 5,538.92 | - | 27,035.67 | 5,548.78 |
| Office equipments | 357.04 | 151.98 | - | 509.02 | 204.95 | 110.46 | - | 315.41 | 193.61 |
| **Carrying amount** | **32,941.48** | **151.98** | **-** | **33,093.46** | **21,701.70** | **5,649.38** | **-** | **27,351.08** | **5,742.39** |

| Particulars | Gross Block | | | | Depreciation | | | | Net Block |
|---|---|---|---|---|---|---|---|---|---|
| | As at 1 April 2018 (Proforma) | Additions | Disposals | As at 31 March 2019 (Proforma) | As at 1 April 2018 (Proforma) | For the year | Disposals | As at 31 March 2019 (Proforma) | As at 31 March 2019 (Proforma) |
| Computer equipments | 22,876.22 | 10,089.10 | 380.88 | 32,584.44 | 15,411.44 | 6,420.29 | 334.98 | 21,496.75 | 11,087.69 |
| Office equipments | 153.64 | 222.56 | 19.16 | 357.04 | 103.41 | 116.42 | 14.89 | 204.95 | 152.09 |
| **Carrying amount** | **23,029.86** | **10,311.66** | **400.04** | **32,941.48** | **15,514.85** | **6,536.71** | **349.87** | **21,701.70** | **11,239.78** |

## 6 Intangible assets

| Particulars | Gross block | | | | Amortisation | | | | Net Block |
|---|---|---|---|---|---|---|---|---|---|
| | As at 1 April 2020 | Additions | Disposals | As at 31 March 2021 | As at 1 April 2020 | For the year | Disposals | As at 31 March 2021 | As at 31 March 2021 |
| Tracxn software platform | 2,646.02 | - | - | 2,646.02 | 2,646.02 | - | - | 2,646.02 | - |
| **Carrying amount** | **2,646.02** | - | - | **2,646.02** | **2,646.02** | - | - | **2,646.02** | **-** |

| Particulars | Gross Block | | | | Amortisation | | | | Net Block |
|---|---|---|---|---|---|---|---|---|---|
| | 1 April 2019 | Additions | Disposals | As at 31 March 2020 | As at 1 April 2019 | For the year | Disposals | As at 31 March 2020 | As at 31 March 2020 |
| Tracxn software platform | 2,646.02 | - | - | 2,646.02 | 2,646.02 | - | - | 2,646.02 | - |
| **Carrying amount** | **2,646** | - | - | **2,646.02** | **2,646.02** | - | - | **2,646.02** | **-** |

| Particulars | Gross Block | | | | Amortisation | | | | Net Block |
|---|---|---|---|---|---|---|---|---|---|
| | As at 1 April 2018 (Proforma) | Additions | Disposals | As at 31 March 2019 (Proforma) | As at 1 April 2018 (Proforma) | For the year | Disposals | As at 31 March 2019 (Proforma) | As at 31 March 2019 (Proforma) |
| Tracxn software platform | 2,646.02 | - | - | 2,646.02 | 2,646.02 | - | - | 2,646.02 | - |
| **Carrying amount** | **2,646.02** | - | - | **2,646.02** | **2,646.02** | - | - | **2,646.02** | **-** |

## 7 Financials assets

### 7(a) Current investments

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| *Investment in Mutual Funds at fair value through profit and loss (Quoted)* | | | |
| Aditya Birla Sun Life Liquid Fund Growth Units Nil (2020: 354,410; 2019: Nil) | - | 112,612.20 | - |
| HDFC Liquid Funds Growth Units 17,750 (2020: 14,874; 2019: Nil) | 71,313.89 | 57,765.43 | - |
| HDFC Short Term Opportunities Funds - Growth Direct Units Nil (2020: 7,493,228; 2019: 7,493,228) | - | 171,507.25 | 156,089.93 |
| ICICI Prudential Flexible Income Growth Units Nil (2020: Nil; 2019: 428,596) | - | - | 153,750.17 |
| ICICI Prudential Liquid Funds Growth Units 317,626 (2020: 248,906; 2019: Nil) | 96,254.30 | 72,805.19 | - |
| Axis Liquid Funds Growth Units Nil (2020: Nil; 2019: 7,546) | - | - | 15,583.87 |
| Kotak Short Term Regular Plan Units Nil (2020: Nil; 2019: Nil) | | | |
| **Total current investments** | **167,568.19** | **414,690.07** | **325,423.97** |

| | | | |
|---|---|---|---|
| Aggregate amount of quoted investments and market value thereof | 167,568.19 | 414,690.07 | 325,423.97 |
| Aggregate amount of unquoted investments | - | - | - |
| Aggregate amount of impairment in the value of investments | - | - | - |

### 7(b) Trade receivables

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Trade receivables from contract with customers * | 59,197.34 | 47,263.26 | 43,942.56 |
| Less: Loss allowance | (2,343.40) | (3,264.99) | (1,375.30) |
| **Total trade receivables** | **56,853.94** | **43,998.27** | **42,567.26** |
| Current portion | 56,853.94 | 43,998.27 | 42,567.26 |
| Non- current portion | - | - | - |

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Trade receivables considered good - secured | - | - | - |
| Trade receivables considered good - unsecured | 59,197.34 | 47,263.26 | 43,942.56 |
| Trade receivables which have significant increase in credit risk | - | - | - |
| Trade receivables - credit impaired | - | - | - |
| **Total** | **59,197.34** | **47,263.26** | **43,942.56** |
| Loss allowance | (2,343.40) | (3,264.99) | (1,375.30) |
| **Total trade receivables** | **56,853.94** | **43,998.27** | **42,567.26** |

* Includes unbilled revenue of INR 38.14 (2020: INR 948.63; 2019: INR 4,062.46)

### 7(c) Cash and cash equivalents

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Balances with bank: | | | |
| -in current accounts | 5,001.17 | 6,168.99 | 12,225.27 |
| -in earners exchange foreign currency accounts | 12,996.60 | 16,734.27 | 12,750.96 |
| Cash on hand | 9.91 | 52.66 | 14.11 |
| **Total cash and cash equivalents** | **18,007.68** | **22,955.92** | **24,990.34** |

**7(d) Loans**

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Security deposits | 3,360.00 | 10,860.00 | 8,500.00 |
| Less: Loss allowance | - | - | - |
| **Total loans** | **3,360.00** | **10,860.00** | **8,500.00** |
| Current portion | 3,360.00 | 10,860.00 | 8,500.00 |
| Non- current portion | - | - | - |

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Loans considered good - secured | - | - | - |
| Loans considered good - unsecured | 3,360.00 | 10,860.00 | 8,500.00 |
| Loans which have significant increase in credit risk | - | - | - |
| Loans - credit impaired | - | - | - |
| **Total** | **3,360.00** | **10,860.00** | **8,500.00** |
| Loss allowance | - | - | - |
| **Total loans** | **3,360.00** | **10,860.00** | **8,500.00** |

**7(e) Other financial assets**

| Particulars | 31 March 2021 | | 31 March 2020 | | 31 March 2019 (Proforma) | |
|---|---|---|---|---|---|---|
| | Current | Non-current | Current | Non-current | Current | Non-current |
| (Unsecured, considered good, unless otherwise stated) | | | | | | |
| Bank deposits* | 208,147.39 | - | - | - | - | - |
| Other receivables | 14.38 | - | 38.94 | - | - | - |
| **Total other financial assets** | **208,161.77** | **-** | **38.94** | **-** | **-** | **-** |

* Represents bank deposits with original maturity more than 12 months but realisable within the next 12 months.

**8 Current tax assets (net)**

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Advance tax (net of provision for tax INR Nil (2020: INR Nil; 2019: INR Nil)* | 25,662.17 | 22,221.93 | 23,610.72 |
| **Total current tax assets (net)** | **25,662.17** | **22,221.93** | **23,610.72** |

*Includes amounts paid under protest INR 340.12 (2020: INR 340.12; 2019: INR 340.12)

**9 Other assets**

| Particulars | 31 March 2021 | | 31 March 2020 | | 31 March 2019 (Proforma) | |
|---|---|---|---|---|---|---|
| | Current | Non-current | Current | Non-current | Current | Non-current |
| Balances with government authorities | - | - | 21.29 | - | 99.46 | - |
| Prepaid expenses | 1,208.72 | 104.44 | 1,360.32 | 606.16 | 1,471.83 | 223.40 |
| Balance in prepaid corporate cards | 712.20 | - | 762.20 | - | 2,549.72 | - |
| Advance to Vendors | 273.74 | - | 497.50 | - | 454.42 | - |
| **Total other assets** | **2,194.66** | **104.44** | **2,641.31** | **606.16** | **4,575.43** | **223.40** |

## 10 Share capital and other equity

### 10(a) Equity share capital

*i)* Authorised equity share capital

| Particulars | Number of shares | Amount |
|---|---|---|
| **As at 1 April 2018 (Proforma)** | 1,500,000 | 1,500.00 |
| Changes in equity share capital | - | - |
| **As at 31 March 2019 (Proforma)** | 1,500,000 | 1,500.00 |
| Changes in equity share capital | - | - |
| **As at 31 March 2020** | 1,500,000 | 1,500.00 |
| Changes in equity share capital | - | - |
| **As at 31 March 2021** | 1,500,000 | 1,500.00 |

*ii)* *Movements in equity share capital*
Issued, subscribed and paid-up:

| Particulars | Number of shares | Amount |
|---|---|---|
| **As at 1 April 2018 (Proforma)** | 1,107,344 | 1,107.34 |
| Changes during the year | - | - |
| **As at 31 March 2019 (Proforma)** | 1,107,344 | 1,107.34 |
| Changes during the year | - | - |
| **As at 31 March 2020** | 1,107,344 | 1,107.34 |
| Changes during the year | - | - |
| **As at 31 March 2021** | 1,107,344 | 1,107.34 |

*iii)* *Rights, preferences and restrictions attached to shares:*

Equity Shares: The Company has one class of equity shares having par value of INR 1 per share. Each shareholder is eligible for one vote per share held. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

*iv)* *Details of shareholders holding more than 5% of the aggregate shares in the Company:*

| Particulars | 31 March 2021 | | 31 March 2020 | | 31 March 2019 (Proforma) | |
|---|---|---|---|---|---|---|
| | Number of shares | % holding | Number of shares | % holding | Number of shares | % holding |
| Number of equity shares : | | | | | | |
| Neha Singh | 481,928 | 43.52 | 481,928 | 43.52 | 481,928 | 43.52 |
| Abhishek Goyal | 481,928 | 43.52 | 481,928 | 43.52 | 481,928 | 43.52 |

### 10(b) Instruments entirely equity in nature
**Preference share capital**

*i)* *Authorised Preference share capital*

| Particulars | Number of shares | Amount |
|---|---|---|
| **As at 1 April 2018 (Proforma)** | 750,000 | 7,500.00 |
| Changes during the year | - | - |
| **As at 31 March 2019 (Proforma)** | 750,000 | 7,500.00 |
| Changes during the year [refer note (vii) below] | 300,000 | 3,000.00 |
| **As at 31 March 2020** | 1,050,000 | 10,500.00 |
| Changes during the year | - | - |
| **As at 31 March 2021** | 1,050,000 | 10,500.00 |

*ii)* *Movements in Preference share capital*
Issued, subscribed and paid-up [Also refer note 11(b)] :

| Particulars | Number of shares | Amount |
|---|---|---|
| **As at 1 April 2018 (Proforma)** | 91,871 | 918.71 |
| Changes during the year | - | - |
| **As at 31 March 2019 (Proforma)** | 91,871 | 918.71 |
| Changes during the year | - | - |
| **As at 31 March 2020** | 91,871 | 918.71 |
| Changes during the year | - | - |
| Changes during the year on account of modification of CCPS [refer note 11(b)] | 693,430 | 6,934.30 |
| **As at 31 March 2021** | 785,301 | 7,853.01 |

**10(b) Instruments entirely equity in nature (contd)**

*iii) Details of shareholders holding more than 5% of the aggregate shares in the Company:*

| Particulars | 31 March 2021 | | 31 March 2020 | | 31 March 2019 (Proforma) | |
|---|---|---|---|---|---|---|
| | Number of shares | % holding | Number of shares | % holding | Number of shares | % holding |
| **Series A CCPS:** | | | | | | |
| Elevation Capital V Limited (formerly SAIF Partners India V Limited) | 317,262 | 100 | - | - | - | - |
| **Series A1 CCPS:** | | | | | | |
| Trustee, Kolluri Living Trust | 5,055 | 100 | 5,055 | 100 | 5,055 | 100 |
| **Series A2 CCPS:** | | | | | | |
| Ratan N Tata | 11,168 | 15 | 11,168 | 15 | 11,168 | 15 |
| Trustees, 3ONE4 Capital Trust | 11,168 | 15 | 11,168 | 15 | 11,168 | 15 |
| Trustees, NRJNFamily Trust | 11,168 | 15 | 11,168 | 15 | 11,168 | 15 |
| VH Capital | 11,168 | 15 | 11,168 | 15 | 11,168 | 15 |
| Beenext PTE Ltd | 8,376 | 11 | 8,376 | 11 | 8,376 | 11 |
| Anand & Venky, LLC | 5,584 | 7 | 5,584 | 7 | 5,584 | 7 |
| Rathnagirish Mathruboothan | 5,584 | 7 | 5,584 | 7 | 5,584 | 7 |
| **Series A3 CCPS:** | | | | | | |
| WGG International Ltd | 11,991 | 100 | 11,991 | 100 | 11,991 | 100 |
| **Series A4 CCPS:** | | | | | | |
| Seabright II Limited | 76,304 | 33 | - | - | - | - |
| Elevation Capital V Limited (formerly SAIF Partners India V Limited) | 76,304 | 33 | - | - | - | - |
| Accel India (IV) Mauritius Ltd | 38,152 | 17 | - | - | - | - |
| SCI Investment V | 28,614 | 13 | - | - | - | - |
| **Series B1 CCPS:** | | | | | | |
| Seabright II Limited | 4,016 | 5 | - | - | - | - |
| Elevation Capital V Limited (formerly SAIF Partners India V Limited) | 20,707 | 27 | - | - | - | - |
| Accel India (IV) Mauritius Ltd | 37,650 | 50 | - | - | - | - |
| SCI Investment V | 12,550 | 17 | - | - | - | - |
| **Series B2 CCPS:** | | | | | | |
| KB Global Platform Fund | 70,872 | 99 | - | - | - | - |

During the year ended 31 March 2021, SAIF Partners India V Limited, an investor in the Company, has changed its name to Elevation Capital V Limited.

The terms and conditions of the Series A, Series A4, Series B1 and Series B2 CCPS included buy back rights which would get triggered if certain conditions as per the shareholders agreements are not met. Hence, such CCPS were accounted as other financial liabilities on transition to Ind AS [Refer note 11(b)(ii)]. Pursuant to waiver cum amendment agreement dated 30 March 2021 to the shareholders agreement dated 10 December, 2020, such CCPS holders have waived off their buyback right consequent to which such CCPS have been classified as instruments entirely equity in nature with effect from 30 March 2021 [Refer note 11(b)(iii)].

The terms and conditions of the Series A1, Series A2, Series A3 CCPS does not include any buy back rights. Accordingly, all such preference shares issued are classified as instruments entirely equity in nature from the date of issue of such CCPS.

*iv) Rights, preferences and restrictions attached to shares:*

**Series A Compulsorily Convertible Cumulative Preference Shares:** ("CCPS"): The fully paid Series A compulsorily convertible cumulative preference shares of INR 10 each were issued at a premium of INR 668.25 each and are convertible into equity shares in the ratio 1:1 subject to adjustments as mentioned in the shareholders agreement, any time before expiry of nineteen years from the date of issue of the same; or in connection with a Initial Public Offering (IPO), prior to the filing of a prospectus by the Company with the competent authority or such later date as may be permitted under Law. The cumulative preference dividend shall be payable at 0.001% p.a. The dividend shall be payable, in the event the Board declares any dividend for the relevant year, and shall be paid pari passu with the holders of Series A4, B1 and B2 CCPS, and in priority to equity shares and Series A1, A2 and A3 CCPS. Refer note 11(b) for modification to the terms of the CCPS.

**Ordinary (Series A1) CCPS:** The ordinary (Series A1) compulsorily convertible cumulative preference shares of INR 10 each were issued at a premium of INR 440.05 each and are convertible into equity shares in the ratio 1:1 subject to adjustments as mentioned in the shareholders agreement, any time before expiry of nineteen years from the date of issue of the same; or in connection with a IPO, prior to the filing of a prospectus by the Company with the competent authority or such later date as may be permitted under Law. The cumulative preference dividend shall be payable at 0.001% p.a. The dividend shall be payable, subject to cash flow solvency, in the event the Board declares any dividend for the relevant year, and shall be paid subsequent to the preference of the holders of Series A, A2, A3, A4, B1 and B2 CCPS and in priority to equity shares.

**Series A2 CCPS:** The Series A2 compulsorily convertible cumulative preference shares of INR 10 each were issued at a premium of INR 1,154 each and are convertible into equity shares in the ratio 1:1 subject to adjustments as mentioned in the shareholders agreement, any time before expiry of nineteen years from the date of issue of the same; or in connection with a IPO, prior to the filing of a prospectus by the Company with the competent authority or such later date as may be permitted under Law. The cumulative preference dividend shall be payable at 0.001% p.a. The dividend shall be payable, subject to cash flow solvency, in the event the Board declares any dividend for the relevant year, and shall be paid (i) after payment of dividend to holders of Series A, A4, B1 and B2 CCPS (ii) pari passu with the holders of Series A3 CCPS and (iii) in priority to equity shares and Series A1 CCPS.

**10(b) Instruments entirely equity in nature (contd)**

**Series A3 CCPS**: The Series A3 compulsorily convertible cumulative preference shares of INR 10 each were issued at a premium of INR 1,386.93 each and are convertible into equity shares in the ratio 1:1 subject to adjustments as mentioned in the shareholders agreement, any time before expiry of nineteen years from the date of issue of the same; or in connection with a lPO, prior to the filing of a prospectus by the Company with the competent authority or such later date as may be permitted under Law. The cumulative preference dividend shall be payable at 0.001% p.a. The dividend shall be payable, subject to cash flow solvency, in the event the Board declares any dividend for the relevant year, and shall be paid (i) after payment of dividend to holders of Series A, A4, B1 and B2 CCPS (ii) pari passu with the holders of Series A2 CCPS and (iii) in priority to equity shares and Series A1 CCPS.

**Series A4 CCPS:** The Series A4 compulsorily convertible cumulative preference shares of INR 10 each were issued at a premium of INR 1,719.93 each and are convertible into equity shares in the ratio 1:1 subject to adjustments as mentioned in the shareholders agreement, any time before expiry of nineteen years from the date of issue of the same; or in connection with a IPO, prior to the filing of a prospectus by the Company with the competent authority or such later date as may be permitted under Law. The cumulative preference dividend shall be payable at 0.001% p.a. The dividend shall be payable, subject to cash flow solvency, in the event the Board declares any dividend for the relevant year, and shall be paid pari passu with the holders of Series A, B1 and B2 CCPS, and in priority to equity shares, Series A1, A2 and A3 CCPS. Refer note 11(b) for modification to the terms of the CCPS.

**Series B1 CCPS:** The Series B1 compulsorily convertible cumulative preference shares of INR 10 each were issued at a premium of INR 2,539.83 each and are convertible into equity shares in the ratio 1:1 subject to adjustments as mentioned in the shareholders agreement, any time before expiry of nineteen years from the date of issue of the same; or in connection with a IPO, prior to the filing of a prospectus by the Company with the competent authority or such later date as may be permitted under Law. The cumulative preference dividend shall be payable at 0.001% p.a. The dividend shall be payable, subject to cash flow solvency, in the event the Board declares any dividend for the relevant year, and shall be paid pari passu with the holders of Series A, A4 and B2 CCPS and in priority to equity shares, Series A1, A2 and A3 CCPS. Refer note 11(b) for modification to the terms of the CCPS.

**Series B2 CCPS:** The Series B2 compulsorily convertible cumulative preference shares of INR 10 each were issued at a premium of INR 2,945.48 each and are convertible into equity shares in the ratio 1:1 subject to adjustments as mentioned in the shareholders agreement, any time before expiry of nineteen years from the date of issue of the same; or in connection with a IPO, prior to the filing of a prospectus by the Company with the competent authority or such later date as may be permitted under Law. The cumulative preference dividend shall be payable at 0.001% p.a. The dividend shall be payable, subject to cash flow solvency, in the event the Board declares any dividend for the relevant year, and shall be paid pari passu with the holders of Series A, A4 and Series B1 CCPS and in priority to equity shares, Series A1, A2 and A3 CCPS. Refer note 11(b) for modification to the terms of the CCPS.

In an event of liquidation, the settlement terms detailing order of preference to shareholders is detailed in the shareholder's agreement.

v) **Shares reserved for issue under options:**
Refer Note 24 for details of shares to be issued under the Employee Stock Option Plan.

vi) For the period of five years immediately preceding the Balance Sheet date, there have been no:
(a) share allotted as fully paid-up pursuant to a contract without payment being received in cash;
(b) shares allotted as fully paid-up by way of bonus shares; and
(c) shares bought back by the Company.

vii) Consequent to the approval of the shareholders of the Company in their meeting held of 23 July 2019, the Company has increased its authorised share capital of preference shares from 750,000 shares to 1,050,000 shares of Rs.10 each during the year ended 31 March 2020.

**10(c) Reserves and surplus**

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Securities Premium Account | 1,122,899.04 | 114,163.66 | 114,163.66 |
| Employee stock option reserve | 217,929.58 | 190,653.29 | 165,843.20 |
| Retained earnings | (1,127,557.20) | (1,659,269.74) | (1,111,001.96) |
| **Total reserves and surplus** | **213,271.42** | **(1,354,452.79)** | **(830,995.10)** |

**(i) Securities Premium Account**

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Opening balance | 114,163.66 | 114,163.66 | 114,163.66 |
| Changes during the year on account of modification of CCPS [refer note 11(b)] | 1,008,735.38 | - | - |
| **Closing balance** | **1,122,899.04** | **114,163.66** | **114,163.66** |

**(ii) Employee stock option reserve**

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Opening balance | 190,653.29 | 165,843.20 | 148,368.77 |
| Share based payment expense for the year | 27,276.29 | 24,810.09 | 17,474.43 |
| **Closing balance** | **217,929.58** | **190,653.29** | **165,843.20** |

**(iii) Retained earnings**

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Opening balance | (1,659,269.74) | (1,111,001.96) | (1,235,971.47) |
| Restated net profit/ (loss) for the year | (53,476.60) | (540,328.37) | 123,991.78 |
| Add: Changes during the year on account of modification of CCPS [refer note 11(l | 573,239.67 | - | - |
| *Items of other comprehensive income recognised directly in retained earnings* | | | |
| - Remeasurements of post-employment benefit obligation, net of tax | 11,949.47 | (7,939.41) | 977.73 |
| **Closing balance** | **(1,127,557.20)** | **(1,659,269.74)** | **(1,111,001.96)** |

**Nature and purpose of reserves:**
**Securities Premium Account**
Securities premium is used to record the premium received on issue of equity shares and CCPS that meets the definition of equity [refer note 11(b)]. The reserve is utilised in accordance with the provisions of the Act.

**Employee stock option reserve**
The reserve is used to recognise the grant date fair value of options issued to employees under Tracxn Employee Stock Option Plan 2016.

## 11 Financial liabilities

### 11(a) Trade payables

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Trade payables: Micro and Small Enterprises (Refer note 32) | 99.67 | 57.07 | 39.87 |
| Trade payables: others | 14,057.05 | 4,508.94 | 4,425.31 |
| **Total trade payables** | **14,156.72** | **4,566.01** | **4,465.18** |

### 11(b) Other financial liabilities

| Particulars | 31 March 2021 | | 31 March 2020 | | 31 March 2019 (Proforma) | |
|---|---|---|---|---|---|---|
| | Current | Non-current | Current | Non-current | Current | Non-current |
| Employees Benefits Payable | 1,420.54 | - | 1,139.93 | - | 1,077.14 | - |
| Compulsorily convertible cumulative preference shares - refer note (i) and (ii) below | - | - | - | 1,691,670.06 | - | 1,138,464.70 |
| **Total other financial liabilities** | **1,420.54** | **-** | **1,139.93** | **1,691,670.06** | **1,077.14** | **1,138,464.70** |

i) *Details of shareholders holding more than 5% of the aggregate compulsorily convertible cumulative preference shares in the Company:*

| Particulars | 31 March 2021 | | 31 March 2020 | | 31 March 2019 (Proforma) | |
|---|---|---|---|---|---|---|
| | Number of shares (refer note iii below) | % holding | Number of shares | % holding | Number of shares | % holding |
| **Series A CCPS:** | | | | | | |
| Elevation Capital V Limited (formerly SAIF Partners India V Limited) | - | - | 317,262 | 100 | 317,262 | 100 |
| **Series A4 CCPS:** | - | - | | | | |
| Seabright II Limited | - | - | 76,304 | 33 | 76,304 | 33 |
| Elevation Capital V Limited (formerly SAIF Partners India V Limited) | - | - | 76,304 | 33 | 76,304 | 33 |
| Accel India (IV) Mauritius Ltd | - | - | 38,152 | 17 | 38,152 | 17 |
| SCI Investment V | - | - | 28,614 | 13 | 28,614 | 13 |
| **Series B1 CCPS:** | - | - | | | | |
| Seabright II Limited | - | - | 4,016 | 5 | 4,016 | 5 |
| Elevation Capital V Limited (formerly SAIF Partners India V Limited) | - | - | 20,707 | 27 | 20,707 | 27 |
| Accel India (IV) Mauritius Ltd | - | - | 37,650 | 50 | 37,650 | 50 |
| SCI Investment V | - | - | 12,550 | 17 | 12,550 | 17 |
| **Series B2 CCPS:** | - | - | | | | |
| KB Global Platform Fund | - | - | 70,872 | 100 | - | - |

*ii)* The Company has issued Series A, Series A4, Series B1 and Series B2 Compulsorily Convertible Cumulative Preference Shares (CCPS) which are held by the investors (i.e. other than the promoters). If declared by the Board, each holder of such CCPS, shall be entitled to receive a preferential cumulative dividend at the rate of 0.001% per annum. Refer note 10 (b) for details of the terms and conditions of such CCPS. As per the shareholders agreement dated 10 December 2020, the Company is required to provide an exit to Series A investors by way of Qualified IPO or a Strategic Sale within 7 years from the Series A closing date, the failure of which will provide the investor the right to require the Company to buy back the shares held by them at fair value. In the event the Company provides an exit to Series A investors, the Series A4, Series B1 and Series B2 Investors shall be entitled to participate in the relevant exit provided by the Company to Series A investors on same terms and at the same price as applicable to the shares held by Series A investors.

A successful Qualified IPO or a strategic sale is not in the control of the Company, hence it does not have an unconditional right to defer the settlement of preference shares beyond 7 years. The instruments are hybrid instruments and have an embedded derivative in the form of settlement option and host non-derivative liability. On transition to Ind AS, the Company has designated these instruments as 'Other financial liabilities' valued at fair value through profit and loss as at the transition date. Consequent to transition to Ind AS, CCPS amounts received aggregating to INR 6,927.96 and INR 6,219.24 and securities premium thereon aggregating to INR 1,006,867.95 and INR 798,115.89 have been fair valued and presented as 'other financial liabilities' for the year ended 31 March 2020 and 31 March 2019 respectively, in accordance with the requirements of Ind AS 32 'Financial Instruments: Presentation' (Refer note 30B). However, as per the provisions of Companies Act, 2013, amounts received from issue of preference shares are to be disclosed under 'Preference share capital' and 'Securities premium' as applicable.

**11(b) Other financial liabilities (contd.)**

*iii)* Pursuant to waiver cum amendment agreement dated 30 March 2021 to the shareholders agreement dated 10 December 2020, all entitled CCPS holders have irrevocably revoked/ waived off their buyback right associated with the CCPS held by them. Basis this development as on the date of the waiver, the buyback clause is neither enforceable nor exercisable.

Consequently, such CCPS in their entirety met the definition of an equity instrument as per Ind AS 32 with effect from 30 March 2021. As a result of this, the entire financial liabilities pertaining to such CCPS as at 30 March 2021 (including INR 1,873.77 issued during the year) have been classified as preference share capital amounting to INR 6,934.30, Security premium of INR 1,008,735.38 and Retained earnings of INR 573,239.67, after adjusting for fair market value gain of INR 104,634.48 for the period 1 April 2020 to 30 March 2021. [Also refer Notes 10(b), 10(c) and 16(b)]. Such presentation as at 31 March 2021 is in accordance with Ind AS and Companies Act, 2013.

**12 Employee benefit obligations**

| Particulars | 31 March 2021 | | 31 March 2020 | | 31 March 2019 (Proforma) | |
|---|---|---|---|---|---|---|
| | Current | Non-current | Current | Non-current | Current | Non-current |
| Compensated absences (i) | 10,889.79 | - | 9,588.28 | - | 6,122.32 | - |
| Gratuity (ii) | 2,090.03 | 27,851.91 | 786.63 | 31,918.51 | 144.05 | 12,516.33 |
| **Total employee benefit obligations** | **12,979.82** | **27,851.91** | **10,374.92** | **31,918.51** | **6,266.38** | **12,516.33** |

*i) Compensated absences*

The leave obligations cover the Company's liability for paid leaves. The entire amount of the provision is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months.

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Leave obligations not expected to be settled within the next 12 months | 9,256.32 | 8,150.04 | 5,203.98 |

*ii) Post-employment obligations*

a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity (Amendment) Act, 2018. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on termination/retirement is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

Final liability is actuarially valued and recognised in the books as at the end of each year by the Company. The gratuity plan of the Company is not funded.

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| **A) Present value of defined benefit obligation** | | | |
| Obligations at the beginning of the year | 32,705.14 | 12,660.38 | 7,392.97 |
| Current service cost | 8,397.55 | 11,121.64 | 5,361.09 |
| Interest cost | 2,207.60 | 983.71 | 884.05 |
| Benefits paid | (1,418.89) | - | - |
| Remeasurement (gains)/ losses | | | |
| - arising from changes in demographic assumptions. | (11,026.67) | (10,006.67) | 1,229.64 |
| - arising from changes in financial assumptions. | (342.59) | 25,742.33 | (168.39) |
| - arising from changes in experience adjustments. | (580.21) | (7,796.25) | (2,038.98) |
| **Obligations at the end of the year** | **29,941.93** | **32,705.14** | **12,660.38** |
| | | | |
| **B) Net (asset)/ liability:** | | | |
| Present value of defined benefit obligation | 29,941.93 | 32,705.14 | 12,660.38 |
| Fair value of plan assets | - | - | - |
| **Net (asset)/obligation** | **29,941.93** | **32,705.14** | **12,660.38** |

**12 Employee benefit obligations (contd)**

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| **C) Expenses recognised in Restated Statement of Profit and Loss** | | | |
| Current service cost | 8,397.55 | 11,121.64 | 5,361.09 |
| Interest cost | 2,207.60 | 983.71 | 884.05 |
| Interest income | - | - | - |
| **Total amount recognised in the Restated Statement of Profit and Loss** | **10,605.15** | **12,105.35** | **6,245.14** |
| **D) Amounts recognised in Restated Other Comprehensive Income** | | | |
| (Gains)/losses arising from changes in | | | |
| - return on plan assets | - | - | - |
| - demographic assumptions | (11,026.67) | (10,006.67) | 1,229.64 |
| - financial assumptions | (342.59) | 25,742.33 | (168.39) |
| - experience adjustments | (580.21) | (7,796.25) | (2,038.98) |
| **Total amount recognised in Restated Other Comprehensive Income** | **(11,949.47)** | **7,939.41** | **(977.73)** |
| **Total amount recognised in statement of total comprehensive income (C+D)** | **(1,344.32)** | **20,044.76** | **5,267.41** |
| **E) Actuarial assumptions** | | | |
| Discount rate per annum (Key) | 6.82% | 6.75% | 7.70% |
| Salary escalation rate (Key) | 14.00% | 14.00% | 7.00% |
| Withdrawal rate (Key) | 18.00% | 9.86% | 5.86% |
| Mortality rate (Non-key) | IALM (2012-14) Ultimate | IALM (2012-14) Ultimate | IALM (2006-08) Ultimate |
| **F) Expected contribution in next year** | | | |
| **G) Reconciliation of amounts in Restated Statement of Assets and Liabilities** | | | |
| Net defined benefit liability/ (asset) at the beginning of the year | **32,705.14** | **12,660.38** | **7,392.97** |
| Defined benefit cost included in statement of profit and loss | 10,605.15 | 12,105.35 | 6,245.14 |
| Total remeasurements included in other comprehensive income | (11,949.47) | 7,939.41 | (977.73) |
| Benefits paid | (1,418.89) | - | - |
| **Net defined benefit liability (asset) at the end of the year** | **29,941.93** | **32,705.14** | **12,660.38** |

**Risk Exposure**
Through its defined benefit plan, the Company is exposed to a number of risks. The most significant risks are:

**(i) 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.

**(ii) Salary inflation risk** : Higher than expected increases in salary will increase the defined benefit obligatior

**(iii) Demographic risk** : This is the risk of variability of results due to factors like mortality, withdrawal, disability and retirement. The effect of these on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and attrition rate.

**Sensitivity analysis**
The sensitivity of the defined benefit obligation to changes in the principal assumptions is as under:

| Changes in assumption | Change in DBO | Impact on defined benefit obligation (DBO) | | |
|---|---|---|---|---|
| | | Gratuity | | |
| | | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
| | | % | % | % |
| **Discount rate** | | | | |
| a. Increase by 0.5% | Decrease by | (938.09) | (1,862.99) | (798.23) |
| b. Decrease by 0.5% | Increase by | 996.98 | 2,048.55 | 883.25 |
| **Withdrawal rate** | | | | |
| a. Increase by 1% | Decrease by | (855.77) | (1,579.56) | (115.20) |
| b. Decrease by 1% | Increase by | 927.55 | 1,795.31 | 85.86 |
| **Salary escalation rate** | | | | |
| a. Increase by 1% | Increase by | 1,566.14 | 2,732.80 | 1,641.84 |
| b. Decrease by 1% | Decrease by | (1,492.07) | (2,582.55) | (1,459.95) |

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in Restated Statement of Assets and Liabilities.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

## 12 Employee benefit obligations (contd)

**Defined benefit liability and employer contributions**

The weighted average duration of the defined benefit obligation is 14 years (2020: 14 years; 2019: 15 years).The expected benefit payments are as follows:

| Particulars | Gratuity | | |
|---|---|---|---|
| | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
| Expected future cash flows [Undiscounted] | | | |
| Year 1 | 2,090.03 | 786.63 | 144.05 |
| Year 2 | 2,683.07 | 1,162.04 | 345.73 |
| Year 3 | 3,077.07 | 1,620.08 | 533.04 |
| Year 4 | 3,490.75 | 1,991.39 | 757.32 |
| Year 5 | 3,601.82 | 2,335.46 | 951.26 |
| Year 6 to 10 | 36,850.63 | 83,825.90 | 45,961.73 |

**b) Defined Contribution Schemes**

Contributions are made to recognized government provident funds and Employee State Insurance Scheme in India for employees at a specified percentage of basic salary as per the regulations. The contributions payable to these plans by the Company are administered by the Government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The Company recognised INR 14,959.98 (2020: INR 14,456.40; 2019: INR 11,026.76) for Provident fund contributions and INR 1,678.91 (2020: INR 2,061.69; 2019: 2,775.95) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss.

## 13 Contract liabilities

| Particulars | 31 March 2021 | | 31 March 2020 | | 31 March 2019 (Proforma) | |
|---|---|---|---|---|---|---|
| | Current | Non Current | Current | Non Current | Current | Non Current |
| Deferred revenue | 193,585.24 | 940.21 | 123,892.46 | - | 94,497.53 | - |
| Advance from customers | 526.88 | - | 741.34 | - | 1,410.95 | - |
| **Total Contract Liabilities** | **194,112.12** | **940.21** | **124,633.80** | **-** | **95,908.48** | **-** |

**Notes:**

*i)* **Revenue recognised in relation to contract liabilities**

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in a prior year:

*a)* Revenue recognised that was included in contract liabilities balance as at the beginning of the year.

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Sale of Services | 124,633.80 | 95,908.48 | 64,281.56 |

*b)* There was no revenue recognised from performance obligations satisfied in previous years.

*c)* As at 31 March 2021, the aggregate amount of the transaction price allocated to the remaining performance obligations related to customer contracts with a duration of more than one year is INR 1,819.85 (2020: INR Nil; 2019: INR Nil). Out of this, the Company expects to recognize revenue of INR 879.64 (2020: Nil; 2019: Nil) within the next one year and the remaining in the year after that.

## 14 Other liabilities

| Particulars | 31 March 2021 | | 31 March 2020 | | 31 March 2019 (Proforma) | |
|---|---|---|---|---|---|---|
| | Current | Non-current | Current | Non-current | Current | Non-current |
| Statutory dues including goods and service tax, provident fund, tax deducted at source etc. | 8,708.22 | - | 9,368.24 | - | 10,694.87 | - |
| Refund Liabilities [refer note (i) below] | 2,186.16 | | 2,510.26 | | 706.87 | |
| **Total other liabilities** | **10,894.38** | **-** | **11,878.50** | **-** | **11,401.74** | **-** |

*Note*

i) Where a customer has a right to terminate a contract within a given period, the Company recognises a refund liability for the amount of consideration received for which the Company does not expect to be entitled. This liability is estimated by the management as at year end based on past trends.

## 15 Revenue from operations

The Company derives its revenue from the sale of subscription services.

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| **Sale of services:** | | | |
| Income from sale of subscription services | 437,786.71 | 373,342.21 | 331,871.44 |
| **Total revenue from operations** | **437,786.71** | **373,342.21** | **331,871.44** |

**Notes:**

**a) Disaggregation of revenue from contract with customers**

The Company is solely into the business of providing subscription services to customers and hence there is no further disaggregation of services.

**b) Reconciliation of Revenue recognised with the Contract Price.**

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Contract Price | 510,391.40 | 404,577.79 | 364,205.23 |
| Adjusted for: | | | |
| Contract liabilities | (70,418.53) | (28,725.32) | (31,626.92) |
| Refund liabilities | (2,186.16) | (2,510.26) | (706.87) |
| **Closing balance** | **437,786.71** | **373,342.21** | **331,871.44** |

## 16 Other income and other gains/(losses)

**(a) Other income**

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Interest income from bank deposits measured at amortised cost | 9,889.07 | 11.68 | - |
| Interest on income tax refund | 265.22 | 536.36 | 509.46 |
| Miscellaneous income | 79.21 | 334.58 | 197.00 |
| **Total other income** | **10,233.50** | **882.62** | **706.46** |

**(b) Other gains/(losses)**

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Net gain/(loss) on disposal of Property, plant and equipment | (442.04) | - | (50.17) |
| Net gains on sale of investments | 5,493.70 | 11,776.88 | 8,870.78 |
| Net fair value gains on financial assets measured at fair value through profit or loss | 849.99 | 19,480.30 | 22,290.95 |
| Fair value gain/(loss) on CCPS measured at fair value through profit or loss | 104,634.48 | (343,744.58) | 304,429.57 |
| Foreign exchange gain/(loss) (net) | (1,138.75) | 1,394.58 | 189.98 |
| **Total other gains/(losses) - net** | **109,397.38** | **(311,092.82)** | **335,731.11** |

## 17 Employee benefits expense

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Salaries, wages and bonus | 481,405.71 | 456,097.52 | 422,834.43 |
| Contribution to provident fund and other funds | 16,638.89 | 16,518.09 | 13,802.71 |
| Share based payment expense | 27,276.29 | 24,810.09 | 17,474.43 |
| Gratuity (Refer note 12) | 10,605.15 | 12,105.35 | 6,245.14 |
| Staff welfare expenses | 2,204.86 | 3,261.07 | 1,758.97 |
| **Total employee benefits expense** | **538,130.90** | **512,792.12** | **462,115.68** |

## 18 Depreciation expense

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Depreciation on property, plant and equipment | 2,523.15 | 5,649.38 | 6,536.71 |
| **Total depreciation expense** | **2,523.15** | **5,649.38** | **6,536.71** |

## 19 Other expenses

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Software | 2,696.15 | 2,101.31 | 1,483.83 |
| Rent | 22,877.16 | 41,374.10 | 34,835.30 |
| Repairs and maintenance - Computers | 109.27 | 765.03 | 538.34 |
| Repairs and maintenance - others | 1,522.97 | 4,595.73 | 4,601.55 |
| Bank Charges | 2,327.78 | 2,064.05 | 1,541.85 |
| Legal and Professional | 13,341.84 | 3,020.07 | 4,556.04 |
| Printing and Stationery | 183.42 | 194.12 | 329.20 |
| Travelling expenses | 0.00 | 1,607.62 | 3,061.24 |
| Rates and taxes | 2,387.93 | 760.95 | 2,633.90 |
| Power and fuel | 569.71 | 2,965.20 | 3,507.02 |
| Communication | 350.36 | 1,394.80 | 1,442.96 |
| Payment to auditors [Refer note below] | 1,250.00 | 750.00 | 750.00 |
| Web Hosting and Domain Charges | 22,850.92 | 20,483.76 | 14,287.72 |
| Impairment loss/ (reversal) on financial assets (refer note 22) | (833.09) | 2,118.21 | 1,375.30 |
| Miscellaneous | 605.72 | 823.93 | 720.59 |
| **Total other expenses** | **70,240.14** | **85,018.88** | **75,664.84** |

**Note: Details of payment to auditors**

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| **Payment to auditors** | | | |
| **As auditor:** | | | |
| Audit fee | 1,200.00 | 700.00 | 700.00 |
| Tax audit fee | 50.00 | 50.00 | 50.00 |
| **Total payments to auditors** | **1,250.00** | **750.00** | **750.00** |

## 20 Income Taxes

### A. Deferred tax asset recognition

Deferred tax assets, have not been recognised based on an evaluation that it is not probable that taxable profits will be earned in future accounting periods considering all the available evidences, including approved budgets and forecasts by the Board of the Company. However this position will be reassessed at every year end and the deferred tax asset will be accounted for, when appropriate.

The amount of deferred tax asset not recognised has been arrived as follows:

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Carry forward business losses as per income tax | 201,443.19 | 201,452.29 | 162,341.44 |
| Unabsorbed depreciation as per income tax | 8,151.52 | 7,319.37 | 5,932.05 |
| Other temporary differences | 11,891.84 | 12,572.70 | 5,712.87 |
| Less: Deferred tax liabilities | (268.44) | (12,368.26) | (14,886.03) |
| **Deferred tax assets (net)** | **221,218.11** | **208,976.10** | **159,100.33** |

a) Unabsorbed depreciation does not have any expiry period.
b) Carry forward business losses have an expiry ranging from 1 to 8 years as at the reporting date, refer below.
c) Tax rate considered for arriving at the above amounts is 26% (2020: 26%; 2019: 26%)

### B. Reconciliation of tax expense and accounting profit multiplied by India's tax rate

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Restated profit/ (Loss) before income tax expense | (53,476.60) | (540,328.37) | 123,991.78 |
| Tax at the Indian tax rate of 26% (2020: 26%; 2019: 26%) | (13,903.92) | (140,485.38) | 32,237.86 |
| Tax effect of amounts which are not deductible (taxable) in calculating taxable income: | | | |
| Fair value adjustment on CCPS | (27,204.97) | 89,373.59 | (79,151.69) |
| Employee stock option expense | 7,091.84 | 6,450.62 | 4,543.35 |
| Other items | 162.76 | 72.87 | 65.60 |
| Tax losses for which no deferred income tax was recognised | 22,746.52 | 39,110.85 | 43,579.67 |
| Tax impact of items recognised in other comprehensive income | 3,106.86 | (2,064.25) | 254.21 |
| Impact of indexation not considered in deferred tax | (4,664.24) | (3,068.10) | 0.00 |
| Deferred tax assets/ (liabilities) not recognised on other temporary differences | 12,665.14 | 10,609.78 | (1,529.01) |
| **Income Tax Expense** | **-** | **-** | **-** |

Carry forward business losses in respect of which deferred tax asset has not been recognised, expire unutilised based on the year of origination as below:

| Financial year | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Within four years | 198,849.82 | 84,743.66 | 496.72 |
| Beyond four years, upto 8 years | 575,931.66 | 690,072.83 | 623,893.43 |

### C. Current tax:

There is no liability arising on account of current tax during the years ended 31 March 2021, 31 March 2020 and 31 March 2019.

**21 Fair value measurements**

**A. Financial instruments by category**

| Particulars | Level | As at 31 March 2021 | | As at 31 March 2020 | | As at 31 March 2019 (Proforma) | |
|---|---|---|---|---|---|---|---|
| | | Amortised cost | FVTPL | Amortised cost | FVTPL | Amortised cost | FVTPL |
| **Financial assets** | | | | | | | |
| Loans - Security deposits | 3 | 3,360.00 | - | 10,860.00 | - | 8,500.00 | - |
| Investments | 1 | - | 167,568.19 | - | 414,690.07 | | 325,423.97 |
| Trade receivables | 3 | 56,853.94 | - | 43,998.27 | - | 42,567.26 | - |
| Cash and cash equivalents | | 18,007.68 | - | 22,955.92 | - | 24,990.34 | - |
| Other financial assets | 3 | 208,161.77 | - | 38.94 | - | - | - |
| **Total financial assets** | | **286,383.39** | **167,568.19** | **77,853.13** | **414,690.07** | **76,057.60** | **325,423.97** |
| **Financial liabilities** | | | | | | | |
| Trade payables | 3 | 14,156.72 | - | 4,566.01 | - | 4,465.18 | - |
| Other financial liabilities | 3 | 1,420.54 | - | 1,139.93 | 1,691,670.06 | 1,077.14 | 1,138,464.70 |
| **Total financial liabilities** | | **15,577.26** | **-** | **5,705.94** | **1,691,670.06** | **5,542.32** | **1,138,464.70** |

There are no financial instruments which are measured at FVOCI

**B. Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into 3 levels/hierarchy prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
During the year, there were no financial instruments which are measured at Level 2 category.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between the levels during the year.

**C. Valuation techniques:**

Specific valuation techniques used to value financial instruments include:
- the use of published NAV's for mutual funds.
- the fair value of other financial liabilities (CCPS) is determined using Black Scholes option pricing model.

**D. Valuation inputs and relationships to fair value**

| Particulars | Significant unobservable inputs | Sensitivity | Inputs used | | Sensitivity (Impact on profit before tax and equity) | | | |
|---|---|---|---|---|---|---|---|---|
| | | | 31 March 2020 | 31 March 2019 (Proforma) | 31 March 2020 | 31 March 2020 | 31 March 2019 (Proforma) | 31 March 2019 (Proforma) |
| CCPS | Risk-free interest rate | +/- 100 bps | 6.14% | 7.35% | 5,019.64 | (5,329.77) | 4,921.46 | (5,429.42) |
| | Volatility | +/- 500 bps | 33.73% | 21.72% | (16,570.49) | 15,170.95 | (13,442.42) | 11,715.56 |

**E. Valuation process:**

The fair value of the CCPS as at each reporting date is determined based on the valuation performed by an independent valuer. The significant level 3 inputs for determining the fair values of CCPS are discount rates using a pre-tax rate that reflects current market assessments of the time value of money and expected volatility.

**F. Fair value of financial assets and liabilities measured at amortised cost:**

The carrying amounts of trade receivables, loans, trade payables, cash and cash equivalents, other financial assets and other financial liabilities are considered to be the same as their fair values due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

## 22 Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's risk management is carried out by the management in accordance with the policies and objectives of the Company under the supervision of the Board of Directors that help in identification, measurement, mitigation and reporting all risks associated with the activities of the Company. These risks are identified on a continuous basis and assessed for impact on the financial performance. Information on risks and the response strategy is escalated in a timely manner to facilitate timely decision making. Risk response strategy is formulated for key risks by Management. The below table broadly summarizes the sources of financial risk to which the entity is exposed to and how the entity manages the risk.

| Financial risk | Exposure arising from | Measurement | Management |
|---|---|---|---|
| Credit risk | Cash and cash equivalents, trade receivables and financial assets measured at amortised cost. | Ageing analysis<br>Credit ratings | Periodic review of customer credit limits; review of aging for trade receivables |
| Liquidity risk | Trade payables, other financial liabilities and other liabilities | Rolling cash flow forecasts. | Continuous monitoring and fund management to ensure timely payment of dues |
| Market risk - foreign exchange | Future commercial transactions, recognised financial assets and liabilities not denominated in Indian rupee | Sensitivity analysis | Increased focus on<br>a) advance export billing<br>b) localization to minimize risk |
| Market risk - security prices | Investments in mutual funds | Sensitivity analysis | Portfolio diversification and review of portfolio |

**A. Credit risk**

Credit risk is a risk where the counterparty will not meet its obligations under a financial instrument leading to a financial loss. Credit risk arises from cash and cash equivalents, trade receivables, loans, investments in mutual funds and other financial assets measured at amortised cost.

***(i) Credit risk management***

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks with high credit ratings assigned by external agencies. Investments primarily include investment in debt based mutual funds whose portfolios have instruments with high credit rating. The board of directors periodically review the investment portfolio of the Company.

Loans comprises of refundable security deposits made on premises taken on lease. Management has evaluated and concluded that the impact of credit losses on these deposits is not likely to be material.
Credit risk with respect to trade receivable is managed by the Company through setting up credit limit and periodical review of credit worthiness of major customers. The Company has historically not faced significant challenges in collecting money from its customers and thus the credit exposure is assessed to be low.

**22 Financial risk management (contd)**

**Expected credit loss for trade receivables under simplified approach:**

The Company applies the simplified approach to provide for expected credit loss prescribed by Ind AS 109, which permits the use of lifetime expected loss provision for all the trade receivables. Determination of the amount of expected credit losses includes consideration of forward looking information. The loss allowance is determined as follows:

| Particulars | Less than 6 months | More than 6 months | Total |
|---|---|---|---|
| **As at 31 March 2021** | | | |
| Gross carrying amount | 56,853.94 | 2,343.40 | **59,197.34** |
| Expected credit loss - measured at life-time expected credit loss | (568.54) | (1,774.86) | **(2,343.40)** |
| **Carrying amount of trade receivables** | **56,285.40** | **568.54** | **56,853.94** |

| Particulars | Less than 6 months | More than 6 months | Total |
|---|---|---|---|
| **As at 31 March 2020** | | | |
| Gross carrying amount | 43,998.27 | 3,264.99 | **47,263.26** |
| Expected credit loss - measured at life-time expected credit loss | (439.98) | (2,825.00) | **(3,264.99)** |
| **Carrying amount of trade receivables** | **43,558.29** | **439.98** | **43,998.27** |

| Particulars | Less than 6 months | More than 6 months | Total |
|---|---|---|---|
| **As at 31 March 2019 (Proforma)** | | | |
| Gross carrying amount | 42,567.26 | 1,375.30 | **43,942.56** |
| Expected credit loss - measured at life-time expected credit loss | (425.67) | (949.63) | **(1,375.30)** |
| **Carrying amount of trade receivables** | **42,141.59** | **425.67** | **42,567.26** |

**Reconciliation of loss allowance provision**

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Opening provision for loss allowance | 3,264.99 | 1,375.30 | - |
| Add: Additional provision/ (reversals) - net | (833.09) | 2,118.20 | 1,375.30 |
| Less: Utilisation | (88.50) | (228.51) | - |
| **Closing provision** | **2,343.40** | **3,264.99** | **1,375.30** |

**22 Financial risk management (contd)**

**B. Liquidity risk**

Liquidity risk is a risk where an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying business, Company's treasury maintains flexibility in funding by maintaining availability of required funds.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

**Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

**31 March 2021**

| Contractual maturities of financial liabilities | Less than one year | Between 1 and 2 years | Between 2 and 5 years | Total |
|---|---|---|---|---|
| **Non-derivatives** | | | | |
| Trade payables | 14,156.72 | - | - | 14,156.72 |
| Other financial liabilities | 1,420.54 | - | - | 1,420.54 |
| **Total liabilities** | **15,577.26** | **-** | **-** | **15,577.26** |

**31 March 2020**

| Contractual maturities of financial liabilities | Less than one year | Between 1 and 2 years | Between 2 and 5 years | Total |
|---|---|---|---|---|
| **Non-derivatives** | | | | |
| Trade payables | 4,566.01 | - | - | 4,566.01 |
| Compulsorily convertible cumulative preference shares | - | - | 1,691,670.06 | 1,691,670.06 |
| Other financial liabilities | 1,139.93 | - | - | 1,139.93 |
| **Total liabilities** | **5,705.94** | **-** | **1,691,670.06** | **1,697,376.00** |

**31 March 2019 (Proforma)**

| Contractual maturities of financial liabilities | Less than one year | Between 1 and 2 years | Between 2 and 5 years | Total |
|---|---|---|---|---|
| **Non-derivatives** | | | | |
| Trade payables | 4,465.18 | - | - | 4,465.18 |
| Compulsorily convertible cumulative preference shares | - | - | 1,138,464.70 | 1,138,464.70 |
| Other financial liabilities | 1,077.14 | - | - | 1,077.14 |
| **Total liabilities** | **5,542.32** | **-** | **1,138,464.70** | **1,144,007.02** |

**22 Financial risk management (contd)**

**C. Market Risk**

Market risk is a risk where the fair value or future cash flows of a financial instrument will fluctuate because of changes in market price.

**(i) Foreign currency risk**

The company is exposed to foreign exchange currency risk arising from foreign currency transactions primarily with respect to US$ which are not hedged. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR) The risk is measured through sensitivity analysis of probable movement in exchange rate as at the reporting period.

The company's exposure to foreign currency risk at the end of the reporting period expressed in INR as follows:

| Particulars | Amount In INR | | |
|---|---|---|---|
| | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
| ***Financial assets*** | | | |
| *USD* | | | |
| Trade receivables | 38,085.87 | 31,593.87 | 29,904.97 |
| Bank balance in EEFC accounts | 12,996.60 | 16,734.27 | 12,750.96 |
| Other financial assets | - | 751.89 | 1,599.17 |
| *EUR* | | | |
| Trade receivables | 789.53 | - | 441.74 |
| **Total financial assets** | **51,872.00** | **49,080.03** | **44,696.84** |
| ***Financial liabilities*** | | | |
| *USD* | | | |
| Trade payables | 10,767.75 | - | - |
| **Total financial liabilities** | **10,767.75** | **-** | **-** |
| **Net exposure to exchange risk** | **41,104.25** | **49,080.03** | **44,696.84** |

**Sensitivity**

The sensitivity of profit or loss to changes in exchange rates arises mainly from foreign currency denominated financial instruments and the impact is shown below. This analysis assumes that all other variables remain constant and ignores any impact of forecast sales and purchases.

| Particulars | Impact on profit before tax and equity | | |
|---|---|---|---|
| | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
| **USD Sensitivity** | | | |
| INR/USD - Increase by 1%* | 403.15 | 490.80 | 442.55 |
| INR/USD - decrease by 1%* | (403.15) | (490.80) | (442.55) |
| **EUR Sensitivity** | | | |
| INR/EUR - Increase by 1%* | 7.90 | - | 4.42 |
| INR/EUR - decrease by 1%* | (7.90) | - | (4.42) |

* Holding all other variables constant

**(ii) Price risk**

**a) Exposure**

The Company’s exposure to price risk arises from investments held by the Company and classified in the Restated Statement of Assets and Liabilities at fair value through profit or loss. To manage its price risk arising from investments in debt mutual funds, the Company diversifies its portfolio.

**b) Sensitivity**

The table below summarizes the impact of increase/decrease of the index in the company’s equity and profit for the year. The analysis is based on the assumption that the NAV had increased by 5% or decreased by 5% with all other variables held constant.

| Particulars | Impact on profit before tax and equity | | |
|---|---|---|---|
| | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
| NAV- increase 5% (2020: 5%; 2019: 5%)* | 8,378.41 | 20,734.50 | 16,271.20 |
| NAV- decrease 5% (2020: 5%; 2019: 5%)* | (8,378.41) | (20,734.50) | (16,271.20) |

* Holding all other variables constant

**23 Capital management**

**a) Risk management**

The Company's objectives when managing capital are to:

(i) Safeguard their ability to continue as a going concern, so that they can provide returns to shareholders and benefits for other stakeholders, and

(ii) Maintain an optimal capital structure to reduce cost of capital.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company manages its capital structure and makes adjustments to the capital structure in light of changes in economic conditions and future business prospects.

The Company does not have access to any borrowings and undrawn facilities. However, the Company has sufficient cash and investments to meet their liquidity requirements.

## 24 Shared based payment expense

Tracxn Employee Stock Option Plan 2016 ("ESOP 2016" or "the Plan"): The Board vide its resolution dated 3 October 2016 approved ESOP 2016 for granting Employee Stock Options in the form of Equity Shares linked to the completion of a minimum period of continued employment to the eligible employees of the Company. The eligible employees for the purpose of ESOP 2016 will be determined by the Board of Directors. Pursuant to the Extraordinary General Meeting held on 5 October 2016, the Board of Directors have been authorized to introduce, offer, issue and allot options to eligible employees of the Company under the ESOP 2016. The maximum number of shares under this Plan shall not exceed 229,294 shares. These Options shall vest not less than one year and not more than 4 years from the date of grant of such Options. The vested Options can be exercised only upon happening of a liquidity event as defined in the Plan and are exercisable at face value.

"Liquidity Event" shall mean anyone or more of the following subject to the approval of the Board:
(i) Listing, whereby the Shares of the Company get listed on any recognized Stock Exchange;
(ii) Strategic Sale within the meaning of the ESOP 2016; and
(iii) Any other event, which the Board may designate as a Liquidity Event for the purposes of the ESOP 2016.

Set out below is a summary of options granted under the plan:

| Particulars | 31 March 2021 | | 31 March 2020 | | 31 March 2019 (Proforma) | |
|---|---|---|---|---|---|---|
| | Number | Average exercise price per share option (INR) | Number | Average exercise price per share option (INR) | Number | Average exercise price per share option (INR) |
| Opening balance | 136,553 | 1 | 110,951 | 1 | 104,696 | 1 |
| Granted during the year | 32,491 | 1 | 34,037 | 1 | 19,802 | 1 |
| Forfeited during the year | (14,779) | 1 | (8,435) | 1 | (13,547) | 1 |
| Exercised during the year | - | 1 | - | 1 | - | 1 |
| Closing balance | **154,265** | | **136,553** | | **110,951** | |
| Vested and exercisable* | **111,232** | | **98,207** | | **87,902** | |

* Options are exercisable upon happening of a liquidity event as defined in ESOP 2016 scheme.

The weighted average remaining contractual life for options outstanding at the end of the period is 7.49 years (2020: 7.90 years; 2019: 8.34 years)

The weighted average fair value of options granted as at grant date during the year ended 31 March 2021 was INR 1,851.94 per option (2020: INR 1,794.28; 2019: INR 1,742.41). The fair value at grant date is independently determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. The model inputs for options granted during the year ended 31 March 2021 included:

| Assumptions | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Expected term (in years) | 10 years | 10 years | 10 years |
| Expected forfeiture rate | 10% | 10% | 10% |
| Risk-free interest rate | 6.20% | 6.14% | 7.35% |
| Expected volatility | 42.90% | 33.73% | 21.72% |
| Dividend yield | 0% | 0% | 0% |

**Share based payment expense**

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Shared based payment expense | 27,276.29 | 24,810.09 | 17,474.43 |
| **Total employee share-based payment expense** | **27,276.29** | **24,810.09** | **17,474.43** |

## 25 Segment reporting

### a) Description of segments and principal activities

The Company is involved in the rendering of software subscription services to its customers. This subscription is given by way of access to the Tracxn Platform that hosts data that can be used by the customers. The Board of Directors review the operations of the Company as a whole as one single segment. Accordingly there are no separate reportable segments.

### (b) Geographical information

The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

| Particulars | Segment revenue | | |
|---|---|---|---|
| | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
| **Geographical segment *** | | | |
| India | 129,231.77 | 106,815.91 | 84,427.43 |
| United States of America | 116,730.08 | 109,786.94 | 121,853.79 |
| Other countries | 191,824.86 | 156,739.36 | 125,590.22 |
| **Total** | 437,786.71 | 373,342.21 | 331,871.44 |

***** There are no non-current assets which are outside India and hence no separate disclosures given.

### (c) Information about major customers

There is no single customer which contributes more than 10% of the total revenue of the Company.

## 26 Related party transactions

### A. Names of related parties and nature of relationship:

| | Description of relationship | Names of related parties |
|---|---|---|
| a) | Key Management personnel (KMP) | Neha Singh |
| | Whole Time Directors | Abhishek Goyal |
| | Non-Executive Directors* | Vivek Kumar Mathur |
| | | Ravi Chandra Adusumali |
| b) | Entity having significant influence over the Company* | Elevation Capital V Limited (formerly SAIF Partners India V Limited) |

* No transactions have taken place during the current and previous year. Also refer note (b) below.

### B. Transactions with related parties (refer notes below)

| Particulars | 31 March 2021 | | 31 March 2020 | | 31 March 2019 (Proforma) | |
|---|---|---|---|---|---|---|
| | Neha Singh | Abhishek Goyal | Neha Singh | Abhishek Goyal | Neha Singh | Abhishek Goyal |
| **KMP compensation** | | | | | | |
| Short-term employee benefits | 6,339.23 | 4,839.23 | 6,046.67 | 6,046.67 | 5,055.00 | 5,055.00 |
| Post-employment benefits | 293.24 | (1,242.68) | 482.37 | 607.38 | 791.76 | 801.98 |

**Notes:-**
The above excludes :
a) expenses incurred in the ordinary course of business through prepaid corporate credit cards issued to whole time directors.
b) modification made to Shareholders agreement on 30 March 2021, consequent to which certain CCPS were classified to Equity. Also refer note 11(b).

**27 Contingent liabilities**

The Company has the following contingent liabilities:

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Claims against the company not acknowledged as debt | | | |
| Income tax matters (Refer Note (a) below) | 3,179.04 | 3,179.04 | 2,906.55 |
| **Total contingent liabilities** | **3,179.04** | **3,179.04** | **2,906.55** |

a) The Company had issued equity shares in the financial year 2013-14 to certain individuals at a premium for which the Assessing officer had added income in the hands of the Company amounting to INR 8,903.37 under Section 56(2)(vii b) of the Income Tax Act, 1961. During the year ended 31 March 2020, the Company has filed an appeal with the Income Tax Appellate Tribunal (ITAT), where the ITAT vide its order dated 23 October 2020 has ruled in the favour of the Company. Pending receipt of revised assessment order from the department, the Company continues to disclose the disputed amount as contingent liability. The amounts disclosed above is including interest amounting to INR 908.29 (2020: INR 908.29; 2019: 635.81).

b) The Company has evaluated the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir and Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No,C 1/1(33)2019/Vivekananda Vidya Mandir/284) dated 20 March 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in these Restated financial information.

c) The cumulative amount of dividend payable INR 4 (2020: INR 3; 2019: INR 2) to CCPS holders has not been recognized as liability as the amount is not material.

d) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

**28 Commitments**

**Capital commitments**

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is INR Nil (2020: INR Nil, 2019: INR Nil)

**29 Earnings per share:**

a) The earnings per share has been calculated based on the following:

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Basic earnings/(loss) per share (In INR) | (0.55) | (5.54) | 1.27 |
| Diluted (loss) per share (In INR) [refer note (ii) below] | (1.52) | (5.54) | (1.75) |

b) Reconciliation between number of shares for basic and diluted EPS

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Weighted average equity shares outstanding [refer note (i) below] | 58,689,232 | 58,689,232 | 58,689,232 |
| Weighted average CCPS convertible into equity [refer note (i) below] | 38,790,795 | 38,786,995 | 38,786,995 |
| Total weighted average number of shares outstanding considered for basic EPS | 97,480,027 | 97,476,227 | 97,476,227 |
| Adjustments for calculation of diluted earnings per share: | | | |
| Employee stock options [refer note (i) below] | 5,923,085 | 5,730,608 | 4,991,581 |
| CCPS [refer notes below] | 689,208 | 653,380 | 621,924 |
| Total Weighted average number of shares outstanding considered for diluted EPS [refer notes below] | 104,092,320 | 103,860,214 | 103,089,732 |

c) Reconciliations of earnings used in calculating earnings per share :

| Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| Restated profit/(loss) after tax attributable to equity holders of the Company | (53,476.60) | (540,328.37) | 123,991.78 |
| Less: Fair value gain/ (loss) on CCPS measured at FVTPL | 104,634.48 | (343,744.58) | 304,429.57 |
| Restated profit/(loss) attributable to the equity holders of the Company used in calculating diluted earnings per share | (158,111.08) | (196,583.79) | (180,437.79) |

Notes:-

(i) The earnings per share reflects the impact of bonus shares issuance in the ratio of 52:1 (refer note 34).

(ii) There are potential equity shares as on 31 March 2020 in the form of CCPS (financial liability in nature) and stock options granted to employees. As these are anti dilutive, they are ignored in the calculation of diluted earning/(loss) per share and accordingly the diluted earning/(loss) per share is the same as basic earnings/(loss) per share.

## 30 Transition to Ind AS

The accounting policies set out in Annexure V have been applied in preparing the Restated financial information for the years ended 31 March 2021, 31 March 2020 and 31 March 2019. The Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. 1 April 2019 while preparing Restated Financial Information for the year ended 31 March 2019.

Accordingly, suitable restatement adjustments are made in the financial statements as of and for the year ended 31 March 2019 and April 1, 2018. An explanation of how the transition from Previous GAAP to Ind AS has affected the Company's Restated Financial Information is set out in the following tables and notes.

### A. Exemptions and exceptions availed

In preparing Restated Financial Information, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

### A.1 Ind AS optional exemptions :

### A 1.1 Revenue from contracts with customers

When applying Ind AS 115 retrospectively, Ind AS 101 permits a first-time adopter an option not to restate completed contracts that begin and end within the same annual reporting period.

### A.2 Ind AS mandatory exceptions :

### A.2.1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.
Ind AS estimates are consistent with the estimates as at the same date made in conformity with previous GAAP.

The Company made estimates for the following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:
a) impairment of financial assets based on expected credit loss model
b) Fair valuation of CCPS carried at FVTPL

### A.2.2 De-recognition of financial assets and liabilities

IND AS 101 requires a first time adopter to apply the de-recognition provisions of IND AS 109 prospectively for transactions occurring on or after the date of transition to IND AS. However, IND AS 101 allows a first time adopter to apply the de-recognition requirements in IND AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply to IND AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of IND AS 109 prospectively from the date of transition to IND AS.

### A.2.3 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

**30 Transition to Ind AS (Contd)**

**B Reconciliations between previous GAAP and Ind AS**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

**(i) Reconciliation of total equity**

| Particulars | Transition to Ind AS - Notes | 31 March 2020 | 1 April 2019 | 31 March 2019 (Proforma) | 01 April 2018 (Proforma) |
|---|---|---|---|---|---|
| Total equity (shareholder's funds) as per previous GAAP | | 291,673.14 | 252,241.75 | 252,241.75 | 434,598.90 |
| **Adjustments:** | | | | | |
| Reclassification of CCPS and securities premium thereon to financial liabilities | 5 | (1,013,795.91) | (804,335.13) | (804,335.13) | (804,335.13) |
| Fair Value adjustment for CCPS | 5 | (677,874.15) | (334,129.57) | (334,129.57) | (638,559.14) |
| Fair Value adjustment for investments | 2 | 47,570.18 | 57,253.90 | 57,253.90 | 36,882.38 |
| **Total adjustments** | | **(1,644,099.88)** | **(1,081,210.80)** | **(1,081,210.80)** | **(1,406,011.89)** |
| **Total equity as per Ind AS** | | **(1,352,426.74)** | **(828,969.05)** | **(828,969.05)** | **(971,412.99)** |

**(ii) Reconciliation of total comprehensive income / (loss)**

| Particulars | Transition to Ind AS - Notes | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|
| (Loss) after tax as per previous GAAP | | (192,593.54) | (216,629.73) |
| **Adjustments:** | | | |
| Fair Value adjustment for investments | 2 | (9,683.72) | 20,371.52 |
| Fair Value adjustment for CCPS | 5 | (343,744.58) | 304,429.57 |
| Impact of share based payments | 3 | (2,245.94) | 16,798.15 |
| Re-measurement gains/ (losses) on Post employment benefits | 1 | 7,939.41 | (977.73) |
| **Total adjustments** | | **(347,734.83)** | **340,621.51** |
| **Profit/ (Loss) after tax as per Ind AS** | | **(540,328.37)** | **123,991.78** |
| Other comprehensive income/ (loss) , net of tax | 1 | (7,939.41) | 977.73 |
| **Total comprehensive income/(loss) as per Ind AS** | | **(548,267.78)** | **124,969.51** |

**(iii) Impact of Ind AS adoption on the Statement of Cash Flows**

There are no material adjustments to the Statement of Cash Flows as reported under previous GAAP.

## 30 Transition to Ind AS (Contd)

## C Transition to Ind AS - Notes

**Note 1: Remeasurements of post-employment benefit obligations**

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year.

**Note 2: Fair valuation of investments**

Under previous GAAP, the Company were carrying their current investment at the lower of carrying amount and face value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value of these investments have been recognised as at the date of transition and subsequently in the Restated Statement of Profit and Loss for the years ended 31 March 2020 and 31 March 2019.

**Note 3: Employee share based payments expense**

Under the previous GAAP, the cost of equity-settled employee share-based plan was recognised using the intrinsic value method. For options granted under graded vesting plan, the Company recognised the share based payment expense on a straight-line basis over the requisite service period for the entire award (i.e., over the requisite service period of the last separately vesting portion of the award) under the Previous GAAP. Under Ind AS, the cost of equity settled share-based plan is recognised based on the fair value of the options at the grant date. If the share-based payment is subject to different vesting periods, each of these instalments is accounted for as a separate award under Ind AS.

Ind AS 101 permits a first-time adopter to not consider the number of options, that have already vested as on the date of transition, for fair valuation. However, the Company has elected to apply Ind AS 102 retrospectively from the date of grant of options. The resulting impact have been adjusted against retained earnings on the date of transition with a corresponding increase in employees stock options reserve. Thus there is no impact on the total equity.

**Note 4: Other comprehensive income**

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

**Note 5: Compulsorily convertible cumulative preference shares (CCPS)**

Under the previous GAAP, CCPS issued to the investors were classified as equity and carried at transaction value.

The Company had issued CCPS to the investors. The terms of the instrument provided the holder an option to convert the instrument and also a right to put back the instrument to the Company on the event the Company is not able to conduct a successful qualified IPO within 7 years from the date of issue. On such occurrence, the Company will be obliged to buyback CCPS at a price equal the fair value of shares. Since the conduct of successful qualified IPO is not within the control the Company, the Company doesn't have an unconditional right to avoid settlement. Thus, these instruments are in the nature of hybrid instrument with embedded derivative in the form of settlement option and host non-derivative liability. On transition, this instrument is recorded at its fair value and difference between its fair value and the carrying amount as per previous GAAP is recognised in the retained earnings.

**Note 6: Retained earnings**

Retained earnings as at April 1, 2018 and has been adjusted consequent to the above Ind AS transition adjustments.

## 31 Leases

The Company has taken certain office premises on lease. Rental contracts are typically made for 1 to 3 years, but may have extension options as described in note iii below. The notice period for such leases is 2-3 months where either party can terminate the lease without any significant penalty or loss. Accordingly, the Company has elected to take short-term exemption for leases based on management assessment.

i) **Amounts recognised in the Restated Statement of Profit and Loss**

| Particulars | Notes | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|---|
| Expenses relating to short-term leases (included in other expenses) | 19 | 22,877.16 | 41,374.10 | 34,835.30 |

ii) Total cash outflow for leases for the year ended 31 March 2021 was INR 22,877.16 (2020 -INR 41,374.10; 2019 - INR 34,835.30)

iii) Extension and termination options are included in property lease agreements. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. Extension and termination options held are excercisable by both the Company and the lessor. Extension options have not been included in the lease term as exercising this option is currently not reasonably certain.

## 32 Dues to micro and small enterprises

| Sr No | Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|---|
| (i) | Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end | 99.67 | 57.07 | 39.87 |
| (ii) | Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end | - | - | - |
| (iii) | Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | 145.80 | - |
| (iv) | Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - | - |
| (v) | Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | 2.35 | 3.21 |
| (vi) | Interest due and payable towards suppliers registered under MSMED Act, for payments already made | - | - | - |
| (vii) | Further interest remaining due and payable for earlier years | - | - | - |

**33 Impact of Covid**

The COVID-19 outbreak has spread rapidly during the last few months. Governments across the globe have undertaken various measures to contain the spread of the virus including restrictions on travel, social distancing and other emergency measures. The Company continues to provide services to its customers uninterruptedly despite the lock-down and other restrictions.

Management has carried out the impact assessment of the pandemic on the operations of the Company and believes that there is minimum disruption to the operations of the Company. As at the year end, the management has assessed the recoverability of the carrying values of property, plant and equipment, trade receivables, investments, other assets and carrying value of liabilities and believes that no adjustments are required to be made in respect of such assets and liabilities as at 31 March 2021. Management has also assessed the liquidity position of the Company for next 12 months and basis that assessment believes that the Company will be able to meet all its financial obligations with the existing cash and bank balances and the projections of future cash inflows.

As explained above, management has considered all possible Impacts of known events arising from COVID-19 pandemic in the preparation of these restated financial information and therefore, believes that the current pandemic is not likely to have a material Impact on the operations and financial position of the Company. The Company will continue to closely monitor any material changes to future economic conditions.

**34 Events after the reporting period**

Subsequent to the year end:

(i) The Company has converted from a Private Limited Company to a Public Limited Company, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on 7 July 2021 and consequently the name of the Company has been changed to "Tracxn Technologies Limited" pursuant to a fresh certificate of incorporation dated 28 July 2021 issued by the Registrar of Companies.

(ii) The Board of Directors and shareholders of the Company at their meeting held on 21 July 2021 and 23 July 2021 respectively, have approved conversion of 744,137 CCPS having face value of INR 10 each into 744,137 equity shares having face value of INR 1 each. Post the above conversion, the Company has approved the capitalisation of securities premium on account of issuance of bonus shares in the ratio 52 :1 per fully paid equity share having face value of INR 1 per share.

| Particulars | Number of shares |
|---|---|
| Number of equity shares as at 31 March 2021 | 1,107,344 |
| Add: CCPS converted into equity shares in July 2021 | 744,137 |
| Number of equity shares post conversion of CCPS | 1,851,481 |
| Number of Equity shares after issuance of bonus shares (52 bonus shares for each equity share) | 98,128,493 |

**35** The restated financial information for the years ended 31 March 2021, 31 March 2020 and 31 March 2019 were approved for issue by Company's Board of Directors on 6 August 2021.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

**Mohan Danivas S A**
Partner
Membership Number: 209136
Place: Bengaluru
Date: 6 August 2021

For and on behalf of the Board of Directors of
**Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)**

**Neha Singh**
Managing Director
DIN: 05331824

**Abhishek Goyal**
Director
DIN: 00423410

**Prashant Chandra**
Chief Financial Officer

Place: Bengaluru
Date: 6 August 2021

**Megha Bohra**
Company Secretary
M. No. A39158

Place: Bengaluru
Date: 6 August 2021

**Annexure VI**

**Part A: Statement of Adjustments to Audited Financial Statements**

(i) (a) There are no restatement adjustments made to the audited financial statements for the years ended 31 March 2021, 2020 and 2019.

| Sr No | Particulars | 31 March 2021 | 31 March 2020 | 31 March 2019 (Proforma) |
|---|---|---|---|---|
| | **Net Profit/ (Loss) as per Ind AS** | **(53,476.60)** | **(540,328.37)** | **123,991.78** |
| **A** | **Adjustments:** | | | |
| | **Material Restatement Adjustments** | - | - | - |
| | (Excluding those on account of changes in accounting policies) | | | |
| | (i) Audit Qualifications | - | - | - |
| | (ii) Other material adjustments | - | - | - |
| | (iii)Deferred Tax adjustments | - | - | - |
| **B** | **Adjustments on account of changes in accounting policies** | - | - | - |
| | **Total** | **(53,476.60)** | **(540,328.37)** | **123,991.78** |
| | **Net Profit/ (Loss) as per Restated Statement of Profit and Loss** | **(53,476.60)** | **(540,328.37)** | **123,991.78** |

(i) (b) Refer Annexure V - note 30(B) for IND AS adjustments made to the audited financial statements for the year ended 31 March 2019 and 31 March 2020.

**Part B: Non adjusting items**

(ii) (a) **Audit qualifications for the respective years, which do not require any adjustments in the restated financial information are as follows:**
There are no audit qualification in auditor's report for the financial year ended 31 March 2021, 31 March 2020 and 31 March 2019.

(ii) (b) **Emphasis of matters not requiring adjustments to Restated Financial Information as given in the Independent Auditor's Examination Report on Restated Financial Information**

" We draw your attention to the following matters:

(i) Annexure V - Note 11(b)(ii) to the restated financial information regarding the accounting treatment of certain compulsorily convertible cumulative preference shares ("CCPS") aggregating to Rs. 6,927.96 thousand and Rs. 6,219.24 thousand and securities premium thereon aggregating to Rs. 1,006,867.95 thousand and Rs. 798,115.89 thousand presented as other financial liabilities of Rs. 1,691,670.06 thousand and Rs. 1,138,464.70 thousand after fair valuation, for the years ended March 31, 2020 and March 31, 2019 respectively in accordance with Ind AS 32 'Financial Instruments: Presentation'. Such accounting treatment is not in accordance with the provisions of section 2(64) and section 43 read with Schedule III and section 52 of the Act, which requires the aggregate amount received on those shares shall be transferred to 'Preference share capital' and 'Securities Premium account'. Subsequently, shareholders' agreement was amended on March 30, 2021 with such preference shareholders agreeing to irrevocably revoke/ waive the buyback rights. From such date of the revision in Shareholders' Agreement, the said CCPS in their entirety meet the definition of an equity instrument and accordingly, other financial liabilities as at March 30, 2021 (including CCPS aggregating to Rs. 1,873.77 thousand issued during the year) have been remeasured and reclassified as equity of Rs. 6,934.30 thousand, securities premium of Rs. 1,008,735.38 thousand and retained earnings of Rs. 573,239.67 thousand, after adjusting for fair market value gain of Rs. 104,634.48 thousand for the period April 1, 2020 to March 30, 2021, in accordance with Ind AS 32. The resultant disclosure of equity and securities premium is in accordance with section 2(64), section 43 and section 52 of the Act as at March 31, 2021.

[Annexure V - Note 11(b)(ii) referred above corresponds to Note 11(b)(ii) in the financial statements for the year ended March 31, 2021 and an emphasis of matter paragraph has also been included in the independent auditor's report dated August 5, 2021 issued by us on the said financial statements of the Company for the year ended March 31, 2021.]

(ii) Note 33 to the restated financial information which explains the uncertainties and the management's assessment of the financial impact due to the lockdown and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve.

[Annexure V - Note 33 referred above corresponds to Note 33 and Note 31 in the financial statements for the years ended March 31, 2021 and March 31, 2020 respectively and an emphasis of matter paragraph has also been included in the independent auditor's report dated August 5, 2021 and September 30, 2020 issued by us on the said financial statements of the company for the years ended March 31, 2021 and March 31, 2020 respectively.]

Our opinion is not modified in respect of these matters."

(ii) (c) **Emphasis of matters not requiring adjustments to Restated Financial Information as given in the Independent Auditor's report in respect of the Audited Financial Statements are reproduced below:**

**1) Emphasis of matter for the year ended 31 March 2021**
"We draw your attention to:

i) Note 11(b)(ii) to the financial statements regarding the accounting treatment of certain compulsorily convertible cumulative preference shares ("CCPS") aggregating to Rs. 6,927.96 thousand and Rs. 6,219.24 thousand and securities premium thereon aggregating to Rs. 1,006,867.95 thousand and Rs. 798,115.89 thousand presented as other financial liabilities of Rs. 1,691,670.06 thousand and Rs. 1,138,464.70 thousand after fair valuation, for the year ended March 31, 2020 and the transition date opening balance sheet as at April 1, 2019 respectively in accordance with Ind AS 32 'Financial Instruments: Presentation', consequent to first time adoption of Ind AS. Such accounting treatment is not in accordance with the provisions of section 2(64) and section 43 read with Schedule III and section 52 of the Act, which requires the aggregate amount received on those shares shall be transferred to 'Preference share capital' and 'Securities Premium account'. Subsequently, shareholders' agreement was amended on March 30, 2021 with such preference shareholders agreeing to irrevocably revoke/ waive the buyback rights. From such date of the revision in Shareholders' Agreement, the said CCPS in their entirety meet the definition of an equity instrument and accordingly, other financial liabilities as at 30 March 2021 (including CCPS aggregating to INR 1,873.77 thousand issued during the year) have been remeasured and reclassified as equity of Rs. 6,934.30 thousand, securities premium of Rs. 1,008,735.38 thousand and retained earnings of Rs. 573,239.67 thousand, after adjusting for fair market value gain of INR 104,634.48 thousand for the period April 1, 2020 to March 30, 2021, in accordance with Ind AS 32. The resultant disclosure of equity and securities premium is in accordance with section 2(64), section 43 and section 52 of the Act as at March 31, 2021.

ii) Note 33 to the financial statements which explains the uncertainties and the management's assessment of the financial impact due to the lockdown and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve.

Our opinion is not modified in respect of these matters."

**2) Emphasis of matter for the year ended 31 March 2020**

"We draw your attention to the Note 31 to the financial statements, which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Company. The management believes that no adjustments are required in the financial statements as it does not impact the current financial year, however, in view of the various preventive measures taken (such as complete lock-down, travel restrictions etc.) and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter."

(ii) (c) **Audit Comments in Annexure to Auditors' Report, which do not require any corrective adjustments in the Restated Financial Information**

In addition to the audit opinion on the financial statements, the auditors are required to comment upon the matters included in the Companies (Auditor's Report) Order, 2016 ('CARO') issued by the Central Government of India under sub-section (11) of Section 143 of the Companies Act, 2013. Certain statements /comments included in CARO, which do not require any adjustments in the Restated Financial Information are reproduced below in respect of the financial statements presented:

**(i) For the year ended 31 March 2021**

Clause (i)(b) of CARO
"The fixed assets of the Company have not been physically verified by the Management during the year in view of the restrictions consequent to the outbreak of Coronavirus (Covid-19). However, the company has carried out the physical verification of fixed assets subsequent to the year end and no material discrepancies have been noticed on such verification. Consequently, in our opinion, the frequency of verification is reasonable."

Clause (vii)(a) of CARO
" According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, duty of customs, cess, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 27(b) to the financial statements regarding management's assessment on certain matters relating to provident fund. "

Clause (vii)(b) of CARO
" According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales tax, service-tax, duty of customs, and duty of excise or value added tax or goods and service tax which have not been deposited on account of any dispute. The particulars of dues of income-tax as at March 31, 2021, which have not been deposited on account of a dispute, are as follows:

Rs. in Thousands

| Name of the statute | Nature of dues | Amount | Amount paid under protest* | Period to which the amount relates | Forum where the dispute is pending |
|---|---|---|---|---|---|
| Income Tax Act, 1961 | Income Tax | Rs. 2,270.74 | Rs. 2,270.74 | 2013-14 | Assessing Officer |

* Includes Rs. 340.12 paid under protest and Rs. 1,930.62 adjusted from the refund receivable for the financial year ended March 31, 2018."

(ii) (c) **Audit Comments in Annexure to Auditors' Report, which do not require any corrective adjustments in the Restated Financial Information (contd)**

**(ii) For the year ended 31 March 2020**

Clause (vii)(a) of CARO

" According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including provident fund and tax deducted at source, though there has been a slight delay in a few cases and is regular in depositing undisputed statutory dues, including employees' state insurance, goods and service tax, as applicable with the appropriate authorities. Also refer note 18(b) to the financial statements regarding management's assessment on certain matters relating to provident fund."

Clause (vii)(b) of CARO

" According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, service-tax, duty of customs and duty of excise duty, value added tax or goods and service tax as at March 31, 2020, which have not been deposited on account of a dispute, are as follows:

Rs. in Thousands

| Name of the statute | Nature of dues | Amount | Amount paid under protest* | Period to which the amount relates | Forum where the dispute is pending |
|---|---|---|---|---|---|
| Income Tax Act, 1961 | Income Tax | Rs. 2,270.74 | Rs. 2,270.74 | 2013-14 | Income Tax Appellate Tribunal |

* Includes Rs 340.12 paid under protest and INR 1,930.62 adjusted from the refund receivable for the financial year ended March 31, 2018."

**(iii) For the year ended 31 March 2019**

Clause (vii)(a) of CARO

" According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund and taxes deducted at source, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including employees' state insurance, goods and services tax, as applicable, with the appropriate authorities.

Also refer note 18(c) to the financial statements regarding management's assessment on certain matters relating to provident fund."

Clause (vii)(b) of CARO

" According to the information and explanations given to us and the records of the Company examined by us, particulars of dues of income tax as at March 31, 2019, which have not been deposited on account of a dispute, are as follows:"

Rs. in Thousands

| Name of the statute | Nature of dues | Amount | Amount paid under protest | Period to which the amount relates to (Financial Year) | Forum where the dispute is pending |
|---|---|---|---|---|---|
| Income Tax Act, 1961 | Income Tax | Rs. 2,270.74 | Rs. 340.12 | 2013-14 | Income Tax Appellate Tribunal |

**Part B: Non adjusting items (contd)**

(iii) Material Regrouping: Appropriate re-groupings have been made in the Restated Statement of Assets and Liabilities, Restated Statement of Profit and loss, and Restated Statement of Cash Flows, wherever required, by reclassifications and regroupings of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the Ind AS financial information of the Company in accordance with Schedule III of Companies Act, 2013, requirements of Ind AS 1 and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

**Mohan Danivas S A**
Partner
Membership Number: 209136
Place: Bengaluru
Date: 6 August 2021

For and on behalf of the Board of Directors of
**Tracxn Technologies Limited (formerly known as Tracxn Technologies Private Limited)**

**Neha Singh**
Managing Director
DIN: 05331824

**Abhishek Goyal**
Director
DIN: 00423410

**Prashant Chandra**
Chief Financial Officer

Place: Bengaluru
Date: 6 August 2021

**Megha Bohra**
Company Secretary
M. No. A39158

Place: Bengaluru
Date: 6 August 2021

## OTHER FINANCIAL INFORMATION

***Accounting ratios***

The accounting ratios derived from Restated Financial Information required to be disclosed under the SEBI ICDR Regulations are set forth below:

| Particulars | Fiscal 2019 | Fiscal 2020 | Fiscal 2021 |
|---|---|---|---|
| Restated profit/(loss) for the year (in ₹ thousand) (A) | 123,991.78 | (540,328.37) | (53,476.60) |
| Tax Expenses (in ₹ thousand) (B) | - | - | - |
| Depreciation expense (in ₹ thousand) (C) | 6,536.71 | 5,649.38 | 2,523.15 |
| *Less:* Other income (in ₹ thousand) (D) | 706.46 | 882.62 | 10,223.50 |
| *Less:* Other gains / (losses) – net (in ₹ thousand) (E) | 335,731.11 | (311,092.82) | 109,397.38 |
| Earnings per Equity Share (basic) (in ₹) | 1.27 | (5.54) | (0.55) |
| Earnings per Equity Share (diluted) (in ₹) | (1.75) | (5.54) | (1.52) |
| RoNW (in %) | (14.96%) | 39.95% | (24.06%) |
| Net Asset Value per share (in ₹) | (8.50) | (13.87) | 2.28 |
| EBITDA (in ₹ thousand) (A+B+C-D-E) | (205,909.08) | (224,468.79) | (170,574.33) |

***Note:***

1. *RoNW = Restated profit / (loss) for the year / Total Net Worth.*
2. *Net Asset Value per share = Total Net Worth / Weighted average number of equity shares in calculating basic EPS.*
3. *EBITDA = Restated profit for the year plus tax expense, depreciation expenses, less other income, less other gains/(losses) – net.*

In accordance with the SEBI ICDR Regulations, the audited financial statements for Fiscals 2019, 2020 and 2021 of our Company (collectively, the "**Audited Financial Statements**") are available on our website at www.tracxn.com.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere.

The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company or any entity in which our Shareholders have significant influence and should not be relied upon or used as a basis for any investment decision. None of the entities specified above, nor any of their advisors, nor BRLM or the Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

## CAPITALISATION STATEMENT

The following table sets forth our capitalisation as of March 31, 2021, derived from our Restated Financial Information:

*(in ₹ thousand)*

| Particulars | Pre-Offer as at March 31, 2021 | As adjusted for the Offer* |
|---|---|---|
| **Borrowings** | | |
| Non-current borrowings (I) | - | [●] |
| Current maturity of long-term loans (II) | - | [●] |
| Current borrowings (III) | - | [●] |
| **Total borrowings (IV = I + II + III)** | - | **[●]** |
| | | |
| **Equity** | | |
| Equity share capital (V) | 1,107.34 | [●] |
| Instruments entirely equity in nature (VI) | 7,853.01 | [●] |
| Other equity (VII) | 213,271.42 | [●] |
| **Total equity (VIII = V + VI + VII)** | **222,231.77** | **[●]** |
| | | |
| **Total borrowings / Equity (IX = IV / VIII)** | - | **[●]** |

** The corresponding post Offer capitalization data is not determinable at this stage pending the completion of the book building process and hence have not been furnished. To be updated upon finalization of the Offer Price.*

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

*The following discussion of our financial condition and results of operations should be read in conjunction with our Restated Financial Information on page 182.*

*This Draft Red Herring Prospectus may include forward-looking statements that involve risks and uncertainties, and our actual financial performance may materially vary from the conditions contemplated in such forward-looking statements as a result of various factors, including those described below and elsewhere in this Draft Red Herring Prospectus. For further information, see "Forward-Looking Statements" on page 18. Also read "Risk Factors" and "- Significant Factors Affecting our Results of Operations" on pages 25 and 237, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.*

*Unless otherwise indicated or the context otherwise requires, the financial information for Fiscals 2019, 2020 and 2021, included herein is derived from the Restated Financial Information, included in this Draft Red Herring Prospectus. For further information, see "Financial Statements" on page 182.*

*Our Company's Fiscal commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information included herein is based on or derived from our Restated Financial Information included in this Draft Red Herring Prospectus. For further information, see "Financial Statements" beginning on page 182. Unless the context otherwise requires, in this section, references to "our Company", "the Company", "we", "us" or "our", refers to Tracxn Technologies Limited.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Global Information Services Market" dated August 2021 (the "**F&S Report**") prepared and issued by F&S, appointed by us on April 5, 2021, and exclusively commissioned by and paid for by us in connection with the Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the F&S Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For further details and risks in relation to the commissioned report, see "Risk Factors – Internal Risk Factors – Industry information included in this Draft Red Herring Prospectus has been derived from an industry report prepared by F&S, commissioned by and paid for by us for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate." on page 45.*

### OVERVIEW

We are among the leading global market intelligence providers for private company data and rank among the top five players globally in terms of number of companies profiled offering data of private market companies across sectors and geographies (*Source: F&S Report*). We have one of the largest coverage of private companies in emerging technology sectors including IoT, artificial intelligence, virtual reality, robotics, blockchain and electric vehicles (*Source: F&S Report*). We have an asset light business model and operate a Software as a Service ("**SaaS**")-based platform, *Tracxn*, that scanned over 550 million web domains, and profiled over 1.4 million entities across 1,805 Feeds categorized across industries, sectors, sub-sectors, geographies, affiliations and networks globally, as of May 31, 2021. Our platform has 2,358 Users across 855 Customer Accounts in over 50 countries, as of March 31, 2021. Our Customers include a number of Fortune 500 companies and/or their affiliates such as Unilever Industries Private Limited.

We offer customers private company data for deal sourcing, identifying M&A targets, deal diligence, analysis and tracking emerging themes across industries and markets, among other uses, through our subscription-based platform, *Tracxn*. We launched our platform in Fiscal 2015 with a particular focus on the global emerging technology sector, providing users with detailed profiles of companies including detailed information of funding rounds and acquisition related information, taxonomy and market maps, global competitor benchmarking, financial information, valuation and capitalization tables, employee count, investor profiles, competitor mapping, information about founders, key team and board member, company and sector specific reports and news events. We have since then expanded our coverage to include 18 data modules and over 1.4 million entities, as of May 31, 2021. Our extensive global database of entities coupled with customized solutions and features allows customers to source and track companies across sectors and geographies to address their requirements. We are among the few private market data service provider to have a proprietary taxonomy for technology sector companies and prepare market maps (*Source: F&S Report*).

Our platform uses an in-house developed algorithm based on a combination of technology and human analysts, to process vast amounts of data, create profiles and provide market intelligence on private market companies. Our human-in-the-loop plays a strategic role, focusing on quality assurance and addressing data and intelligence gaps that technology alone cannot solve. We believe that this combination of technology coupled with human-in-the-loop has helped us maintain a high degree of accuracy and effectiveness while exponentially expanding our global coverage. Our platform includes multiple work-flow tools such as a customizable customer relationship management ("**CRM**") tool integrated with our database allowing for better deal management. The platform allows personalization for enhanced tracking and data driven insights. Its capabilities include sourcing dashboards both locally and globally, portfolio tracking, data intelligence and data analytics.

Over the years, we have developed a systematic process of sourcing data including technology-based data extraction and instantaneous data upload through APIs. We also rely on information from websites, news reports, press releases, social media and events to identify and track private market company information. As a part of our sourcing process, we also obtain financial and non-financial information through automation from regulatory filings globally. We have an added layer of language translation that is used for sourcing information from countries where English is not the primary language.

We have a geographically diversified Customer Account base comprising (i) private market investors and investment banks viz., venture capital and private equity investors, investment banks, (ii) corporates across industries, and (iii) others including government agencies, universities, accelerators and incubators. Our Customer Accounts have increased at a CAGR of 34.73%, from 471 Customer Accounts, as of March 31, 2019 to 855 Customer Accounts, as of March 31, 2021. We have maintained long standing relationships with our Customers and as of March 31, 2021, 22.69% or 194 active Customer Accounts have been associated with us for over three years (with a maximum gap of three months between subscriptions).

We are led by our Promoters, Neha Singh and Abhishek Goyal, who are first generation entrepreneurs. Each of them has significant experience in the venture capital and technology industry and have in the past been associated with venture capital firms such as Accel Partners and Sequoia Capital. Both have been recognized by Fortune India in the '40 Under 40' list in 2018 and 2019. Neha Singh was also recognized as being amongst 'The Most Powerful Women', as part of the 'Rising Stars' category by Business Today in 2019 and recognized as an 'Outstanding Women' by Outlook Business in 2016. We are supported by an experienced and dedicated team of Key Management Personnel who have significant experience in all aspects of our business operations and who have helped grow our operations. We have been recognized by Forbes as among the 'Top 100 Analytics Startups of 2015' and by Business Today as one of the 'Coolest Startups of India' in 2016.

Our operations have been supported by investments from angel investors such as Ratan Tata, the NRJN Family Trust, Neeraj Arora, Sachin Bansal, Binny Bansal, Amit Ranjan, Girish Mathrubootham, Anand Rajaraman, Amit Singhal and Ashish Gupta. We have also received investments from Elevation Capital, Accel Partners, Sequoia Capital, Prime Venture Partners and KB Investments.

A key factor that drives demand for the B2B information service market is the availability of information readily for businesses and investment firms to gain insights. These organizations can simply plug in the data or information or insights that are already there to build cases which will support their decision making (*Source: F&S Report*). As part of our product development strategy, we intend to continue to add new information, data sets and features to our platform so as to provide our customers, both current and future, a comprehensive information database that would assist them in their investment decisions.

Key operational and financial performance indicators in relation to our business are set out in the table below:

| Parameters | As of / For the Year ended March 31, | | |
|---|---|---|---|
| | 2019 | 2020 | 2021 |
| ***Operational Parameters*** | | | |
| Customer Accounts[(1)] | 471 | 642 | 855 |
| Users[(2)] | 1,861 | 2,075 | 2,358 |
| Entities Profiled | 546,864 | 937,698 | 1,345,311 |
| ***Financial Parameters*** | | | |
| Revenue from operations (₹ thousand) | 331,871.44 | 373,342.21 | 437,786.71 |
| Contract Price (₹ thousand) | 364,205.23 | 404,577.79 | 510,391.40 |

*Notes:*

*(1) Customer Accounts refers to the distinct contracts entered into by our Company with each customer at the time of measurement. Paid subscriptions may include access for a single or multiple number of Users of the customer.*

*(2) Users refers to the number of user accesses available to a Customer Account on the platform at the time of measurement and does not include educational/student accounts.*

*(3) Contract Price refers to the gross invoice value towards services to be provided for a given period of time, as agreed under the subscription agreement with the customer.*

## PRESENTATION OF FINANCIAL INFORMATION

The restated statement of assets and liabilities of our Company as at March 31, 2019, 2020 and 2021 and the restated statement of profit and loss, the restated statement of changes in equity and the restated statement of cash flows for the years ended March 31, 2019, 2020 and 2021, together with the notes to restated financial information and statement of adjustments to audited financial statements are together referred as the "**Restated Financial Information**". The Restated Financial Information has been compiled by our Company for the year ended March 31, 2021 from the audited financial statements of our Company prepared in accordance with Indian Accounting Standards notified under Section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other accounting principles generally accepted in India and for the years ended March 31, 2020 and March 31, 2019 have been compiled based on our audited financial statement prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) adjusted in conformity with Ind AS. These have been restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended.

Our Company had decided to voluntarily adopt Ind AS for the year ended March 31, 2021 and prepared our first financial statements in accordance with Ind AS for the year ended March 31, 2021 with the transition date as April 1, 2019. Further, our Company has prepared proforma Ind AS financial statements for the year ended March 31, 2019 ("**Proforma Financial Information**"). This Proforma Financial Information has been prepared by making Ind AS adjustments to the audited Previous GAAP financial statements as at and for the year ended March 31, 2019. For an explanation of how the transition from Previous GAAP to Ind AS has affected our Company's Restated Financial Information, see "*Financial Statements – Annexure V – Note 30*" on page 224.

## SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

### *Expansion of Customer Accounts and sales to existing customers*

Relationships with our customers are core to our business. Our Customer Accounts have increased at a CAGR of 34.73%, from 471 Customer Accounts, as of March 31, 2019 to 855 Customer Accounts, as of March 31, 2021. Our ability to grow our customer base and drive adoption of our platform is affected by the pace at which organisations consume private market data. We expect that our revenue growth will be primarily driven by the pace of adoption of our platform and our ability to cover new entities and sectors, add new data points for existing entities, update existing data on our platform, include additional coverage of new and emerging sectors and in different jurisdictions, integration with existing and upcoming technologies, ability to identify relevant use cases for such enhancements, and overall market acceptance. We believe the degree to which prospective customers recognise the need for our offerings to maximise their business process, would lead to a higher budget allocation by such prospective customers for utilizing our platform. This will drive our ability to acquire new customers and increase sales to existing customers, which in turn, will affect our future financial performance.

As we continue to focus on expanding our customer base for our platform, we have been and will continue

upgrading and optimizing our platform to address our customers' evolving business requirements. We believe the long-term growth and future success of our business largely depends on our ability to adapt our offerings to more business scenarios and deliver measurable benefits to our customers. As we continue to introduce new functions and features to enhance our platform, we benefit from a customer base that provides visibility for our future growth. As we continue to deliver measurable business results to our customers, we are capable of driving customer loyalty and spending, thereby achieving our sustainable growth in the long term.

We believe we have a substantial opportunity to grow our customer base. We have invested, and intend to continue to invest, in order to drive sales to new customers. In particular, we have made, and plan to continue to make, investments to enhance the expertise of our sales and marketing teams. Our ability to increase sales to existing customers will depend on a number of factors, including the size of our sales force and professional services teams, customers' level of satisfaction with our services and professional services, pricing, economic conditions and our customers' overall budget and spending levels. We believe that our ability to establish and strengthen customer relationships and expand the scope of our products and services will be an important factor in our future growth and our ability to continue increasing our profitability.

***Employee costs***

Employee benefit expense is a significant component of our total expenses. As of March 31, 2019, 2020 and 2021 we had 779, 697 and 624 employees, respectively. Our employee benefit expenses were ₹ 462,115.68 thousand, ₹ 512,792.12 thousand and ₹ 538,130.90 thousand and constituted 84.90%, 84.98% and 88.09% of our total expenses in Fiscals 2019, 2020 and 2021, respectively. As we expand our business operations, we expect to incur additional employee costs resulting from an increase in the number of personnel as well as the employment of technically qualified employees. The technology industry is highly competitive, and it can be difficult and expensive to attract and retain talented and experienced employees. Our ability to recruit, retain and manage our technology professionals and sales and marketing professionals will have an effect on our results of operations. As we continue to invest in the recruitment and retention of sales staff in line with our growth strategies, we are likely to incur additional costs in relation to our market penetration, sales and marketing initiatives, and for the recruitment of sales employees.

Our employee benefits expenses consist of salaries, wages and bonus, contribution to provident fund and other funds, employee stock compensation expense, compensated absences, gratuity and staff welfare. Salaries and wages in India, including in the services industry, have historically been lower than those in the United States and other developed economies. However, if these costs in India continue to increase at a rate faster than in the United States, Europe and other developed economies due to competitive pressures, we may experience a greater increase in our employee costs, thereby eroding one of our principal cost advantages over competitors in the United States and other developed economies.

***Ability to enhance operating efficiency through investments in technology***

Our results of operations have been, and will continue to be, affected by our ability to improve our operating efficiency, especially through investment in technology. As our business continues to grow, it is essential to improve operating efficiency to maintain the competitiveness of our platform. We intend to continue to invest in further developing and applying advanced technologies in the fields of programming tools, programming languages, operating systems, data matching, data filtering, data predicting, artificial intelligence, machine learning systems and other database technologies to enhance the functionalities and customer experience of our platform. Our technology infrastructure costs (inclusive of software, web-hosting and domain charges) were ₹ 15,771.55 thousand, ₹ 22,585.07 thousand and ₹ 25,547.07 thousand and represented 2.90%, 3.74% and 4.18% of our total expenses in Fiscals 2019, 2020 and 2021, respectively. In the future, we will continue to invest in technology to further enhance our operations, which may increase our expenditure or operating costs but will improve our operating leverage, cost efficiency and service quality. Our continued improvement of our platform is paramount to our customer experience, driving our ability to attract and retain customers, improve subscriptions, and generate revenues. Going forward, we intend to continue to prudently invest resources in technology in a cost-effective manner to support the long-term growth of our business.

***Changes in currency exchange rates***

Changes in currency exchange rates may influence our results of operations. We report results in our financial statements in Indian rupees, while a significant part of revenues is from outside India and costs associated with our international operations are denominated in currencies other than Indian rupees, most significantly the U.S.

dollar. Changes in the value of the Indian rupee against such other currencies, particularly the U.S. dollar, could increase or decrease the rupee cost of purchasing software, components or services and the cost of making various payments, and increase or reduce our margins. The exchange rate between the Indian rupee and these other currencies particularly the U.S. dollar has been volatile in recent periods and may continue to fluctuate significantly in the future. We closely follow our exposure to foreign currencies and may, in the future, selectively enter into hedging transactions to reduce the risks of currency fluctuations.

***Impact of COVID-19 pandemic on the information services market and our operations***

Businesses worldwide have suffered volatility due to the ongoing pandemic and in 2020 most businesses recorded negative or below average growth. With a rise in COVID-19 cases across different geographies, governments have re-introduced lockdowns and other associated restrictions. As these restrictions continue, businesses are operating partially which has largely dented their growth perspective. Technology spend is expected to get impacted as businesses across industry verticals globally resort to cost cutting. The impact of COVID-19 on IT spending is expected to be much higher than what it was during the global recession of 2007 – 2008, where the IT spending declined by over USD 165 billion. Overall spending in IT declined in 2020 as most businesses came to standstill. However, as businesses look to consolidate and re-build their IT infrastructure, the overall IT expenditure is expected to return to pre-pandemic phase by second half of 2021. The total addressable market for private market data was US$ 1,322 million in 2021 and revenue is expected to grow at a CAGR of 11.78% to US$ 2,097 million in 2025. The total addressable market is expected to grow as private market data service providers are expected to further penetrate the market in the next five years. According to F&S estimates, the market penetration in 2019 stood at close to 48.2% which is expected to increase to 65% in next five years. The growth of the market is expected to be mainly dependent on the growth of the number of private equity, venture capital and other investment firms, large corporates and other entities who will be willing to invest in private companies. (*Source: F&S Report*)

As a result of the COVID-19 pandemic, we may experience slowed growth and may also witness a decline in customer demand for our platform and lower demand from our existing customers for upgrades within our platform, as well as existing and potential customers reducing or delaying purchasing decisions. Our customers or potential customers, particularly in industries most impacted by the COVID-19 pandemic may reduce their technology spending or spending on private market information services offerings or delay their M&A or other strategic initiatives, which could materially and adversely impact our business.

We carried out an impact assessment of the pandemic on our operations and believe that there was minimum disruption to our operations. As at the end of Fiscal 2021, we assessed the recoverability of the carrying values of property, plant and equipment, trade receivables, investments, other assets and carrying value of liabilities and no adjustments is required to be made in respect of such assets and liabilities as at March 31, 2021. We have also assessed the liquidity position of our Company for the next 12 months and basis that assessment believe that the Company will be able to meet all its financial obligations with the existing cash and bank balances and the projections of future cash inflows.

We also transitioned to working from home for a significant portion of the time during the COVID-19 pandemic. Our technology infrastructure has enabled us to function efficiently during the COVID-19 related lockdown. In addition, we have temporarily reduced capacity at our office, implemented travel restrictions for all non-essential business, and shifted company events to virtual-only experiences. For further information, see "*Risk Factors – Our business, results of operations and our financial condition may be impacted by the COVID-19 pandemic and such impact could be materially adverse and continue for an unknown period of time.*" at page 33. Given the rapidly changing implications of the spread of COVID-19, it is difficult to assess its impact on our business and results of operations at this time and we may not be able to quantify or accurately predict such impact.

**CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE FINANCIAL YEARS**

There have been no changes in the accounting policies of the Company during the last three financial years.

**NON-GAAP MEASURES**

EBITDA, EBITDA Margin, and others below, (together, "Non-GAAP Measures"), presented in this Draft Red Herring Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Previous GAAP, IFRS or US GAAP. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Previous GAAP, IFRS or US

GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Previous GAAP, IFRS or US GAAP. In addition, these Non-GAAP Measures are not standardised terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance.

***Reconciliation of EBITDA and EBITDA Margin to Profit for the Year***

The table below reconciles restated profit for the period to EBITDA. EBITDA is calculated as restated profit for the year plus tax expense, depreciation expenses, less other income, less other gains/(losses) – net while EBITDA Margin is the percentage of EBITDA divided by revenue from operations.

| Particulars | Fiscal | | |
|---|---|---|---|
| | 2019 | 2020 | 2021 |
| | (₹ thousand) | | |
| **Restated profit / (loss) for the year (A)** | **123,991.78** | **(540,328.37)** | **(53,476.60)** |
| **Tax Expense (B)** | - | - | - |
| **Restated profit / (loss) before tax (C=A+B)** | **123,991.78** | **(540,328.37)** | **(53,476.60)** |
| **Adjustments:** | | | |
| Add: Depreciation expenses (D) | 6,536.71 | 5,649.38 | 2,523.15 |
| Less: Other income (E) | 706.46 | 882.62 | 10,233.50 |
| Less: Other gains / (losses) – net (F) | 335,731.11 | (311,092.82) | 109,397.38 |
| **Earnings before interest, taxes, depreciation expenses (EBITDA) (G = C+D-E-F)** | (205,909.08) | (224,468.79) | (170,584.33) |
| Revenue from operations (H) | 331,871.44 | 373,342.21 | 437,786.71 |
| **EBITDA Margin (EBITDA as a percentage of Revenue from operations) (I = G/H)** | (62.04)% | (60.12)% | (38.97)% |

## PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Set forth below are the principal components of income and expenditure from our continuing operations:

### Total Income

Our total income comprises (i) revenue from operations; (ii) other income; and (iii) other gains/(losses) – net.

***Revenue from Operations***

Revenue from operations comprises sale of services that includes income from sale of subscription of our platform www.tracxn.com as a service.

***Other Income***

Other income includes (i) interest income from bank deposits measured at amortised cost; (ii) interest on income tax refund; and (iii) miscellaneous income.

***Other Gains/(Losses) – Net***

Other gains/(losses) includes (i) net gain/(loss) on disposal of property, plant and equipment; (ii) net gains on sale of investments; (iii) net fair value gains on financial assets measured at fair value through profit or loss; (iv) fair value gain/(loss) on CCPS measured at fair value through profit or loss; and (v) net foreign exchange gain/(loss).

### Expenses

Our expenses comprise (i) employee benefit expense; ( (ii) depreciation expense; and (iii) other expenses.

***Employee Benefit Expense***

Employee benefit expense comprises (i) salaries, wages and bonus; (ii) contribution to provident fund and other funds; (iii) share based payment expense; (iv) gratuity and (v) staff welfare expenses.

***Depreciation Expense***

Depreciation expense comprises (i) depreciation on property, plant and equipment.

***Other Expenses***

Other expenses comprise of (i) software expenses; (ii) rent expenses; (iii) repairs and maintenance (computers); (iv) repairs and maintenance (others); (v) bank charges; (vi) legal and professional fees; (vii) printing and stationary expenses; (viii) travelling expenses; (ix) rates and taxes; (x) power and fuel; (xi) communication expenses; (xii) payment to auditors; (xiii) web hosting and domain charges; (xiv) impairment loss/ (reversal) on financial assets; and (xv) miscellaneous expenses.

Key components of other expenses are explained below:

- Software expenses that primarily consists of third party software required in the regular course of operations by our finance, marketing, technology and product development teams;
- Rent expenses that include rental towards office space and expenses for managed office space;
- Repairs and maintenance (others) expenses incurred towards facility consumables, housekeeping expenses, office repair and maintenance and other office miscellaneous expenses;
- Bank charges comprise bank charges associated with current account operations, payment gateway charges incurred towards facilitating a payment gateway for subscribing to our platform.
- Legal and professional fees, consultancy fee, subscription charges towards to human resources portals and human resources related services.
- Rates and taxes primarily towards interest on GST and other statutory provisions;
- Payment to auditors towards annual statutory audit and tax audit;
- Web hosting and domain charges include cloud hosting charges, email services and third party email services towards content marketing; and
- Miscellaneous expenses incurred towards security, insurance and miscellaneous office expenses.

**RESULTS OF OPERATIONS**

The following table sets forth certain information with respect to our results of operations for Fiscals 2019, 2020 and 2021:

| Particulars | Fiscal | | | | | |
|---|---|---|---|---|---|---|
| | 2019 | | 2020 | | 2021 | |
| | (₹ thousand) | Percentage of total income | (₹ thousand) | Percentage of total income | (₹ thousand) | Percentage of total income |
| **Income** | | | | | | |
| Revenue from operations | 331,871.44 | 49.66% | 373,342.21 | 591.37% | 437,786.71 | 78.54% |
| Other income | 706.46 | 0.11% | 882.62 | 1.40% | 10,233.50 | 1.84% |
| Other gains/(losses) – net | 335,731.11 | 50.23% | (311,092.82) | (492.77)% | 109,397.38 | 19.62% |
| **Total Income** | **668,309.01** | **100%** | **63,132.01** | **100%** | **557,417.59** | **100%** |

| Particulars | Fiscal | | | | | |
|---|---|---|---|---|---|---|
| | 2019 | | 2020 | | 2021 | |
| | (₹ thousand) | Percentage of total income | (₹ thousand) | Percentage of total income | (₹ thousand) | Percentage of total income |
| **Expenses** | | | | | | |
| Employee benefit expense | 462,115.68 | 69.15% | 512,792.12 | 812.25% | 538,130.90 | 96.54% |
| Depreciation expense | 6,536.71 | 0.98% | 5,649.38 | 8.95% | 2,523.15 | 0.45% |
| Other expenses | 75,664.84 | 11.32% | 85,018.88 | 134.67% | 70,240.14 | 12.60% |
| **Total expenses** | **544,317.23** | **81.45%** | **603,460.38** | **955.87%** | **610,894.19** | **109.59%** |
| | | | | | | |
| **Restated profit/(loss) before tax** | **123,991.78** | **18.55%** | **(540,328.37)** | **(855.87)%** | **(53,476.60)** | **(9.59)%** |
| Less: Tax expense | | | | | | |
| - Current tax | - | - | - | - | - | - |
| - Deferred tax | - | - | - | - | - | - |
| **Total tax expense** | - | - | - | - | - | - |
| | | | | | | |
| **Restated profit / (loss) for the year** | **123,991.78** | **18.55%** | **(540,328.37)** | **(855.87)%** | **(53,476.60)** | **(9.59)%** |
| | | | | | | |
| **Restated other comprehensive income** | | | | | | |
| ***Items that will not be reclassified subsequently to profit or loss*** | | | | | | |
| Gain/ (loss) on remeasurement of post employment benefit obligations | 977.73 | 0.15% | (7,939.41) | (12.58)% | 11,949.47 | 2.14% |
| Deferred tax on remeasurement of post employment benefit obligations | - | - | - | - | - | - |
| **Restated other comprehensive income / (loss) (net of tax)** | **977.73** | **0.15%** | **(7,939.41)** | **(12.58)%** | **11,949.47** | **2.14%** |
| **Restated total comprehensive income / (loss)** | **124,969.51** | **18.70%** | **(548,267.78)** | **(868.45)%** | **(41,527.13)** | **(7.45)%** |

**FISCAL 2021 COMPARED WITH FISCAL 2020**

**Income**

Total income increased from ₹ 63,132.01 thousand in Fiscal 2020 to ₹ 557,417.59 thousand in Fiscal 2021 primarily due to an increase in revenue from operations, other income, and other gains/ (losses) – net.

***Revenue from Operations***

Revenue from operations increased by 17.26% from ₹ 373,342.21 thousand in Fiscal 2020 to ₹ 437,786.71 thousand in Fiscal 2021, primarily due to an increase in income from sale of subscription services of our platform on account of improved closure by our sales team.

The following table provides the reconciliation of amount of revenue from operations with the contract price, for the periods indicated:

| Particulars | Fiscal | |
|---|---|---|
| | 2020 | 2021 |
| | (₹ thousand) | |
| **Contract Price** | **404,577.79** | **510,391.40** |
| Adjusted for | | |
| - Contract Liabilities | (28,725.32) | (70,418.53) |
| - Refund Liabilities | (2,510.26) | (2,186.16) |
| **Revenue from Operations** | **373,342.21** | **437,786.71** |

***Other Income***

Other income increased from ₹ 882.62 thousand in Fiscal 2020 to ₹ 10,233.50 thousand in Fiscal 2021, primarily due to an increase in interest income from bank deposits measured at amortized cost from ₹ 11.68 thousand in Fiscal 2020 to ₹ 9,889.07 thousand in Fiscal 2021.

The increase was offset by a decrease in interest on income tax refund by 50.55% from ₹ 536.36 thousand in Fiscal 2020 to ₹ 265.22 thousand in Fiscal 2021 on account of delay in the period involved for processing the refunds; decrease in miscellaneous income by 76.33% from ₹ 334.58 thousand in Fiscal 2020 to ₹ 79.21 thousand in Fiscal 2021 owing to write back of old credit balances in Fiscal 2020

***Other Gains/(Losses) – Net***

Other gains/(losses) – net increased by 135.17% from ₹ (311,092.82) thousand in Fiscal 2020 to ₹ 109,397.38 thousand in Fiscal 2021, primarily due to a decrease in fair value loss on compulsorily convertible preference shares measured at fair value through profit or loss from ₹ 343,744.58 thousand in Fiscal 2020 to gain of ₹ 104,634.48 thousand in Fiscal 2021 mainly due to decrease in the fair value of CCPS. This was partially offset by an increase in net loss on disposal of property, plant and equipment to ₹ 442.04 thousand in Fiscal 2021 compared to no such loss in Fiscal 2020; decrease in net gains on sale of investments by 53.35% from ₹ 11,776.88 thousand in Fiscal 2020 to ₹ 5,493.70 thousand in Fiscal 2021; decrease in net fair value gains on financial assets measured at fair value through profit or loss by 95.64% from ₹ 19,480.30 thousand in Fiscal 2020 to ₹ 849.99 thousand in Fiscal 2021; and decrease in net exchange gain by 181.66% from ₹ 1,394.58 thousand in Fiscal 2020 to net exchange loss of ₹ 1,138.75 thousand in Fiscal 2021 due to foreign currency exchange rate fluctuations.

**Expenses**

Total expenses increased by 1.23% from ₹ 603,460.38 thousand in Fiscal 2020 to ₹ 610,894.19 thousand in Fiscal 2021, primarily due to an increase in expenses incurred in connection with employee salaries which was offset by a decrease in depreciation expenses and other expenses.

***Employee Benefits Expenses***

Employee benefits expenses increased by 4.94% from ₹ 512,792.12 thousand in Fiscal 2020 to ₹ 538,130.90 thousand in Fiscal 2021, primarily due to an increase in salaries, wages and bonus by 5.55% from ₹ 456,097.52 thousand in Fiscal 2020 to ₹ 481,405.71 thousand in Fiscal 2021 despite a decrease in the number of our employees from 697 as of March 31, 2020 to 624 as of March 31, 2021. In addition, contribution to provident fund and other funds increased marginally by 0.73% from ₹ 16,518.09 thousand in Fiscal 2020 to ₹ 16,638.89 thousand in Fiscal 2021, while share based payment expense increased by 9.94% from ₹ 24,810.09 thousand in Fiscal 2020 to ₹ 27,276.29 thousand in Fiscal 2021.

This was partially offset by a decrease in gratuity expenses by 12.39% from ₹ 12,105.35 thousand in Fiscal 2020 to ₹ 10,605.15 thousand in Fiscal 2021; and decrease in staff welfare expenses by 32.39% from ₹ 3,261.07 thousand in Fiscal 2020 to ₹ 2,204.86 thousand in Fiscal 2021.

***Depreciation Expenses***

Depreciation expenses decreased by 55.34% from ₹ 5,649.38 thousand in Fiscal 2020 to ₹ 2,523.15 thousand in Fiscal 2021, primarily on account of reduction in depreciation on property, plant and equipment of computer and office equipment.

***Other Expenses***

Other expenses decreased by 17.38% from ₹ 85,018.88 thousand in Fiscal 2020 to ₹ 70,240.14 thousand in Fiscal 2021, primarily due remote working arrangements implemented by our Company owing to COVID-19. There was a decrease in:

- Rent expenses by 44.71% from ₹ 41,374.10 thousand in Fiscal 2020 to ₹ 22,877.16 thousand in Fiscal 2021;
- Repairs and maintenance expenses of computers that decreased by 85.72% from ₹ 765.03 thousand in Fiscal 2020 to ₹ 109.27 thousand in Fiscal 2021;
- Repairs and maintenance (others) expenses that decreased by 66.86% from ₹ 4,595.73 thousand in Fiscal 2020 to ₹ 1,522.97 thousand in Fiscal 2021;
- Travelling expenses that decreased from ₹ 1,607.62 thousand in Fiscal 2020 to no such travelling expenses in Fiscal 2021;
- Power and fuel expenses that decreased by 80.79% from ₹ 2,965.20 thousand in Fiscal 2020 to ₹ 569.71 thousand in Fiscal 2021;
- Communication expenses that decreased by 74.88% from ₹ 1,394.80 thousand in Fiscal 2020 to ₹ 350.36 thousand in Fiscal 2021 surrender of unutilized lease lines for internet connectivity;
- Impairment loss / (reversal) on financial assets that decreased by 139.33% from ₹ 2,118.21 thousand in Fiscal 2020 to ₹ (833.09) thousand in Fiscal 2021, primarily due to change in improvement of collections of outstanding debtors; and
- Miscellaneous expenses that decreased by 26.48% from ₹ 823.93 thousand in Fiscal 2020 to ₹ 605.72 thousand in Fiscal 2021.

The decrease was partially offset by increases in:

- Software expenses that increased by 28.31% from ₹ 2,101.31 thousand in Fiscal 2020 to ₹ 2,696.15 thousand in Fiscal 2021 on account of increase in usage and additional software utilized in Fiscal 2021;
- Bank charges that increased by 12.78% from ₹ 2,064.05 thousand in Fiscal 2020 to ₹ 2,327.78 thousand in Fiscal 2021 on account of growth in our operations thereby resulting in increased number of transactions;
- Legal and professional fees that increased from ₹ 3,020.07 thousand in Fiscal 2020 to ₹ 13,341.84 thousand in Fiscal 2021 on account of legal expenses incurred towards legal professional fee of USD 146,500 to law firm in the United States.
- Rates and taxes that increased from ₹ 760.95 thousand in Fiscal 2020 to ₹ 2,387.93 thousand in Fiscal 2021 on account of interest expenses related to statutory filings and one-time payment of interest and penalties towards GST audit for Fiscal 2018 and Fiscal 2019;
- Payment to auditors that increased by 66.67% from ₹ 750.00 thousand in Fiscal 2020 to ₹ 1,250.00 thousand in Fiscal 2021 on account of additional expenses incurred on account of transition towards Ind AS; and
- Web hosting and domain charges that increased by 11.56% from ₹ 20,483.76 thousand in Fiscal 2020 to ₹ 22,850.92 thousand in Fiscal 2021 due to an increase in use of our platform including internal use, launch of new features and backup of our database.

**Restated Loss before Tax**

For the reasons discussed above, restated loss before tax was ₹ 53,476.60 thousand in Fiscal 2021 compared to ₹ 540,328.37 thousand in Fiscal 2020.

**Tax Expense**

We did not record any income tax expenses for Fiscals 2021 and 2020.

**Restated Profit / (Loss) for the Year**

We recorded a restated loss for the year of ₹ 53,476.60 thousand in Fiscal 2021 compared to ₹ 540,328.37 thousand in Fiscal 2020.

**FISCAL 2020 COMPARED TO FISCAL 2019**

**Income**

Total income decreased by 90.55% from ₹ 668,309.01 thousand in Fiscal 2019 to ₹ 63,132.01 thousand in Fiscal 2020 primarily on account of an increase in other losses due to impact of fair valuation of CCPS.

***Revenue from Operations***

Revenue from operations increased by 12.50% from ₹ 331,871.44 thousand in Fiscal 2019 to ₹ 373,342.21 thousand in Fiscal 2020, primarily due to an increase in sale of subscription services of our platform on account of improved closure by our sales team.

The following table provides the reconciliation of amount of revenue from operations with the contract price, for the periods indicated:

| Particulars | Fiscal | |
|---|---|---|
| | 2019 | 2020 |
| | (₹ thousand) | |
| **Contract Price** | 364,205.23 | **404,577.79** |
| Adjusted for | | |
| - Contract Liabilities | (31,626.92) | (28,725.32) |
| - Refund Liabilities | (706.87) | (2,510.26) |
| **Closing balance** | **331,871.44** | 373,342.21 |

***Other Income***

Other income increased by 24.94% from ₹ 706.46 thousand in Fiscal 2019 to ₹ 882.62 thousand in Fiscal 2020, primarily due to an increase in interest income from bank deposits measured at amortized cost to ₹ 11.68 thousand in Fiscal 2020 compared to no such income in Fiscal 2019; increase in interest on income tax refund by 5.28% from ₹ 509.46 thousand in Fiscal 2019 to ₹ 536.36 thousand in Fiscal 2020; and an increase in miscellaneous income by 69.84% from ₹ 197.00 thousand in Fiscal 2019 to ₹ 334.58 thousand in Fiscal 2020.

***Other Gains/(Losses) – Net***

Other gains/losses – net decreased from ₹ 335,731.11 thousand in Fiscal 2019 to ₹ (311,092.82) thousand in Fiscal 2020, primarily due to an increase in fair value loss on CCPS measured at fair value through profit or loss to ₹ 343,744.58 thousand in Fiscal 2020 compared to ₹ 304,429.57 thousand fair value gain on CCPS measured at fair value through profit or loss in Fiscal 2019; and a decrease in net fair value gains on financial assets measured at fair value through profit or loss by 12.61% from ₹ 22,290.95 thousand in Fiscal 2019 to ₹ 19,480.30 thousand in Fiscal 2020.

This was partially offset by an increase in net gains on sale of investments by 32.76% from ₹ 8,870.78 thousand in Fiscal 2019 to ₹ 11,776.88 thousand in Fiscal 2020; and an increase in net exchange gain from ₹ 189.98 thousand in Fiscal 2019 to ₹ 1,394.58 thousand in Fiscal 2020.

**Expenses**

Total expenses increased by 10.87% from ₹ 544,317.23 thousand in Fiscal 2019 to ₹ 603,460.38 thousand in Fiscal 2020, primarily due to an increase in salaries, wages and bonus, increase in ESOP expenses and increase in gratuity provisions.

***Employee Benefits Expenses***

Employee benefits expenses increased by 10.97% from ₹ 462,115.68 thousand in Fiscal 2019 to ₹ 512,792.12 thousand in Fiscal 2020, primarily due to an increase in salaries, wages and bonus by 7.87% from ₹ 422,834.43 thousand in Fiscal 2019 to ₹ 456,097.52 thousand in Fiscal 2020 despite a decrease in the number of our employees from 779 as of March 31, 2019 to 697 as of March 31, 2020. This also led to an increase in contribution to provident and other funds by 19.67% from ₹ 13,802.71 thousand in Fiscal 2019 to ₹ 16,518.09 thousand in Fiscal 2020; increase in share based payment expense by 41.98% from ₹ 17,474.43 thousand in Fiscal 2019 to ₹ 24,810.09 thousand in Fiscal 2020; increase in gratuity expenses by 93.84% from ₹ 6,245.14 thousand in Fiscal 2019 to ₹ 12,105.35 thousand in Fiscal 2020; and staff welfare expenses that increased by 85.40% from ₹ 1,758.97 thousand in Fiscal 2019 to ₹ 3,261.07 thousand in Fiscal 2020.

***Depreciation Expenses***

Depreciation expenses decreased by 13.57% from ₹ 6,536.71 thousand in Fiscal 2019 to ₹ 5,649.38 thousand in Fiscal 2020, primarily on account of depreciation on property, plant and equipment owing to new additions of ₹ 151.98 thousand to gross block in Fiscal 2020 compared with ₹ 10,311.66 thousand in Fiscal 2019 as per our business requirements.

***Other Expenses***

Other expenses increased by 12.36% from ₹ 75,664.84 thousand in Fiscal 2019 to ₹ 85,018.88 thousand in Fiscal 2020, primarily due to an increase in:

- Software expenses that increased by 41.61% from ₹ 1,483.83 thousand in Fiscal 2019 to ₹ 2,101.31 thousand in Fiscal 2020, primarily on account of increase in usage and additional software utilized in Fiscal 2020;

- Rent expenses that increased by 18.77% from ₹ 34,835.30 thousand in Fiscal 2019 to ₹ 41,374.10 thousand in Fiscal 2020, primarily due to annual escalation in rent as per the lease terms;

- Repairs and maintenance of computers expenses that increased by 42.11% from ₹ 538.34 thousand in Fiscal 2019 to ₹ 765.03 thousand in Fiscal 2020, primarily due to increased maintenance activity of computer equipment in order to increase utilization period of computer equipment;

- Web hosting and domain charges that increased by 43.37% from ₹ 14,287.72 thousand in Fiscal 2019 to ₹ 20,483.76 thousand in Fiscal 2020, due to increase in platform usage including internal usage and launch of new features; and

- Impairment loss/(reversal) on financial assets increased by 54.02% from ₹ 1,375.30 thousand in Fiscal 2019 to ₹ 2,118.21 thousand in Fiscal 2020, as per management estimates and in line with increased revenues.

The increase was partially offset by decreases in:

- Legal and professional fees that decreased by 33.71% from ₹ 4,556.04 thousand in Fiscal 2019 to ₹ 3,020.07 thousand in Fiscal 2020, due to fewer charges incurred in Fiscal 2020 as compared similar charges incurred on account of fund raise in Fiscal 2019;

- Travelling expenses that decreased by 47.48% from ₹ 3,061.24 thousand in Fiscal 2019 to ₹ 1,607.62 thousand in Fiscal 2020, on account of reduced travel requirements in connection with our business;

- Rates and taxes that decreased by 71.11% from ₹ 2,633.90 thousand in Fiscal 2019 to ₹ 760.95 thousand in Fiscal 2020 on account of interest and penalty incurred in service tax audit since inception till June 2017, *i.e.*, the effective date of implementation of GST in Fiscal 2019; and

- Power and fuel expenses that decreased by 15.45% from ₹ 3,507.02 thousand in Fiscal 2019 to ₹ 2,965.20 thousand in Fiscal 2020 on account of reduced usage of backup power in absence main supply.

**Restated Profit / (Loss) before Tax**

For the reasons discussed above, restated loss before tax was ₹ 540,328.37 thousand in Fiscal 2020 compared to profit before tax of ₹ 123,991.78 thousand in Fiscal 2019.

**Tax Expense**

We did not record any income tax expenses for Fiscals 2020 and 2019.

**Restated Profit / (Loss) before Tax**

We recorded a restated loss for the year of ₹ 540,328.37 thousand in Fiscal 2020 compared to ₹ 123,991.78 thousand restated profit in Fiscal 2019.

## LIQUIDITY AND CAPITAL RESOURCES

We have historically financed the expansion of our business and operations through funds generated from our operations and issuance of capital. For our future requirements, we may also obtain loan facilities to finance our short-term working capital requirements.

## CASH FLOWS

The following table sets forth certain information relating to our cash flows in the periods indicated:

| Particulars | Fiscal | | |
|---|---|---|---|
| | 2019 | 2020 | 2021 |
| | (₹ thousand) | | |
| Net cash outflow from operating activities | (157,475.74) | (153,939.54) | (60,596.78) |
| Net cash inflow / (outflow) from investing activities | 164,651.59 | (58,149.21) | 54,567.82 |
| Net cash inflow from financing activities | - | 209,460.78 | 1,873.77 |
| Net increase/ (decrease) in cash and cash equivalents | 7,175.85 | (2,627.97) | (4,155.19) |
| Effects of exchange rate changes on cash and cash equivalents | - | 539.55 | (793.05) |
| Cash and cash equivalents as at the end of the year | 24,990.34 | 22,955.92 | 18,007.68 |

**Operating Activities**

***Fiscal 2021***

In Fiscal 2021, net cash outflow from operating activities was ₹ 60,596.78 thousand. Loss before tax was ₹ 53,476.60 thousand and adjustments primarily consisted of fair value gain on CCPS measured at fair value through profit and loss of ₹ 104,634.48 thousand, gain on sale of investments of ₹ 5,493.70 thousand, net fair value gains on financial assets measured at fair value through profit or loss of ₹ 849.99 thousand, interest on income tax refund of ₹ 265.22 thousand and interest on bank deposits of ₹ 9,889.07 thousand. This was partially offset by adjustments in depreciation expenses of ₹ 2,523.15 thousand, loss on disposal of property, plant and equipment of ₹442.04 thousand, share based payment expense of ₹ 27,276.29 thousand and net unrealised exchange difference of ₹ 441.92 thousand.

Operating cash flows before working capital changes were ₹ 145,642.59 thousand in Fiscal 2021. The main working capital adjustments included increase in trade receivables of ₹ 10,787.59 thousand on account of increase in revenues, decrease in other financial assets of ₹ 24.56 thousand, and decrease in other liabilities of ₹ 984.12 thousand. This was significantly offset by a decrease in loans of ₹ 7,500.00 thousand, on account of release of security deposits towards office space upon termination of leases, increase in trade payables of ₹ 9,590.71 thousand on account of legal expenses incurred towards the legal professional fee of USD 146,500 to law firm based in the United States, and increase in contract liabilities of ₹ 70,418.53 thousand on account of an increase in customers and upfront collections of invoices raised. Cash used in operations in Fiscal 2021 was ₹ 58,163.76 thousand. Income tax paid amounted to ₹ 2,433.02 thousand.

***Fiscal 2020***

In Fiscal 2020, net cash outflow from operating activities was ₹ 153,939.54 thousand. Loss before tax was ₹

540,328.37 thousand and adjustments primarily consisted of gain on sale of investments of ₹ 11,776.88 thousand, net fair value gains on financial assets measured at fair value through profit or loss of ₹ 19,480.30 thousand, interest on income tax refund of ₹ 536.36 thousand, interest on bank deposits of ₹ 11.68 thousand and net unrealised exchange difference of ₹ 1,988.13 thousand. This was partially offset by adjustments in depreciation expenses of ₹ 5,649.38 thousand, share based payment expense of ₹ 24,810.09 thousand and fair value loss on CCPS measured at fair value through profit and loss of ₹ 343,744.58 thousand.

Operating cash flows before working capital changes were ₹ 197,799.46 thousand in Fiscal 2020. The main working capital adjustments included increase in trade receivables of ₹ 2,154.64 thousand on account of increase in our revenues and increase in loans of ₹ 2,360.00 thousand on account of security deposit paid towards lease of office space. This was offset by a decrease in other assets of ₹ 1,551.36 thousand on account of a decrease in balances in corporate prepaid cards and increase in contract liabilities of ₹ 28,725.32 thousand. Cash used in operations was ₹ 155,864.68 thousand. Income tax refund amounted to ₹ 1,925.14 thousand.

***Fiscal 2019***

In Fiscal 2019, net cash outflow from operating activities was ₹ 157,475.74 thousand. Profit before tax was ₹ 123,991.78 thousand and adjustments primarily consisted of gain on sale of investments of ₹ 8,870.78 thousand, net fair value gains on financial assets measured at fair value through profit or loss of ₹ 22,290.95 thousand, interest on income tax refund of ₹ 509.46 thousand and net unrealised exchange difference of ₹ 1,084.45 thousand. This was partially offset by adjustments in depreciation expenses of ₹ 6,536.71 thousand, loss on disposal of property, plant and equipment of ₹ 50.17 thousand share based payment expense of ₹ 17,474.43 thousand.

Operating cash flows before working capital changes were ₹ 187,756.82 thousand in Fiscal 2019. The main working capital adjustments included increase in trade receivables of ₹ 6,095.34 thousand on account of increase in our revenues, increase in other current assets of ₹ 1,738.25 thousand, increase in loans of ₹ 1,900.00 thousand and increase in other financial liabilities of ₹ 284.10 thousand due to outstanding balance in pre-paid cards, loans – security deposits towards office space, other financial liabilities – outstanding dues towards exiting employees in Fiscal 2019. This was significantly offset by increase in other current liabilities of ₹ 4,146.25 thousand on account of increase in statutory dues payable and increase in contract liabilities - current of ₹ 31,626.93 thousand. Cash used in operations in Fiscal 2019 was ₹ 154,426.38 thousand. Income tax paid amounted to ₹ 3,049.36 thousand.

**Investing Activities**

***Fiscal 2021***

Net cash inflow from investing activities was ₹ 54,567.82 thousand in Fiscal 2021, primarily on account of proceeds from sale of investments of ₹ 787,427.63 thousand. This was partially offset by purchase of investments of ₹ 533,962.07 thousand and fund invested in fixed deposits with bank of ₹ 199,000.32 thousand.

***Fiscal 2020***

Net cash outflow from investing activities was ₹ 58,149.21 thousand in Fiscal 2020, primarily on account of purchase of investments of ₹ 616,854.00 thousand and purchase of tangible assets of ₹ 151.98 thousand. This was partially offset by proceeds on sale of investments of ₹ 558,845.09 thousand and interest income from deposits with bank of ₹ 11.68 thousand.

***Fiscal 2019***

Net cash inflow from investing activities was ₹ 164,651.59 thousand in Fiscal 2019, primarily on account of proceeds from sale of investments of ₹ 526,663.25 thousand. This was partially offset by purchase of investments of ₹ 351,700.00 thousand and purchase of tangible assets of ₹ 10,311.66 thousand.

**Financing Activities**

***Fiscal 2021***

Net cash inflow from financing activities was ₹ 1,873.77 thousand in Fiscal 2021 on account of proceeds from issue of CCPS of ₹ 1,873.77 thousand, owing to pro rata participation of an existing investor as part of the Series

B2 fund raise by our Company.

***Fiscal 2020***

Net cash inflow from financing activities was ₹ 209,460.78 thousand in Fiscal 2020 on account of proceeds from issue of CCPS of ₹ 209,460.78 thousand as part of the Series B2 fund raise by our Company.

***Fiscal 2019***

Cash flow from financing activities was not recorded for Fiscal 2019.

## FINANCIAL INDEBTEDNESS

As of the date of this Draft Red Herring Prospectus, our Company does not have any outstanding or sanctioned funds-based facilities.

## CONTINGENT LIABILITIES AND OFF-BALANCE SHEET ARRANGEMENTS

As of March 31, 2021, our contingent liabilities that have not been accounted for in our financial statements, were as follows:

| Particulars | Amount (₹ thousand) |
|---|---|
| **Claims against the company not acknowledged as debt** | |
| Income tax matters | 3,179.04 |
| **Total** | **3,179.04** |

*Notes:*
*Our Company had issued equity shares in the Fiscal 2014 to certain individuals at a premium for which the Assessing officer had added income in the hands of our Company amounting to ₹ 8,903.37 thousand under Section 56(2)(vii b) of the Income Tax Act, 1961. During the year ended March 31, 2020, our Company has filed an appeal with the Income Tax Appellate Tribunal (ITAT), where the ITAT vide its order dated October 23, 2020 has ruled in the favour of our Company. Pending receipt of revised assessment order from the department, our Company continues to disclose the disputed amount as contingent liability. The amounts disclosed above is including interest amounting to ₹ 908.29 thousand.*

We have also evaluated the impact of the recent Supreme Court Judgment in case of Vivekananda Vidyamandir and Others v. The Regional Provident Fund Commissioner (II) West Bengal and the related circular (Circular No. C 1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of 'basic wages' of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952, In the assessment of our management, this is not likely to have a significant impact and accordingly, no provision has been made in our Restated Financial Information.

For further information on our contingent liabilities, see "*Financial Statements – Annexure V – Note 27*" on page 223.

Except as disclosed in the Restated Financial Information or elsewhere in this Draft Red Herring Prospectus, there are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

## CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The following table sets forth certain information relating to future payments due under known contractual commitments as of March 31, 2021, aggregated by type of contractual obligation:

| Particulars | As of March 31, 2021 | | | |
|---|---|---|---|---|
| | Payment due by period | | | |
| | Total | Less than 1 year | 1-5 years | More than 5 years |
| | (₹ thousand) | | | |
| Trade Payables | 14,156.72 | 14,156.72 | - | - |
| Other financial liabilities | 1,420.54 | 1,420.54 | - | - |

| Particulars | As of March 31, 2021 | | | |
|---|---|---|---|---|
| | Payment due by period | | | |
| | Total | Less than 1 year | 1-5 years | More than 5 years |
| | (₹ thousand) | | | |
| **Total** | 15,577.26 | 15,577.26 | - | - |

For further information on our capital and other commitments, see "*Financial Statements*" on page 182.

## CAPITAL EXPENDITURES

In Fiscals 2019, Fiscal 2020, and Fiscal 2021, our capital expenditure towards additions to fixed assets (property, plant and equipment) were ₹ 10,311.66 thousand, ₹ 151.98 thousand and nil, respectively. Our property, plant and equipment includes computer equipment and office equipment. The following table sets forth our fixed assets as of the dates indicated:

| Particulars | As of March 31 | | |
|---|---|---|---|
| | 2019 | 2020 | 2021 |
| | (₹ thousand) | | |
| Property, plant and equipment | 11,239.78 | 5,742.39 | 2,674.62 |
| Intangible Assets | - | - | - |
| **Total** | **11,239.78** | **5,742.39** | **2,674.62** |

For further information, see "*Financial Statements*" on page 182.

## RELATED PARTY TRANSACTIONS

We have entered into related party transactions with, amongst others, our key managerial personnel and with our Directors in Fiscals 2019, 2020 and 2021. In Fiscals 2019, 2020 and 2021, the aggregate amount of such related party transactions was ₹ 11,703.74 thousand, ₹ 13,183.09 thousand and ₹ 10,229.02 thousand, respectively. The percentage of the aggregate value of such related party transactions to our revenue from operations in Fiscals 2019, 2020 and 2021 was 3.53%, 3.53% and 2.34%, respectively. While we believe that all such transactions have been conducted on an arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Further, it is likely that we may continue to enter into related party transactions in the future.

The following table sets forth the summary of the related party transactions and balances as per Ind AS 24-Related Party Disclosures derived from the Restated Financial Information as follows:

| Nature of Transaction | Fiscal 2019 | Fiscal 2020 | Fiscal 2021 |
|---|---|---|---|
| | (₹ thousand) | | |
| ***Short Term Employee Benefits*** | | | |
| Neha Singh | 5,055.00 | 6,046.67 | 6,339.23 |
| Abhishek Goyal | 5,055.00 | 6,046.67 | 4,839.23 |
| ***Post-Employment Benefits*** | | | |
| Neha Singh | 791.76 | 482.37 | 293.24 |
| Abhishek Goyal | 801.98 | 607.38 | (1,242.68) |

For details of the related party transactions, see "*Financial Statements – Annexure V – Note 26*" on page 222. Also, see "*Risk Factors – We have in the past entered into certain related party transactions and may continue to do so in future, which may potentially involve conflicts of interest with the equity shareholders*." on page 46.

## AUDITOR'S OBSERVATIONS

### *Emphasis of Matter*

Our Statutory Auditors have included certain emphasis of matters in their examination report:

- Annexure V - Note 11(b)(ii) to the Restated Financial Information regarding the accounting treatment of certain CCPS aggregating to ₹ 6,927.96 thousand and ₹ 6,219.24 thousand and securities premium thereon aggregating to ₹ 1,006,867.95 thousand and ₹ 798,115.89 thousand presented as other financial liabilities of ₹ 1,691,670.06 thousand and ₹ 1,138,464.70 thousand after fair valuation, for the years ended March 31, 2020 and March 31, 2019 respectively, in accordance with Ind AS 32 'Financial Instruments: Presentation'. Such accounting treatment is not in accordance with the provisions of section 2(64) and section 43 read with Schedule III and section 52 of the Act, which requires the aggregate amount received on those shares shall be transferred to 'Preference share capital' and 'Securities Premium account'. Subsequently, shareholders' agreement was amended on March 30, 2021 with such preference shareholders agreeing to irrevocably revoke/ waive the buyback rights. From such date of the revision in Shareholders' Agreement, the said CCPS in their entirety meet the definition of an equity instrument and accordingly, other financial liabilities as at March 30, 2021 (including CCPS aggregating to ₹ 1,873.77 thousand issued during the year) have been remeasured and reclassified as equity of ₹ 6,934.30 thousand, securities premium of ₹ 1,008,735.38 thousand and retained earnings of ₹ 573,239.67 thousand, after adjusting for fair market value gain of ₹ 104,634.48 thousand for the period April 1, 2020 to March 30, 2021, in accordance with Ind AS 32. The resultant disclosure of equity and securities premium is in accordance with section 2(64), section 43 and section 52 of the Act as at March 31, 2021. Annexure V - Note 11(b)(ii) referred above corresponds to Note 11(b)(ii) in the financial statements for the year ended March 31, 2021 and an emphasis of matter paragraph has also been included in the independent auditor's report dated August 5, 2021 issued by us on the said financial statements of the Company for the year ended March 31, 2021.

- Note 33 to the restated financial information which explains the uncertainties and the management's assessment of the financial impact due to the lockdown and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve. Annexure V - Note 33 referred above corresponds to Note 33 and Note 31 in the financial statements for the years ended March 31, 2021 and March 31, 2020 respectively and an emphasis of matter paragraph has also been included in the independent auditor's report dated August 5, 2021 and September 30, 2020 issued by us on the said financial statements of the company for the years ended March 31, 2021 and March 31, 2020 respectively.

Except as disclosed above, there have been no reservations/ qualifications/ adverse remarks/ matters of emphasis highlighted by our statutory auditors in their auditor's reports on the audited financial statements as of and for the years ended March 31, 2019, 2020 and 2021.

## QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our management monitors and manages key financial risk relating to our operations by analysing exposures by degree and magnitude of risk. The risks include market risk (including interest rate risk, currency risk and other price risk), credit risk and liquidity risk. Our Board of Directors has overall responsibility for the establishment and oversight of our risk management framework. Our risk management policies are established to identify and analyse the risks faced by us, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and our activities.

### *Credit Risk*

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Trade receivables are typically unsecured and are derived from revenue earned from customers. Our trade receivables for Fiscals 2019, 2020 and 2021 were ₹ 42,567.26 thousand, ₹ 43,998.27 thousand and ₹ 56,853.94 thousand, respectively. We manage credit risk through credit approvals, by establishing credit limits and periodic review of the creditworthiness of customers to whom we grant credit in the normal course of business.

*Expected Credit Loss*

We allocate each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss, (for example, timeliness of payments and available information) and applying experienced credit judgement. Exposures to customers outstanding at the end of each reporting period are reviewed by us to

determine incurred and expected credit losses, giving due regard for probable exposures on disputed dues or dues that are subject to litigation. We have not experienced significant impairment of trade receivables resulting in credit losses.

***Liquidity Risk***

Liquidity risk is the risk that we will encounter difficulty in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. We have established a liquidity risk management framework for the management of our short-term, medium-term and long-term funding and liquidity management requirements. We manage liquidity risk by maintaining reserves by continuously monitoring forecast and actual cash flows.

***Currency Risk***

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. We report results in our financial statements in Indian rupees, while a significant part of revenues associated with our international operations are denominated in currencies other Indian rupees, most significantly the U.S. dollar. We are exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from our operating, investing and financing activities.

***Market Risk***

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as, equity price risk and commodity risk. Financial instruments affected by market risk include foreign currency receivables, deposits, investments in mutual funds. We have established risk management policies to limit the impact of these risks on our financial performance. We aim to ensure optimization of cash through fund planning and cash management practices.

*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.

*Price Risk*

Investment of our short-term surplus funds in liquid schemes of mutual funds provides high levels of liquidity from a portfolio of money market securities and high quality debt and categorized as ‘low risk’ product from liquidity and interest rate risk perspectives.

***Market risk arising out of COVID-19***

The economic, operational and regulatory implications of COVID-19 may have an impact on our business and the extent to which COVID-19 will affect our future results will depend on future developments, which are highly uncertain. Our business depends on offering our Tracxn platform on a subscription basis to a global customer base that helps venture capital, private equity investors and corporate development teams by tracking and curating data of start-ups. We continues to provide services to our customers uninterruptedly despite the lock-down and other restrictions.

The responses and measures taken in India and rest of the world against the COVID-19 pandemic, including lock-down and mandatory or voluntary social distancing have led to lower levels of business activities in India and the world. The effects of COVID-19 on our business could be long-lasting and could have adverse effects on our business, results of operations, liquidity, cash flows and financial condition, some of which may be significant, and may adversely impact our ability to operate our business on the same terms as we conducted business prior to the pandemic. Since the situation is continuously evolving, the impact assessed may be different from the estimates made and our management will continue to monitor any material changes arising due to the impact of COVID-19 on our financial and operational performance and take necessary measures to address the situation.

For further information, see "– *Significant Factors Affecting Results of Operations and Financial Condition – Impact of COVID-19 pandemic on the information services market and our operations*" on page 239. See also, "*Risk Factors – Our business, results of operations and our financial condition may be impacted by the COVID-19 pandemic and such impact could be materially adverse and continue for an unknown period of time.*" at page 33.

***Inflation***

In recent years, India has experienced relatively high rates of inflation. While we believe inflation has not had any material impact on our business and results of operations, inflation generally impacts the overall economy and business environment and hence could affect us.

**UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS**

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

**SIGNIFICANT ECONOMIC CHANGES THAT MATERIALLY AFFECT OR ARE LIKELY TO AFFECT INCOME FROM CONTINUING OPERATIONS**

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations*" and the uncertainties described in "*Risk Factors*" on pages 237 and 25, respectively.

**KNOWN TRENDS OR UNCERTAINTIES**

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations*" and the uncertainties described in "*Risk Factors*" on pages 237 and 25, respectively. To our knowledge, except as discussed in this Draft Red Herring Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

**FUTURE RELATIONSHIP BETWEEN COST AND INCOME**

Other than as described in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 25, 131 and 235 respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

**NEW PRODUCTS OR BUSINESS SEGMENTS**

Except as set out in this Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new business segments.

**COMPETITIVE CONDITIONS**

We operate in a competitive environment. See "*Risk Factors*", "*Industry Overview*", "*Our Business*" and on pages 25, 95 and 131, respectively, for further details on competitive conditions that we face across our various business segments.

**EXTENT TO WHICH MATERIAL INCREASES IN NET SALES OR REVENUE ARE DUE TO INCREASED SALES VOLUME, INTRODUCTION OF NEW PRODUCTS OR SERVICES OR INCREASED SALES PRICES**

Changes in revenue in the last three Fiscals are as described in "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Fiscal 2021 compared with Fiscal 2020*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Fiscal 2020 compared to Fiscal*

*2019*" above on pages 242 and 245, respectively.

**SEGMENT REPORTING**

Our business activity primarily falls within a single business segment, i.e. rendering of software subscription services to our customers, accordingly, other than as disclosed in "*Financial Statements – Annexure V – Note 25*" on page 221, we do not follow any other segment reporting.

**SIGNIFICANT DEPENDENCE ON SINGLE OR FEW CUSTOMERS**

Given the nature of our business operations, we do not believe our business is dependent on any single or a few customers.

**SEASONALITY/ CYCLICALITY OF BUSINESS**

Our business is not subject to seasonality or cyclicality. For further information, see "*Industry Overview*" and "*Our Business*" on pages 95 and 131, respectively.

**SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2021 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS**

Except as disclosed in this Draft Red Herring Prospectus, there have been no significant developments after March 31, 2021 that may affect our future results of operations.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Foreign currency translation***

*Functional and presentation currency*

Items included in the restated financial information of the Company are measured using the currency of the primary economic environment in which the Company operates (`the functional currency'). The restated financial information are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

*Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the restated statement of profit and loss.

Foreign exchange gains and losses are presented in the restated statement of profit and loss on a net basis within other gains/ (losses).

***Revenue from contract with customers***

*Sale of services*

The Company receives subscription revenue from rendering of services through its platform. Revenue from contracts with customers is recognized when services are rendered to the customer at an amount that reflects the consideration entitled in exchange for those services. The Company recognizes subscription revenues over time wherein the customer simultaneously receives and consumes the benefits provided by the Company. The progress is measured using the output method which measures revenue by comparing 'time elapsed' to the 'total subscription period.

Revenue is recognised, net of goods and services tax, when no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service. In few cases, the Company provides refunds against revenue received from certain customers. The Company estimates the refund liability on the basis of their past experience and future expectation, as that is the amount of consideration for which the entity does not expect to be entitled.

The invoicing for the services is done upfront irrespective of the duration of the subscription with a credit term of 10-15 days, which is consistent with market practice. The Company does not adjust the transaction prices for any time value of money as the transfer of the promised services to the customer and payment by the customer does not generally exceed one year.

*Contract liabilities*

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract.

***Income tax***

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the restated financial information. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, if any, only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax are recognised in restated statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax (MAT) is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

**Leases**

*As a lessee*

Leases are recognised as a Right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in substance fixed payments), less any incentives receivable;

- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the company under residual value guarantees;
- the exercise price of a purchase option if the company is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the company exercising that option.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the company's incremental borrowing rate, which is the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

If a readily observable amortising loan rate is available to the Company (through recent financing or market data) which has a similar payment profile to the lease, then the Company uses that rate as the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to restated statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease payments that represent payments based on actual utilisation of common facilities of the leased asset are recognised in the restated statement of profit and loss as and when they are incurred.

Right-of-use assets are measured at cost comprising the following:

- the amount of initial measurement of lease liability;
- any lease payments made on or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Payments associated with short-term leases are recognised on a straight-line basis as an expense in the restated statement of profit and loss. Short-term leases are leases with a term of 12 months or less. The lease contracts also include non-lease components which are charged to the restated statement of profit and loss as and when incurred.

***Financial instruments***

*Initial recognition and measurement*

The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value on initial recognition.

*Subsequent measurement*

*Financial assets carried at amortised cost*

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in the statement of profit and loss using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the statement of profit and loss. Impairment losses are presented in the statement of profit and loss. Financial assets at amortised cost comprises of trade receivables, loans, cash and cash equivalents and other financial assets.

Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method less impairment loss, if any.

Loans (Security Deposits)

On initial recognition, Loans are measured at fair value. Since the objective is to hold these financial assets to collect contractual cash flows that are solely payments of principal and interest, these assets are subsequently measured at amortised cost using the EIR method less impairment, if any.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Other financial assets

On initial recognition, Other financial assets are measured at fair value, and subsequently, measured at the amortised cost, less impairment if any. Loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

*Financial assets at fair value through profit or loss*

The Company holds certain investments in mutual funds which are subsequently measured at fair value through profit or loss.

*Financial liabilities measured at amortised costs*

Financial liabilities are subsequently carried at amortised cost using the effective interest method. The Company's financial liabilities consist of trade payables and Other financial liabilities.

*Trade and other payables*

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year, which are unpaid. The amounts are unsecured and are usually paid within the credit period. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

*Financial liabilities measured at fair value through profit or loss*

Financial liabilities at fair value through profit and loss include financial liabilities designated upon initial recognition as at Fair Value Through Profit or Loss (FVTPL).

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains or losses attributable to changes in own credit risk are recognised in other comprehensive income (OCI). These gains/ loss are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the restated statement of profit and loss. Financial liabilities measured at fair value through profit or loss consist of Compulsorily convertible cumulative preference shares.

*Compulsorily convertible cumulative preference shares*

The Company has assessed the debt/equity classification for compulsorily convertible cumulative preference shares (CCPS) based on the requirements in Ind AS 32. Based on the terms and conditions of issue of certain CCPS, the investor has an option to put the CCPS back to the Company for cash through a buy back in the event the Company is unable to provide an exit to the CCPS holders through a Qualified IPO or a strategic sale. As the failure to complete a qualified public offering is outside the control of the Company, it meets the definition of a contingent settlement event under IND AS 32, resulting in the CCPS being classified as a financial liability. Further, the holders' option to convert CCPS into equity shares is subject to variation due to the anti-dilution clause. Accordingly, the conversion option is to be classified as an embedded derivative and should be separated from the host debt. The Company has taken the option to classify the entire CCPS at fair value through profit or loss instead of accounting for the host debt and the embedded derivative separately. The dividends on these CCPS are recognised as finance expenses in the statement of profit and loss.

*Derecognition*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability/equity. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

*Offsetting of financial instruments*

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

*Impairment*

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through 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 expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised, is recognised as an impairment gain or loss in the statement of profit and loss.

*Interest income*

Interest income is recognised using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

**Property, Plant and Equipment**

All items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under ‘Capital work-in-progress’.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the

cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

*Depreciation methods, estimated useful life and residual value:*

Depreciation is calculated using the written down value method to allocate their cost, net of their residual values, over their estimated useful life as follows:

*Management estimate of useful life*

Computer equipment: 3 years
Office equipment 1-5 years

*Useful life as per Schedule II*

Computer equipment: 3 years
Office equipment: 5 years

The assets' residual value and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the restated statement of profit and loss within other gains/ (losses).

***Intangible Assets***

*Software*

Operating software is capitalised along with the related fixed assets. Costs associated with maintaining the software are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the company are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

*Amortisation methods and periods*

The Company amortizes software with a finite useful life using the straight line method over three years and the useful life is reviewed at end of each reporting period, and adjusted if appropriate. The amortisation method and the estimated useful life of intangible assets are reviewed at each reporting period.

***Impairment of assets***

Assessment is done whenever there is an event or change in circumstances as to where there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of asset, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/ cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have

decreased. Assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

***Provisions and contingent liabilities***

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. In case of long term provisions, they are disclosed by discounting at the rate used to determine the present value, which 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 provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation, that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

***Fair value measurement***

Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk. All assets and liabilities for which fair value is measured or disclosed in the restated financial information are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

***Employee benefits***

*Short term obligations*

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation in the restated statement of assets and liabilities.

*Other long-term employee benefit obligations*

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss. Past service costs are recognised immediately in the restated statement of profit and loss.

The obligations are presented as current liabilities in the restated statement of assets and liabilities if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

***Post-employment obligations***

The Company operates the following post-employment schemes:

*Defined benefit plans (gratuity)*
The company provides for gratuity, a defined benefit plan covering eligible employees in accordance with the Payment of Gratuity (Amendment) Act, 2018. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability or asset recognised in the restated statement of assets and liabilities in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the restated statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the restated statement of assets and liabilities.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

*Defined contribution plan such as provident fund and employees state insurance*

The Company pays provident fund contributions to publicly administered provident funds and employees state insurance funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and recognised as employee benefit expense when they are due.

***Bonus plans***

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

***Share-based payments***

The fair value of options granted under the Tracxn Employee Stock Option Plan 2016 is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or hold shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting

conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

***Earnings per share***

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date these mandatorily convertible instruments are classified as equity.

***Contributed equity***

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

***Dividends***

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

***Rounding of amounts***

All amounts disclosed in the restated financial information and notes have been rounded off to the nearest thousands as permitted by Schedule III of Companies Act, 2013, unless otherwise stated. Amounts mentioned as "0" in the restated financial information denote amounts rounded off, being less than ₹ 500.

**Critical estimates and judgements**

The preparation of these restated financial information requires the use of accounting estimates which could differ from the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. These notes provide an overview of the areas that involved higher degree of judgement or complexity and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in the relevant notes together with information about the basis of calculation for each affected line item in the restated financial information.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

***Significant estimates***

*Defined benefit plans and compensated absences*

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases attrition rates and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined

benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

*Fair value measurement of CCPS*

Fair value of CCPS is measured using Black Scholes option pricing model. The significant assumptions used in determining the fair values of CCPS are discount rates using a pre-tax rate that reflects current market assessments of the time value of money and expected volatility.

***Critical judgement***

*Recognition and measurement of deferred tax*

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The company has not recognised the deferred tax asset in the absence of reasonable certainty supported by convincing evidence that sufficient future taxable income will be available for set-off.

## FINANCIAL INDEBTEDNESS

Our Board is empowered to borrow money in accordance with Section 179 of the Companies Act and our Articles of Association.

As of the date of this Draft Red Herring Prospectus, our Company does not have any outstanding or sanctioned fund-based or non-fund based facilities.

## SECTION VIII – LEGAL AND OTHER INFORMATION

## OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

*Except as stated below there are no outstanding (i) criminal proceedings, (ii) actions by statutory or regulatory authorities, (iii) claims for any direct or indirect tax liabilities; or (iv) proceeding (other than proceedings covered under (i) to (iii) above) which have been determined to be material pursuant to the Materiality Policy, involving our Company, Directors, Promoters or subsidiaries (if any).*

*In relation to (iv) above, in terms of the Materiality Policy, any outstanding litigation involving our Company, our Promoters, our Directors or our subsidiaries (if any) have been considered "material" for the purposes of disclosure in the Offer Documents, in case of any of the following:*

*a) The aggregate monetary claim made by or against our Company, our Promoters, our Directors and / or our subsidiaries (if any), (individually or in the aggregate), in any such pending litigation / arbitration proceeding is equal to or in excess of 1% of our Company's total income, derived from the most recently completed fiscal year as per the Restated Financial Information. The total income of our Company for the Fiscal 2021 is ₹ 557,417.59 thousand, and accordingly, all litigation involving our Company, Directors, Promoters and our subsidiaries (if any) in which the amount involved exceeds ₹ 5,574.18 thousand have been considered as material, if any;*

*b) Any such litigation wherein a monetary liability is not quantifiable, or which does not fulfil the threshold as specified in (a) above, but the outcome of which could, nonetheless, have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company; or*

*c) Litigations where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in an individual litigation may not exceed 1% of the Company's total income derived from the most recently completed fiscal year as per the Restated Financial Information.*

*Further, except as disclosed in this section, there are no (i) disciplinary action taken against any of our Promoters by SEBI or any Stock Exchange in the five Fiscals preceding the date of this Draft Red Herring Prospectus; and (ii) any litigation involving any group company which may have a material impact on our Company*.

*For the purposes of the above, pre-litigation notices received by our Company, subsidiaries (if any), Directors, group company (if any) or Promoters from third parties (excluding those notices issued by statutory / regulatory / tax authorities or notices threatening criminal action) have not and shall not, unless otherwise decided by our Board, be considered material until such time that our Company, our subsidiaries (if any), or such Director, group company (if any) or Promoter, as the case may be, is impleaded as a defendant in litigation before any judicial/arbitral forum.*

*All terms defined in a particular litigation disclosure below are for that particular litigation only.*

*Further, in terms of the Materiality Policy, a creditor of our Company shall be considered 'material' if the amount due to such creditor exceeds 5% of the total trade payables of our Company as of the end of the most recent period covered in the Restated Financial Information. The trade payables of our Company as on March 31, 2021 was ₹ 14,156.72 thousand. Accordingly, a creditor has been considered 'material' if the amount due to such creditor exceeds ₹ 707.84 thousand as on March 31, 2021.*

*Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.*

**Litigation proceedings involving our Company**

**I. Litigation proceedings initiated against our Company**

**(a) *Criminal proceedings***

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings initiated against our Company.

**(b)** ***Actions by statutory or regulatory authorities***

As on the date of this Draft Red Herring Prospectus, there are no pending actions taken by statutory or regulatory authorities initiated against our Company.

**(c)** ***Claims related to direct and indirect taxes***

Except as disclosed below, on the date of this Draft Red Herring Prospectus, there are no claims related to direct and indirect taxes against our Company:

*Direct tax proceedings*

| S.No. | Nature of Proceedings | Number of cases | Approximate amount in dispute (in ₹ thousand) |
|---|---|---|---|
| 1 | Income tax | 1 | 3,179.04 |
| **Total** | | **1** | **3,179.04** |

**(d)** ***Other material proceedings***

As on the date of this Draft Red Herring Prospectus there are no other proceedings pending against our Company, which have been considered material by our Company in accordance with the Materiality Policy.

**II. Litigation proceedings initiated by our Company**

**(a)** ***Criminal proceedings***

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings initiated by our Company.

**(b)** ***Other pending proceedings***

As on the date of this Draft Red Herring Prospectus, there are no other pending proceedings initiated by our Company, which have been considered material by our Company in accordance with the Materiality Policy.

**Litigation proceedings involving our Directors**

**I. Litigation proceedings initiated against our Directors**

**(a)** ***Criminal proceedings***

On the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings against any of our Directors.

**(b)** ***Statutory or regulatory proceedings***

On the date of this Draft Red Herring Prospectus, there are no pending actions taken by statutory or regulatory authorities initiated against our Directors.

**(c)** ***Claims related to direct and indirect taxes***

Except as disclosed below, on the date of this Draft Red Herring Prospectus, there are no pending claims related to direct or indirect taxes against our Directors:

*Direct tax Proceedings*

| S.No. | Nature of Proceedings | Number of cases | Approximate amount in dispute (in ₹ thousand) |
|---|---|---|---|
| ***Rohit Jain*** | | | |
| 1 | Income tax | 1 | 137.98 |
| **Total** | | **1** | **137.98** |

**(d) *Other pending proceedings***

On the date of this Draft Red Herring Prospectus there are no other pending proceedings initiated against any of our Directors, which have been considered material by our Company in accordance with the Materiality Policy.

**II. Litigation proceedings initiated by our Directors**

**(a) *Criminal proceedings***

On the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings initiated by any of our Directors.

**(b) *Other pending proceedings***

On the date of this Draft Red Herring Prospectus there are no other pending proceedings initiated by any of our Directors, which have been considered material by our Company in accordance with the Materiality Policy.

**Litigation proceedings involving our Promoters**

**I. Litigation proceedings initiated against our Promoters**

**(a) *Criminal proceedings***

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings against any of our Promoters.

**(b) *Statutory or regulatory proceedings***

As on the date of this Draft Red Herring Prospectus, there are no pending actions taken by statutory or regulatory authorities initiated against our Promoters.

**(c) *Claims related to direct and indirect taxes***

As on the date of this Draft Red Herring Prospectus, there are no pending claims related to direct or indirect taxes against our Promoters.

**(d) *Other pending proceedings***

As on the date of this Draft Red Herring Prospectus there are no other pending proceedings initiated against any of our Promoters, which have been considered material by our Company in accordance with the Materiality Policy.

**(e) *Disciplinary action taken against our Promoters in the five Fiscals preceding the date of this Draft Red Herring Prospectus by SEBI or any stock exchange***

As no disciplinary action has been taken against our Promoters in the five Fiscals preceding the date of this Draft Red Herring Prospectus either by SEBI or any stock exchange.

**III. Litigation proceedings initiated by our Promoters**

**(a) *Criminal proceedings***

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings initiated by any of our Promoters.

**(b)** ***Other pending proceedings***

As on the date of this Draft Red Herring Prospectus there are no other pending proceedings initiated by any of our Promoters, which have been considered material by our Company in accordance with the Materiality Policy.

**Litigation proceedings involving our Group Companies**

Our Company does not have any group company as on the date of this Draft Red Herring Prospectus.

**Outstanding dues to small scale undertakings or any other creditors**

In terms of the Materiality Policy, our Board considers such creditors 'material' to whom the amount due exceeds 5% of the trade payables as per the Restated Financial Information, i.e., ₹ 707.84 thousand, as of March 31, 2021 ("**Material Creditors**").

As of March 31, 2021, our Company owed a total sum of ₹ 14,156.72 thousand to a total number of 19 creditors. The details of our outstanding dues to our Material Creditors, MSMEs and other creditors, as on March 31, 2021, are as follows:

| Particulars | No. of creditors | Amount due (in ₹ thousand) |
|---|---|---|
| Micro, small or medium enterprises | 4 | 99.67 |
| 'Material' creditors | 3 | 13,779.91 |
| Other Creditors | 12 | 277.14 |

For complete details of outstanding overdues to material creditors, see tracxn.com/investor-relations/financials.

For complete details about outstanding dues to creditors of our Company, see "*Financial Statements*" on page 182.

**Material Developments**

Except as stated in the section "*Management's Discussion and Analysis of Financial Condition and Results of Operation*s" on page 235**,** there have not arisen, since the last period disclosed in the Restated Financial Information in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next 12 months.

## GOVERNMENT AND OTHER APPROVALS

*Except as disclosed herein, we have obtained all material consents, licenses, registrations, permissions and approvals from various governmental, statutory and regulatory authorities, which are necessary for undertaking our Company's current business activities and operations. Except as disclosed below, no approvals are material to carrying on the present business operations of our Company. In the event any of the approvals and licenses that are required for our business operations expire in the ordinary course, we make applications for their renewal from time to time. Unless otherwise stated, these approvals are valid as on the date of this Draft Red Herring Prospectus. For details in connection with the regulatory and legal framework within which our Company operates, see "Key Regulations and Policies in India" on page 149.*

*For Offer related approvals, see "Other Regulatory and Statutory Disclosures" on page 271 and for incorporation details of our Company, see "History and Certain Corporate Matters" on page 154.*

**Material approvals in relation to our business and operations**

***Business related approvals***

1. Udyam Registration Certificate, issued by the Ministry of Micro, Small and Medium Enterprises, Government of India, under the Micro, Small and Medium Enterprises Development Act, 2006.

2. Certificate of importer-exporter code, issued by the office of the Joint Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India, under the Foreign Trade (Development and Regulation) Act, 1992.

***Labour/employment related approvals***

1. Registration for employees' provident fund with the Employees' Provident Fund Organization under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

2. Registration for employees' insurance with the relevant regional office of the Employees State Insurance Corporation under the Employees' State Insurance Act, 1948.

3. Certificate of registration for as a commercial establishment, issued by the Department of Labour of the Government of Karnataka, under the Karnataka Shops and Commercial Establishments Act, 1961.

***Tax related approvals***

1. Permanent account number issued by the Income Tax Department under the Income Tax Act, 1961.

2. Tax deduction account number issued by the Income Tax Department under the Income Tax Act, 1961.

3. Goods and services tax registration issued by the Government of India, under the Central Goods and Service Tax Act, 2017.

4. Certificate of registration as an employer under the Karnataka Tax on Professions, Trades, Callings and Employments Act, 1976, issued by the relevant Professional Tax Officer, Government of Karnataka.

5. Certificate of enrolment under the Karnataka Tax on Professions, Trades, Callings and Employments Act, 1976, issued by the relevant Professional Tax Officer, Government of Karnataka.

**Material approvals applied for, including renewal applications**

As on the date of this Draft Red Herring Prospectus, there are no material approvals for which applications have been made by our Company.

**Material approvals to be applied for, including renewal applications**

As on the date of this Draft Red Herring Prospectus, there are no material approvals for which applications are yet to be made by our Company.

**Intellectual property**

Our Company has obtained registrations under the Trade Marks Act, 1999. We have 11 trademarks, including over the word marks ‘Minicorn’, ‘Soonicorn’ and ‘Tracxn.com’ under various classes in India.

Further, we have made an application for trademark registration under the Trade Marks Act, 1999 for the word mark ‘Tracxn’ under class 35. The trademarks registry has received an objection to our application to register the mark ‘Tracxn’ and we have filed a response to certain queries raised by the Trademarks Registry to our application. The application is currently pending.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Offer

Our Board has approved the Offer pursuant to resolution passed in their meeting held on August 2, 2021. Further, this Draft Red Herring Prospectus has been approved by our Board pursuant to their resolution dated August 12, 2021.

Each of the Selling Shareholders has, severally and not jointly, authorized and confirmed inclusion of their portion of the Offered Shares as part of the Offer for Sale, as set out below:

| S. No. | Name of the Selling Shareholder | Maximum number of Offered Shares in the Offer for Sale | Date of Selling Shareholders' Consent Letter | Date of corporate authorization / board resolution |
|---|---|---|---|---|
| 1. | Neha Singh | 7,662,655 | August 4, 2021 | - |
| 2. | Abhishek Goyal | 7,662,655 | August 4, 2021 | - |
| 3. | Binny Bansal | 1,263,096 | August 4, 2021 | - |
| 4. | Sachin Bansal | 1,263,096 | August 4, 2021 | - |
| 5. | Sahil Barua | 207,548 | August 4, 2021 | - |
| 6. | Deepak Singh | 315,774 | August 4, 2021 | - |
| 7. | Elevation Capital | 10,980,885 | August 12, 2021 | July 30, 2021 |
| 8. | Trustees, Kolluri Living Trust | 267,915 | August 6, 2021 | - |
| 9. | Milliways Fund LLC | 147,976 | August 2, 2021 | August 2, 2021 |
| 10. | Rathnagirish Mathrubootham | 295,952 | August 4, 2021 | - |
| 11. | Apoletto Asia Ltd | 147,976 | August 6, 2021 | August 6, 2021 |
| 12. | Trustees, NRJN Family Trust | 591,904 | July 30, 2021 | July 30, 2021 |
| 13. | Manoj Kumar Gandhi | 147,976 | August 4, 2021 | - |
| 14. | WGG International Limited | 881,602 | August 6, 2021 | August 4, 2021 |
| 15. | Accel India IV (Mauritius) Limited | 4,017,506 | July 28, 2021 | July 28, 2021 |
| 16. | SCI Investments V | 2,181,692* | August 10, 2021 | August 2, 2021 |
| 17. | Prashant Chandra | 636,000 | August 4, 2021 | - |

* *Includes (i) 41,164 Equity Shares to be issued upon conversion of 28,614 Series A4 CCPS and 12,550 Series B1 CCPS held by SCI Investments V, and (ii) 2,140,528 Equity Shares to be issued by way of a bonus issue to SCI Investments V as on the date of conversion of Preference Shares to Equity Shares, prior to filing of the Red Herring Prospectus.*

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

### Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors, the members of the Promoter Group and each of the Selling Shareholders have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/court.

### Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoters, the members of the Promoter Group and each of the Selling Shareholders are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, in relation to the Company, to the extent in force and applicable.

### Directors associated with the Securities Market

Except as disclosed below, none of our Directors are, in any manner, associated with the securities market:

(a) Abhishek Goyal, the Vice Chairman and Executive Director of our Company, is a partner of Tracxn Advisors LLP, which is the sponsor and investment manager of Tracxn Labs, a Category I AIF registered with SEBI.

(b) Ravi Chandra Adusumalli, a Non-Executive Director of our Company, is a director of SAIF India IV FII Holdings Limited, Elevation Capital V FII Holdings Limited and Elevation Capital VI FII Holdings Limited, each of which are registered with SEBI as Category I FPIs.

There are no outstanding action(s) initiated by SEBI against the Directors of our Company in the five years preceding the date of this Draft Red Herring Prospectus.

**Eligibility for the Offer**

Our Company is eligible for the Offer in accordance with Regulation 6(2) of the SEBI ICDR Regulations, which states as follows:

"*An issuer not satisfying the condition stipulated in sub-regulation (1) shall be eligible to make an initial public offer only if the issue is made through the book-building process and the issuer undertakes to allot at least seventy-five per cent. of the net offer to qualified institutional buyers and to refund the full subscription money if it fails to do so.*"

We are an unlisted company, not satisfying the conditions specified in Regulation 6(1) of the SEBI ICDR Regulations and are therefore required to allot at least 75% of the Offer to QIBs to meet the conditions as detailed under Regulation 6(2) of the SEBI ICDR Regulations. In the event that we fail to do so, the full application monies shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000; and should our Company fail to do so, the Bid Amounts received by our Company shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations and applicable law.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 5 of the SEBI ICDR Regulations are as follows:

(a) None of our Company, our Promoters, members of our Promoter Group, our Directors or any of the Selling Shareholders are debarred from accessing the capital markets by the SEBI.

(b) None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.

(c) None of our Company, our Promoters or Directors is a wilful defaulter.

(d) None of our Promoters or Directors has been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.

(e) Except as disclosed in this Draft Red Herring Prospectus in the section "*Capital Structure*" on page 74, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

Each of the Selling Shareholders, severally and not jointly, confirms that they are in compliance with Regulation 8 of the SEBI ICDR Regulations.

**DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE**

**PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, IIFL SECURITIES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND EACH SELLING SHAREHOLDER (TO THE EXTENT OF STATEMENTS CONFIRMED OR UNDERTAKEN BY THEM IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO THEMSELVES AND FOR THEIR RESPECTIVE PORTION OF THE OFFERED SHARES) DISCHARGES THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED AUGUST 12, 2021 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.**

**Disclaimer from our Company, our Directors, the Selling Shareholders and the Book Running Lead Manager**

Our Company, our Directors and the Book Running Lead Manager 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.tracxn.com, or the website of any affiliate of our Company, would be doing so at his or her own risk. Each of the Selling Shareholders and their respective directors, partners, affiliates, associates and officers accept or undertake no responsibility for any statements other than those undertaken or confirmed by such Selling Shareholder in relation to themself and their respective portion of the Offered Shares.

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriter, the Selling Shareholders and our Company.

All information shall be made available by our Company, the Selling Shareholders, severally and not jointly (to the extent that the information pertain to themself and their respective portions of the Offered Shares through the Offer Documents), and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding centres or elsewhere.

None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise, or (ii) the blocking of the Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on the account of any errors, omissions or non-compliance by various parties involved, or any other fault, malfunctioning, breakdown or otherwise, in the UPI Mechanism.

Prospective investors who Bid in the Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not

eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, 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 Book Running Lead Manager and its respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

**Disclaimer in respect of Jurisdiction**

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Bengaluru only.

The Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds, insurance funds set up and managed by the army and navy and insurance funds set up and managed by the Department of Posts, India) and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

**Eligibility and Transfer Restrictions**

**The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States only to persons believed to be "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" in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs".**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

Until the expiry of 40 days after the commencement of the Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in the Offer) may violate the registration requirements of the U.S. Securities Act if such an offer for sale is made otherwise than in compliance with the available exemptions from registration under the U.S. Securities Act.

***Equity Shares Offered and Sold within the United States***

Each purchaser that is acquiring the Equity Shares offered pursuant to the Offer within the United States, by its acceptance of this Draft Red Herring Prospectus and of the Equity Shares, will be deemed to have acknowledged,

represented to and agreed with our Company, the Selling Shareholders and the BRLM 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 offered pursuant to the Offer in compliance with all applicable laws and regulations;

2. the purchaser acknowledges that the Equity Shares offered pursuant to the Offer 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, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

3. the purchaser (i) is a U.S. QIB, (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, and (iii) is acquiring such Equity Shares for its own account or for the account of U.S. QIB with respect to which it exercises sole investment discretion;

4. the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;

5. 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 (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A under the U.S. Securities Act or (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act; and (B) in accordance with all applicable laws, including the securities laws of the states of the United States. The purchaser understands that the transfer restrictions will remain in effect until our Company determines, in its sole discretion, to remove them;

6. 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;

7. 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;

8. 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;

9. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless our Company determines otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

   **THE EQUITY SHARES REPRESENTED HEREBY HAVE 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 MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE U.S. SECURITIES ACT, OR (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.**

10. our 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; and

11. the purchaser acknowledges that our Company, the Selling Shareholders, the BRLM and 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 our Company and the BRLM, 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 the Offer***

Each purchaser that is acquiring the Equity Shares offered pursuant to the Offer outside the United States, by its acceptance of this Draft Red Herring Prospectus and of the Equity Shares offered pursuant to the Offer, will be deemed to have acknowledged, represented and warranted to and agreed with our Company, the Selling Shareholders and the BRLM 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 authorised to consummate the purchase of the Equity Shares offered pursuant to the Offer in compliance with all applicable laws and regulations;

2. the purchaser acknowledges that the Equity Shares offered pursuant to the Offer 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 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 offered pursuant to the Offer in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the U.S. Securities Act;

4. the purchaser is not purchasing the Equity Shares as a result of any "directed selling efforts" (as such term is defined in Rule 902 of Regulation S under the U.S. Securities Act);

5. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares offered pursuant to this Issue, was located outside the United States at the time (i) the offer for Equity Shares was made to it and (ii) when the buy order for such Equity Shares was originated, and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;

6. the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;

7. 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 (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A or (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act and (B) in accordance with all applicable laws, including the securities laws of the States of the United States. The purchaser understands that the transfer restrictions will remain in effect until our Company determines, in its sole discretion, to remove them;

8. 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;

9. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless our Company determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

**THE EQUITY SHARES REPRESENTED HEREBY HAVE 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 MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE U.S. SECURITIES ACT, OR (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.**

10. our 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; and

11. the purchaser acknowledges that our Company, the Selling Shareholders, the BRLM and 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 our Company and the BRLM, 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.

In relation to each European Economic Area State that has implemented the Prospectus Directive (Directive 2003/71/EC) and amendments thereto, including Directive 2010/73/EU and to the extent applicable, Prospectus Regulation (EU) 2017/1129 (each, a "**Relevant Member State**"), an offer to the public of any Equity Shares may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

a. to any legal entity which is a qualified investor as defined under the Prospectus Directive;

b. to fewer than 100 or, if the Relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150 natural or legal persons (other than qualified investors), subject to obtaining the prior consent of the BRLM; or

c. in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Equity Shares shall result in a requirement for our Company or any BRLM to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive and each person who receives any communication in respect of, or who acquires any Equity Shares under, the offers contemplated in this Draft Red Herring Prospectus will be deemed to have represented, warranted and agreed to with the BRLM and our Company that it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any of the Equity Shares in any Relevant Member States means the communication in any form and by any means of sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State.

In the case of any Equity Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the Equity Shares acquired by it in the offering have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any Equity Shares to the public in a Relevant Member State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that relevant member state or, where appropriate, approved in another Relevant Member State and notified to the competent authority in the Relevant Member State, all in accordance with the Prospectus Directive, other than their offer or resale to qualified investors or in circumstances in which the prior consent of the BRLM has been

obtained to each such proposed offer or resale.

Our Company, the BRLM and their affiliates, and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement.

This Draft Red Herring Prospectus is an advertisement and is not a prospectus for the purposes of EU Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EU and to the extent applicable, Prospectus Regulation (EU) 2017/1129).

**Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law.**

**Disclaimer Clause of BSE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

**Disclaimer Clause of NSE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

**Listing**

The Equity Shares offered pursuant to the Red Herring Prospectus and the Prospectus are proposed to be listed on BSE and NSE. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised. Applications will be made to BSE and NSE for obtaining their permission for the listing and trading of the Equity Shares.

**Consents**

Consents in writing of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, Statutory Auditors, legal counsel to the Company as to Indian law, legal counsel to the Book Running Lead Manager as to Indian law, Banker to our Company, international legal counsel to the Book Running Lead Manager, the Book Running Lead Manager, the Registrar to the Offer, and F&S have been obtained; and consents in writing of the Syndicate Members, Public Offer Account Bank, Sponsor Bank, Escrow Collection Bank(s) and Refund Bank(s) to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act and such consents shall not be withdrawn up to the time of filing of the Red Herring Prospectus with the RoC.

**Expert to the Offer**

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

Our Company has received written consent dated August 12, 2021 from Price Waterhouse Chartered Accountants LLP, to include their name as required under section 26(1) of the Companies Act, 2013 in this Draft Red Herring Prospectus as an "expert" as defined under the Companies Act, 2013, to the extent and in their capacity as our Statutory Auditors, and in respect of their examination report dated August 6, 2021 on our Restated Financial Information, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Further, our Company has received written consent dated August 12, 2021 from Saini Pati Shah & Co LLP, Chartered Accountants to include their name as required under section 26(1) of the Companies Act, 2013 in this Draft Red Herring Prospectus as an "expert" as defined under the Companies Act, 2013, in respect of their report dated August 12, 2021 on the 'Statement of possible special tax benefits' in this Draft Red Herring Prospectus, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

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

**Particulars regarding public or rights issues by our Company during the last five years and performance *vis-à-vis* objects**

Our Company has not made any public or rights issues (as defined under the SEBI ICDR Regulations) during the five years preceding the date of this Draft Red Herring Prospectus.

**Performance vis-à-vis objects – Last issue of subsidiaries and promoters**

Our Company does not have any corporate promoters or subsidiaries, as on the date of this Draft Red Herring Prospectus.

**Underwriting Commission, Brokerage and Selling Commission paid on previous issues of the Equity Shares**

Since this is the initial public issue of Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

**Capital issue during the previous three years by our Company**

Other than as disclosed in "*Capital Structure*" on page 74, our Company has not undertaken a capital issue in the last three years preceding the date of this Draft Red Herring Prospectus.

**Capital issue during the previous three years by listed subsidiaries or associates of our Company**

Our Company does not have any subsidiaries or associates, as on the date of this Draft Red Herring Prospectus.

**Price information of past issues handled by the Book Running Lead Manager**

**1. Price information of past issues handled by IIFL Securities Limited (during the current Fiscal and two Fiscals preceding the current financial year):**

| Sr. No. | Issue Name | Issue Size (in ₹ Mn) | Issue Price (₹) | Listing Date | Opening Price on Listing Date | +/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing |
|---|---|---|---|---|---|---|---|---|
| 1 | Antony Waste Handling Cell Limited | 2,999.85 | 315.00 | January 1, 2021 | 436.10 | -10.27%, [-2.74%] | -23.21%, [+4.80%] | +2.14%, [+12.34%] |
| 2 | MTAR Technologies Limited | 5964.14 | 575.00 | March 15, 2021 | 1,050.00 | +69.45%, [-2.84%] | +78.83%, [+5.83%] | Not applicable |
| 3 | Anupam Rasayan India Limited | 7,600.00 | 555.00 | March 24, 2021 | 520.00 | -0.11%, [-0.98%] | +30.49%, [+8.23%] | Not applicable |
| 4 | Craftsman Automation Limited | 8,236.96 | 1,490.00 | March 25, 2021 | 1,359.00 | -13.82%, [+0.11%] | +16.81%, [+10.11%] | Not applicable |
| 5 | Suryoday Small Finance Bank Limited | 5,808.39 | 305.00 | March 26, 2021 | 292.00 | -18.38%, [-1.14%] | -26.87%, [-98.46%] | Not applicable |
| 6 | Nazara Technologies Limited | 5,826.91 | 1,101.00 | March 30, 2021 | 1,990.00 | +62.57%, [0.13%] | +38.22%, [6.84%] | Not applicable |
| 7 | Barbeque-Nation Hospitality Limited | 4,528.74 | 500.00 | April 7, 2021 | 489.85 | +18.77%, [-0.64%] | +76.97%, [+6.85%] | Not applicable |
| 8 | Macrotech Developers Limited | 25,000.00 | 486.00 | April 19, 2021 | 436.00 | +30.22%, [+5.21%] | +75.43%, [+10.89%] | Not applicable |
| 9 | Shyam Metalics and Energy Limited | 9,085.50 | 306.00 | June 24, 2021 | 380.00 | +40.95%, [+0.42%] | Not applicable | Not applicable |
| 10 | Krishna Institute of Medical Sciences Limited | 21,437.44 | 825.00 | June 28, 2021 | 1,009.00 | +48.10%, [-0.43%] | Not applicable | Not applicable |

***Source:*** *www.nseindia.com*

***Note:*** *Benchmark Index taken as CNX NIFTY. Price on NSE is considered for all of the above calculations. The 30th, 90th and 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th /90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered. % change taken against the Issue Price in case of the Issuer. The Nifty 50 index is considered as the benchmark index. NA means Not Applicable.*

**2. Summary statement of price information of past issues handled by IIFL Securities Limited:**

| Financial Year | Total No. of IPO's | Total Funds Raised (in Rs. Mn) | No. of IPOs trading at discount – 30th calendar days from listing | | | No. of IPOs trading at premium – 30th calendar days from listing | | | No. of IPOs trading at discount – 180th calendar days from listing | | | No. of IPOs trading at premium – 180th calendar days from listing | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% |
| 2019–20 | 5 | 65,827.61 | - | - | 2 | - | 1 | 2 | 1 | 1 | 1 | - | - | 2 |
| 2020-21 | 8 | 47,017.65 | - | - | 4 | 2 | 1 | 1 | - | - | - | 1 | 1 | 1 |
| 2021-22 | 4 | 60,051.68 | - | - | - | - | 3 | 1 | - | - | - | - | - | - |

***Source:*** *www.nseindia.com*

***Note:*** *Data for number of IPOs trading at premium/discount taken at closing price on NSE on the respective date. In case any of the days falls on a non-trading day, the closing price on the previous trading day has been considered. NA means Not Applicable.*

**Track record of past issues handled by the Book Running Lead Manager**

For details regarding the track record of the Book Running Lead Manager, as specified in circular (reference CIR/MIRSD/1/2012) dated January 10, 2012 issued by SEBI, please see the website of the Book Running Lead Manager, as set forth in the table below:

| S. No. | Name of the Book Running Lead Manager | Website |
|---|---|---|
| 1. | IIFL Securities Limited | www.iiflcap.com |

**Stock Market Data of Equity Shares**

This being an initial public issue of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

**Mechanism for Redressal of Investor Grievances in the Offer**

The agreement between the Registrar to the Offer, our Company and the Selling Shareholders provides for retention of records with the Registrar to the Offer for a period of at least eight years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

**Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Bidders may also write to the Book Running Lead Manager or the Registrar to the Offer, in the manner provided below.**

All Offer related grievances, other than by Anchor Investors, may be addressed to the Registrar to the Offer, 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, ASBA Form number, Bidders' DP ID, Client ID, UPI ID, PAN, address of the Bidder, number of Equity Shares applied for, date of ASBA Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number (for Bidders other than RIBs using the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of RIBs using the UPI Mechanism. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. For offer related grievances, investors may contact Book Running Lead Manager, details of which are given in "*General Information*" on page 66.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding four Working Days from the Bid / Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid / Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. The following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism for public issues opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

| Scenario | Compensation amount | Compensation period |
|---|---|---|
| Delayed unblock for cancelled / withdrawn / deleted applications | ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher | From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the |

| Scenario | Compensation amount | Compensation period |
|---|---|---|
| | | Stock Exchanges till the date of actual unblock |
| Blocking of multiple amounts for the same Bid made through the UPI Mechanism | 1. Instantly revoke the blocked funds other than the original application amount and<br>2. ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher | From the date on which multiple amounts were blocked till the date of actual unblock |
| Blocking more amount than the Bid Amount | 1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and<br>2. ₹ 100 per day or 15% per annum of the difference amount, whichever is higher | From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock |
| Delayed unblock for non – Allotted / partially Allotted applications | ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher | From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock |

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the Book Running Lead Manager shall be liable to compensate the investor ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Our Company, the BRLM and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, name and address of the Book Running Lead Manager, unique transaction reference number, the name of the relevant bank, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLM where the Bid cum Application Form was submitted by the Anchor Investor.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer. Further, Bidders shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

**Disposal of Investor Grievances by our Company**

We have obtained authentication on the SCORES and are in compliance with the SEBI circular (CIR/OIAE/1/ 2014) dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

Our Company has also constituted a Stakeholders Relationship Committee, comprising Brij Bhushan, Neha Singh and Rohit Jain, to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For details of our Stakeholders Relationship Committee, please see "*Our Management*" beginning on page 160.

Our Company has also appointed Megha Bohra, Company Secretary of our Company, as the Compliance Officer for the Offer. For details, "*General Information – Company Secretary and Compliance Officer*" beginning on page 67.

Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus.

Further, no investor complaint in relation to our Company is pending as on the date of filing of this Draft Red Herring Prospectus.

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be seven 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.

## SECTION IX - OFFER INFORMATION

## TERMS OF THE OFFER

The Equity Shares being offered and transferred pursuant to this Offer are subject to the provisions of the Companies Act, the SCRA, SCRR, SEBI ICDR Regulations, SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus and the Abridged Prospectus, the Bid cum Application Form, the Revision Form, CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the offer of capital and listing and trading of securities offered from time to time by the SEBI, the Government, the Stock Exchanges, the RoC, the RBI, and / or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by such governmental, regulatory or statutory authority while granting its approval for the Offer.

### The Offer

The Offer comprises of an Offer for Sale by the Selling Shareholders. Expenses for the Offer shall be shared amongst our Company and the Selling Shareholders in the manner specified in "*Objects of the Offer*", beginning on page 88.

### Ranking of the Equity Shares

The Equity Shares being offered and transferred in the Offer shall be subject to the provisions of the Companies Act, our Memorandum of Association and our Articles of Association, and shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividend and other corporate benefits if any, declared by our Company after the date of Allotment. For further details, see "*Main Provisions of the Articles of Association*" on page 313.

### Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to shareholders of our Company as per the provisions of the Companies Act, 2013, our MoA and AoA, the SEBI Listing Regulations and other applicable law. All dividends, if any, declared by our Company after the date of Allotment, will be payable to the Bidders who have been Allotted Equity Shares in the Offer, including pursuant to the Offer for Sale, for the entire year, in accordance with applicable law. For further details in relation to dividends, see *"Dividend Policy"* and *"Main Provisions of the Articles of Association"* on pages 181 and 313, respectively.

### Face Value and Offer Price

The face value of the Equity Shares is ₹ 1. The Floor Price of Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share. The Price Band and minimum Bid Lot for the Offer will be decided by our Company and the Investor Selling Shareholders, in consultation with the Book Running Lead Manager, and advertised in [●] editions of the English national daily newspaper [●], [●] editions of the Hindi national daily newspaper [●], and [●] editions of the Kannada daily newspaper [●] (Kannada being the regional language of Karnataka, where our Registered Office is located), each with wide circulation, respectively, at least two Working Days prior to the Bid / Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and the Bid cum Application Form, shall be available at the websites of the Stock Exchanges.

The Offer Price shall be determined by our Company and the Investor Selling Shareholders in consultation with the Book Running Lead Manager, after the Bid / Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time there shall be only one denomination for the Equity Shares.

**Compliance with disclosure and accounting norms**

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

**Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles, the equity shareholders of our Company shall have the following rights:

- The right to receive dividend, if declared;
- The right to attend general meetings and exercise voting powers, unless prohibited by law;
- The right to vote on a poll either in person or by proxy or 'e-voting', in accordance with the provisions of the Companies Act;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive any surplus on liquidation subject to any statutory or preferential claims being satisfied;
- The right to freely transfer their Equity Shares, subject to foreign exchange regulations and other applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under applicable law, including the Companies Act, 2013, the terms of the SEBI Listing Regulations, and our MoA and AoA.

For a detailed description of the main provisions of our Articles relating to voting rights, dividend, forfeiture and lien, transfer and transmission, and / or consolidation / splitting, see "*Main Provisions of the Articles of Association*" on page 313.

**Allotment of Equity Shares in dematerialised form**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. Hence, the Equity Shares offered through the Red Herring Prospectus can be applied for in the dematerialised form only. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated April 22, 2021 amongst our Company, NSDL and the Registrar to the Offer.
- Agreement dated April 16, 2021 amongst our Company, CDSL and the Registrar to the Offer.

**Market lot and trading lot**

The trading of our Equity Shares on the Stock Exchanges shall only be in dematerialised form, consequent to which, the tradable lot is one Equity Share. Allotment of Equity Shares will be only in electronic form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares.

**Joint holders**

Subject to provisions contained in our Articles, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

**Jurisdiction**

The courts of Bengaluru will have exclusive jurisdiction in relation to this Offer.

**Period of operation of subscription list**

See "*Terms of the Offer – Bid / Offer Programme*" on page 286.

**Nomination facility to investors**

In accordance with Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or First Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of the sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons,

unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, alienation or transfer of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. A fresh nomination can be made only on the prescribed form, which is available on request at our Registered Office or with the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 as mentioned above, shall, upon the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividend, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment will be made only in dematerialised form, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders wish to change their nomination, they are requested to inform their respective Depository Participant.

**Bid / Offer Programme**

| | |
|---|---|
| **BID / OFFER OPENS ON*** | **[●]** |
| **BID / OFFER CLOSES ON**^** | **[●]** |

***** *Our Company and the Investor Selling Shareholders may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. Anchor Investors shall Bid on the Anchor Investor Bidding Date.*

** *Our Company and the Investor Selling Shareholders may, in consultation with the Book Running Lead Manager, consider closing the Bid / Offer Period for QIBs one day prior to the Bid / Offer Closing Date in accordance with the SEBI ICDR Regulations.*

^ *UPI mandate end time and date shall be at 12.00 pm on [●].*

An indicative timetable in respect of the Offer is set out below:

| Event | Indicative Date |
|---|---|
| Finalisation of Basis of Allotment with the Designated Stock Exchange | On or about [●] |
| Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account* | On or about [●] |
| Credit of the Equity Shares to depository accounts of Allottees | On or about [●] |
| Commencement of trading of the Equity Shares on the Stock Exchanges | On or about [●] |

* *In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.*

**The above timetable is indicative and does not constitute any obligation on our Company, the Selling Shareholders or the Book Running Lead Manager.**

**While 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 / Offer Closing Date or such period as may be prescribed, the timetable may change due to various factors, such as extension of the Bid / Offer Period by our Company and the Investor Selling Shareholder, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.**

**Each Selling Shareholder, severally and not jointly, confirms that it shall extend such reasonable co-operation as may be required by our Company and the Book Running Lead Manager for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid / Offer Closing Date, or within such other period as may be prescribed by SEBI.**

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding four Working Days from the Bid / Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid / Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. The following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism for public issues opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

| Scenario | Compensation amount | Compensation period |
|---|---|---|
| Delayed unblock for cancelled / withdrawn / deleted applications | ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher | From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock |
| Blocking of multiple amounts for the same Bid made through the UPI Mechanism | 1. Instantly revoke the blocked funds other than the original application amount and<br>2. ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher | From the date on which multiple amounts were blocked till the date of actual unblock |
| Blocking more amount than the Bid Amount | 1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and<br>2. ₹ 100 per day or 15% per annum of the difference amount, whichever is higher | From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock |
| Delayed unblock for non – Allotted / partially Allotted applications | ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher | From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock |

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the Book Running Lead Manager shall be liable to compensate the investor ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Except in relation to the Bids received from the Anchor Investors, Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (Indian Standard Time ("**IST**")) during the Bid / Offer Period (except on the Bid / Offer Closing Date) at the Bidding Centres as mentioned on the Bid cum Application Form **except that:**

(i) on the QIB Bid / Offer Closing Date, in case of Bids by QIBs under the Net QIB Portion, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time)* and uploaded until 4.00 p.m. (IST);

(ii) on the Bid / Offer Closing Date:

(a) in case of Bids by Non-Institutional Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 4.00 p.m. (IST); and

(b) in case of Bids by Retail Individual Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 5.00 p.m. (IST), which may be extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchanges.

The Registrar to the Offer shall submit details of cancelled / withdrawn / deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date, by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day.

**For the avoidance of doubt, it is clarified that Bids not uploaded on the electronic bidding system or in respect of which full Bid Amount is not blocked by SCSBs will be rejected.**

Due to limitation of the time available for uploading the Bids on the Bid / Offer Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid / Offer Closing Date and, in any case, no later than 1.00 p.m. (IST) on the Bid / Offer Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid / Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation under this Offer. Bids will only be accepted on Working Days.

Investors may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. Neither our Company, nor the Selling Shareholders, nor any member of the Syndicate is liable for any failure in: (i) uploading or downloading the Bids due to faults in any software / hardware system or otherwise, and (ii) the blocking of the Bid Amount in the ASBA Account of Bidders on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Our Company and the Investor Selling Shareholders, in consultation with the Book Running Lead Manager, reserves the right to revise the Price Band during the Bid / Offer Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment. The Floor Price shall not be less than the face value of the Equity Shares.

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

In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

**Minimum Subscription**

As this is an Offer for Sale by the Selling Shareholders, the requirement of minimum subscription of 90% of the Offer under the SEBI ICDR Regulations is not applicable to this Offer. However, if our Company does not receive the minimum subscription in the Offer as specified under the terms of Rule 19(2)(b) of the SCRR, as applicable, including through devolvement of Underwriters, if any, within 60 days from the date of Bid/Offer Closing Date, our Company and the Selling Shareholders, to the extent applicable, shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company and the Selling Shareholders, to the extent applicable, shall pay interest at the rate as prescribed under the applicable law. No liability to make any payment of interest shall accrue to any of the Selling Shareholders unless any delay in making any of the payments hereunder or any delay in obtaining listing or trading approvals or any other approvals in relation to the Offer is solely and directly attributable to any act or omission of such Selling Shareholders with respect to their Offered Shares, and in any other case, the Company shall take on the responsibility to pay interest.

Further, in accordance with Regulation 49(1) 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.

**Arrangements for disposal of odd lots**

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

**Restriction on transfer and transmission of shares**

Except for the lock-in of the pre-Offer Equity Share Capital of our Company, Promoters' Contribution and Equity Shares allotted to Anchor Investors pursuant to the Offer, as detailed in "*Capital Structure*" on page 74 and except as provided in our AoA, there are no restrictions on transfers and transmission of Equity Shares or on their consolidation or splitting. See, "*Main Provisions of the Articles of Association*" on page 313.

**Option to receive Equity Shares in dematerialized form**

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

**Withdrawal of the Offer**

Our Company and the Investor Selling Shareholders, in consultation with the Book Running Lead Manager, reserve the right not to proceed with the entire or portion of the Offer for any reason at any time after the Bid / Offer Opening Date but before the Allotment. Further, each of the Selling Shareholders reserves the right not to proceed with the Offer for Sale, in whole or in part thereof, to the extent of their respective portion of the Offered Shares, after the Bid / Offer Opening Date but before Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-Offer advertisements were published, within two days of the Bid / Offer Closing Date, providing reasons for not proceeding with the Offer. Further, the Stock Exchanges shall be informed promptly in this regard by our Company, and the Book Running Lead Manager, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchanges will also be informed promptly. In the event of withdrawal of the Offer and subsequently, plans of a fresh offer by our Company, a fresh draft red herring prospectus will be submitted again to SEBI.

Notwithstanding the foregoing, this Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within six Working Days or such other period as may be prescribed, and the final RoC approval of the Prospectus after it is filed with the RoC.

## OFFER STRUCTURE

The Offer is being made through the Book Building Process. The Offer is of up to 38,672,208 Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] thousand through an Offer of Sale by the Selling Shareholders. The Offer will constitute [●]% of the post-Offer paid-up Equity Share capital of our Company.

| Particulars | QIBs [(1)] | Non-Institutional Bidders | Retail Individual Bidders |
|---|---|---|---|
| Number of Equity Shares available for Allotment/ allocation* [(2)] | Not less than [●] Equity Shares | Not more than [●] Equity Shares available for allocation or offer less allocation to QIB Bidders and Retail Individual Bidders | Not more than [●] Equity Shares available for allocation or offer less allocation to QIB Bidders and Non-Institutional Bidders |
| Percentage of Offer Size available for Allotment/ allocation | Not less than 75% of the Offer size shall be allocated to QIB Bidders.<br><br>However, 5% of the QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance QIB Portion. The unsubscribed portion in the Mutual Fund portion will be available for allocation to other QIBs. | Not more than 15% of the Offer, or the Offer less allocation to QIB Bidders and Retail Individual Bidders. | Not more than 10% of the Offer, or the Offer less allocation to QIB Bidders and Non-Institutional Bidders |
| Basis of Allotment/ allocation if respective category is oversubscribed* | Proportionate as follows (excluding the Anchor Investor Portion):<br><br>(a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and<br><br>(b) [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above<br><br>Up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors | Proportionate | Proportionate, subject to the minimum Bid Lot. The allotment to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details see, "*Offer Procedure*" on page 292 |
| Minimum Bid | Such number of Equity Shares in multiples of [●] Equity Shares, that the Bid Amount exceeds ₹ 200,000 | Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter | [●] Equity Shares and in multiples of [●] Equity Shares thereafter |
| Maximum Bid | Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer, subject to applicable limits | Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer, (excluding the QIB Portion) subject to applicable limits | Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 200,000 |
| Bid Lot | [●] Equity Shares and in multiples of [●] Equity Shares thereafter | | |
| Mode of allotment | Compulsorily in dematerialised form | | |
| Allotment Lot | [●] Equity Shares and in multiples of one Equity Share thereafter | | |
| Trading Lot | One Equity Share | | |
| Who can apply[(3)] | Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, | Resident Indian individuals, Eligible NRIs, HUFs (in the name of the *karta*), companies, | Resident Indian individuals, Eligible NRIs and HUFs (in the name of the *karta*) |

| Particulars | QIBs [(1)] | Non-Institutional Bidders | Retail Individual Bidders |
|---|---|---|---|
| | scheduled commercial banks, Mutual Funds, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250,000 thousand, pension funds with minimum corpus of ₹2500,000 thousand, National Investment Fund set up by the Government of India, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial Companies. | corporate bodies, scientific institutions societies and trusts, FPIs who are individuals, corporate bodies and family offices, and are registered with SEBI | |
| Terms of Payment | **In case of Anchor Investors**: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[(4)]<br>**In case of all other Bidders**: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) that is specified in the ASBA Form at the time of submission of the ASBA Form | | |
| Mode of Bidding | Only through the ASBA process (except for Anchor Investors). | Only through the ASBA process. | Only through the ASBA process |

* *Assuming full subscription in the Offer*

*(1)* *Our Company and the Investor Selling Shareholders may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For further details, see "Offer Procedure" on page 292.*

*(2)* *Subject to valid Bids being received at or above the Offer Price. The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not more than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Offer 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 Offer Price.*

*Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Investor Selling Shareholders, in consultation with the Book Running Lead Manager and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.*

*(3)* *In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.*

*(4)* *Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.*

**Note:** *Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, 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.*

## OFFER PROCEDURE

*All Bidders should review the General Information Document for Investing in Public Offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the "**General Information Document**"), which highlight the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the Book Running Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, especially in relation to the process for Bids by RIBs through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

*Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note ("**CAN**") and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) submission of Bid cum Application Forms; (viii) other instructions (limited to joint Bids in cases of individual, multiple Bids and instances when an application would be rejected on technical grounds); (ix) designated date; (x) disposal of applications; (xi) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.*

*SEBI, through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 as amended from time to time, including pursuant to circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 ("**UPI Circulars**") has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism with the ASBA for applications by Retail Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries, in phase I, was effective, along with the prior process and existing timeline of T+6 days ("**UPI Phase I**"), until June 30, 2019. Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued, and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**") with effect from July 1, 2019, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. Further, as per the SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-2019 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors ("**UPI Phase III**"), as may be prescribed by SEBI. Accordingly, the Offer will be made under UPI Phase II, unless UPI Phase III becomes effective and applicable on or prior to the Bid / Offer Opening Date. If the Offer is made under UPI Phase III, the same will be advertised in [●] editions of the English national daily newspaper, [●] editions of the Hindi national daily newspaper, [●] and [●] editions of the Kannada daily newspaper, [●] (Kannada being the regional language of Karnataka, where our Registered Office is located) on or prior to the Bid / Offer Opening Date and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their websites. Further, SEBI, vide the UPI Streamlining Circular, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular are deemed to form part of this Draft Red Herring Prospectus.*

*Our Company, the Selling Shareholders and the members of the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft 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.*

*Further, our Company, the Selling Shareholders and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.*

**Book Building Procedure**

The Offer is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process, in accordance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Net Offer shall be Allotted to QIBs on a proportionate basis, provided that our Company and the Investor Selling Shareholders, in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Category to Anchor Investors, on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. In case of under-subscription or non-allocation in the Anchor Investor Portion, the remaining Equity Shares will be added back to the QIB Category (other than Anchor Investor Portion). 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category 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 Offer Price. Further, not more than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except the QIB Category, would be allowed to be met with spill-over from any other category or categories, as applicable, at the discretion of our Company and the Investor Selling Shareholders in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

**Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in 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 and UPI ID (for RIBs using the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.**

**Phased implementation of Unified Payments Interface**

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of *inter alia*, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.

**Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Offer.

Pursuant to the UPI Streamlining Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streaming Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, a requirement that SCSBs must send SMS alerts for the blocking and unblocking of UPI mandates, the requirement that the Registrar must submit details of cancelled, withdrawn or deleted applications, and the requirement that the bank accounts of unsuccessful Bidders be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within such timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the BRLM will be required to compensate the concerned investor.

All SCSBs offering the facility of making applications in public issues shall also provide the facility to make application using UPI. The Company will be required to appoint one of the SCSBs as a Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the Retail Individual Bidders using the UPI.

The Offer will be made under UPI Phase II of the UPI Circular, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Bid/Offer Opening Date. If the Offer is made under UPI Phase III of the UPI Circular, the same will be advertised in [●] editions of the English national daily newspaper, [●] editions of the Hindi national daily newspaper, [●] and [●] editions of the Kannada daily newspaper, [●] (Kannada being the regional language of Karnataka, where our Registered Office is located) on or prior to the Bid/ Offer Opening Date, and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their websites.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.

**Bid cum Application Form**

Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Offer. Anchor Investors are not permitted to participate in this Offer through the ASBA process.

Copies of the ASBA Forms and the abridged prospectus will be available with the Designated Intermediaries at relevant Bidding Centres and at our Registered Office. The ASBA Forms will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid / Offer Opening Date. Anchor Investor Application Forms shall be available at the office of the Book Running Lead Manager at the Anchor Investor Bidding Date.

Bidders (other than RIBs using the UPI Mechanism and Anchor Investors) must provide bank account details and authorisation by the ASBA bank account holder to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form. ASBA Forms that do not contain such details are liable to be rejected. The Sponsor Bank shall provide details of the UPI linked bank account of the Bidders to the Registrar to the Offer for purpose of reconciliation.

RIBs using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs using UPI Mechanism, may submit their ASBA Forms with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or by Sponsor Bank under the UPI Mechanism, as applicable at the time of submitting the Bid. In order to ensure timely information to investors SCSBs are required to send SMS alerts to investors intimating them about the Bid Amounts blocked/unblocked.

Anchor Investors are not permitted to participate in the Offer through the ASBA process. For Anchor Investors, the Anchor Investor Application Form will be available with the Book Running Lead Manager.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

| Category | Colour of Bid cum Application Form* |
|---|---|
| Resident Indians including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis[(1)] | [●] |
| Non-Residents including FPIs and Eligible NRIs, FVCIs and registered bilateral and multilateral development financial institutions applying on a repatriation basis[(1)] | [●] |
| Anchor Investors[(2)] | [●] |

** Excluding electronic Bid cum Application Forms*

*[(1)] Electronic Bid cum Application forms will also be available for download on the website of NSE (www.nseindia.com) and the BSE (www.bseindia.com).*

*[(2)] Bid cum Application Forms for Anchor Investors will be made available at the office of the Book Running Lead Manager.*

In case of ASBA Forms, Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges.

Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID / Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID / Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For RIBs using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate RIBs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an issue. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Offer for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on a daily basis and share reports with the Book Running Lead Manager in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

**Participation by associates and affiliates of the Book Running Lead Manager and the Syndicate Members, Promoters, Promoter Group and persons related to Promoters / Promoter Group.**

The Book Running Lead Manager 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 Book Running Lead Manager and the Syndicate Members may purchase Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, and such Bid subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the Book Running Lead Manager and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the Book Running Lead Manager nor any associates of the Book Running Lead Manager can apply in the Offer under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associates of the Book Running Lead Manager

(ii) insurance companies promoted by entities which are associates of the Book Running Lead Manager

(iii) AIFs sponsored by the entities which are associates of the Book Running Lead Manager; or

(iv) FPIs (other than individuals, corporate bodies and family offices) sponsored by the entities which are associates of the Book Running Lead Manager.

Further, persons related to our Promoters and Promoter Group shall not apply in the Offer under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a "*person related to the Promoters or Promoter Group*": (a) rights under a shareholders' agreement or voting agreement entered into with the Promoters or members of the Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an associate of a BRLM, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the Book Running Lead Manager.

The Promoters and the members of the Promoter Group will not participate in the Offer except to the extent of the Offered Shares.

**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 and the Investor Selling Shareholders, in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made. In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights. 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.

**Bids by HUFs**

Bids by HUFs shall be 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 as follows: "Name of sole or First 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.

**Bids by Eligible NRIs**

Eligible NRIs may obtain copies of Bid cum Application Form from the Book Running Lead Manager, Syndicate Member and sub-syndicate members at select locations as specified in the Bid cum Application Form. Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their SCSB or

should confirm / accept the UPI Mandate Request (in case of RIBs using the UPI Mechanism) to block their Non-Resident External ("**NRE**") accounts or Foreign Currency Non-Resident ("**FCNR**") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorise their SCSBs or should confirm / accept the UPI Mandate Request (in case of RIBs Bidding using the UPI Mechanism) to block their Non- Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. However, NRIs applying in the Offer through the UPI Mechanism, are advised to enquire with the relevant bank where their account is UPI linked prior to submitting their Bid cum Application.

Eligible NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Offer, provided the UPI facility is enabled for their NRE / NRO accounts.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents. Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents.

For details of investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 311. Participation of Eligible NRIs shall be subject to the FEMA NDI Rules.

**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 multiple entities having common ownership, directly or indirectly, of more than 50% or common control) must be below 10% of the post-Offer equity share capital of a company. The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the FEMA Regulations, except as respects things done or omitted to be done before such supersession. FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Additionally, the aggregate foreign portfolio investment up to 49% of the paid-up capital on a fully diluted basis or the sectoral / statutory cap, whichever is lower, does not require Government approval or compliance of sectoral conditions as the case may be, if such investment does not result in transfer of ownership and control of the resident Indian company from resident Indian citizens or transfer of ownership or control to persons resident outside India. Other investments by a person resident outside India will be subject to conditions of Government approval and compliance with sectoral conditions as laid down in these regulations.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under the SEBI FPI Regulations (as mentioned above from points (a) to (d)); and (b) prior consent of the FPI is obtained for such transfer, except

in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager ("**MIM**") structure
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager
- Multiple branches in different jurisdictions of foreign bank registered as FPIs
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having the same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with the same PAN). In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents.

**Bids by SEBI registered VCFs, AIFs and FVCIs**

The SEBI FVCI Regulations and the SEBI AIF Regulations, *inter-alia*, prescribe the respective investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI. 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 in various prescribed instruments, including in public offerings.

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 VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds 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 funds shall not launch any new scheme after notification of the SEBI AIF Regulations.

**There is no reservation for Eligible NRI Bidders, AIFs, FPIs and FVCIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.**

**All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

Neither our Company, nor the Selling Shareholders nor the Book Running Lead Manager will be responsible for loss, 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 and the Investor Selling Shareholders, in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof.

**Bids by banking companies**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company and the Investor Selling Shareholders, in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 ("**Banking Regulation Act**"). and the Reserve Bank of India Master Direction (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the 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 bank's paid-up share capital and reserves.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company, subject to prior approval of the RBI, if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company; (iii) hold along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above.

**Bids by SCSBs**

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013 respectively. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

**Bids by systemically important non-banking financial companies**

In case of Bids made by NBFC-SI, (i) a certified copy of the certificate of registration issued by the RBI, (ii) a certified copy of its last audited financial statements on a standalone basis, and (iii) a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form, along with other approval as may be required by the Systemically Important NBFCs. Failing this, our Company reserves the right to reject any Bid, without assigning any reason thereof. The investment limit for NBFC-SIs shall be as prescribed by RBI from time to time. NBFC-SIs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

**Bids by insurance companies**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, 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, 2016, as amended ("**IRDAI Investment Regulations**"), based on investments in the

equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them.

**Bids under power of attorney**

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with minimum corpus of ₹ 250,000 thousand and pension funds with a minimum corpus of ₹ 250,000 thousand, in each case, subject to applicable law and in accordance with their respective constitutional documents a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws as applicable must be lodged along with the 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 and the Investor Selling Shareholders, in consultation with the Book Running Lead Manager, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and the Investor Selling Shareholders, in consultation with the Book Running Lead Manager, may deem fit, without assigning any reasons thereof.

**Bids by Anchor Investors**

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below.

(i) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the Book Running Lead Manager.

(ii) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100,000 thousand. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100,000 thousand.

(iii) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

(iv) Bidding for Anchor Investors will open one Working Day before the Bid / Offer Opening Date, i.e., the Anchor Investor Bidding Date, and will be completed on the same day.

(v) Our Company and the Investor Selling Shareholders, in consultation with the Book Running Lead Manager may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:

  (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100,000 thousand;

  (b) 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, subject to a minimum Allotment of ₹ 50,000 thousand per Anchor Investor; and

  (c) in case of allocation above ₹ 2,500,000 thousand under the Anchor Investor Portion, a minimum of five such 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, subject to minimum Allotment of ₹ 50,000 thousand per Anchor Investor.

(vi) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the Book Running Lead Manager before the Bid / Offer Opening Date, through intimation to the Stock Exchange.

(vii) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(viii) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Allocation Price shall still be the Anchor Investor Office Price.

(ix) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.

(x) Neither the Book Running Lead Manager or any associate of the Book Running Lead Manager (except Mutual Funds sponsored by entities which are associates of the Book Running Lead Manager or insurance companies promoted by entities which are associate of the Book Running Lead Manager or AIFs sponsored by the entities which are associate of the Book Running Lead Manager or FPIs, other than individuals, corporate bodies or family offices sponsored by the entities which are associates of the Book Running Lead Manager) nor any "person related to the Promoters or Promoter Group" shall apply in the Offer under the Anchor Investor Portion. For further details, see "– *Participation by associates and affiliates of the Book Running Lead Manager and the Syndicate Members, Promoters, Promoter Group and persons related to Promoters / Promoter Group*" beginning on page 295.

(xi) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

(xii) For more information, see the General Information Document.

**Bids by provident funds / pension funds**

In case of Bids made by provident funds / pension funds, subject to applicable laws, with minimum corpus of ₹ 250,000 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 and the Investor Selling Shareholders, in consultation with the Book Running Lead Manager, reserve the right to reject any Bid, without assigning any reason therefor.

**The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States, and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being only offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as "U.S. QIBs") in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs".**

**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.**

**The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the members of Syndicate 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 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, the Red Herring Prospectus and Prospectus.**

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Offer**.**

**Information for Bidders**

The relevant Designated Intermediary will enter each Bid option into the electronic Bidding system as a separate Bid and generate an acknowledgement slip ("**Acknowledgement Slip**"), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three Acknowledgement Slips for each Bid cum Application Form. It is the Bidder's responsibility to obtain the Acknowledgment Slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he/she shall surrender the earlier Acknowledgement Slip and may request for a revised Acknowledgment Slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Red Herring Prospectus or this Draft Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

In the event of an upward revision in the Price Band, RIBs who had Bid at Cut-off Price could either (i) revise their Bid or (ii) shall make additional payment based on the cap of the revised Price Band (such that the total amount i.e. original Bid Amount plus additional payment does not exceed ₹ 200,000 with respect to RIBs if the Bidder wants to continue to Bid at Cut-off Price). The revised Bids must be submitted to the same Designated Intermediary to whom the original Bid was submitted. If the total amount (i.e. the original Bid Amount plus additional payment) exceeds ₹ 200,000 with respect to RIBs, the Bid will be considered for allocation under the Non-Institutional Portion. If, however, the Retail Individual Bidder does not either revise the Bid or make additional payment and the Offer 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 Retail Individual Bidder and the Retail Individual Bidder is deemed to have approved such revised Bid at Cut-off Price.

In the event of a downward revision in the Price Band, Retail Individual Bidders who have bid at Cut-off Price may revise their Bid; otherwise, the excess amount paid at the time of Bidding would be unblocked after Allotment is finalised.

Any revision of the Bid shall be accompanied by instructions to block the incremental amount, if any, to be paid on account of the upward revision of the Bid.

**Pre-Offer Advertisement**

Subject to Section 30 of the Companies Act, 2013, our Company will, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Kannada newspaper, Kannada being the regional language of Karnataka where our Registered Office is located). Our Company shall, in the pre-Offer advertisement state the Bid / Offer Opening Date, the Bid / Offer Closing Date and the Bid / Offer Closing Date for QIBs.

**Allotment Advertisement**

Our Company, the Book Running Lead Manager and the Registrar shall publish an advertisement in relation to Allotment before commencement of trading, disclosing the date of commencement of trading of the Equity Shares, in [●] editions of [●], an English national daily newspaper, [●] editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Kannada newspaper, Kannada being the regional language of Karnataka, where our Registered Office is located, each with wide circulation.

**Signing of Underwriting Agreement and filing of Prospectus with the RoC**

Our Company and the Selling Shareholders will enter into an Underwriting Agreement with the Underwriters on or immediately after the finalisation of the Offer Price. After signing the Underwriting Agreement, our Company will file the Prospectus with the RoC, in accordance with applicable law. The Prospectus will contain details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and will be complete in all material respects.

## GENERAL INSTRUCTIONS

Please note that QIBs and Non-Institutional Bidders 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 Bidders can revise their Bid(s) during the Bid / Offer Period and withdraw their Bid(s) until Bid / Offer 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 this Draft 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;

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. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

6. Ensure that your Bid cum Application Form bearing the stamp of the relevant Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;

7. In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Bid cum Application Form;

8. Bidders (other than RIIs bidding through the non-UPI Mechanism) should submit the Bid cum Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the CRTA at the Designated RTA Locations or CDP at the Designated CDP Locations. RIIs bidding through the non-UPI Mechanism should either submit the physical Bid cum Application Form with the SCSBs or Designated Branches of SCSBs under Channel I (described in the UPI Circulars) or submit the Bid cum Application Form online using the facility of 3-in 1 type accounts under Channel II (described in the UPI Circulars);

9. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than RIBs using the UPI Mechanism) in the Bid cum Application Form;

10. RIBs using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Bid cum Application Form;

11. RIBs using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;

12. RIBs bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the issue;

13. RIBs submitting a Bid cum Application Form using the UPI Mechanism, should ensure that: (a) the bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid is listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40;

14. RIBs submitting a Bid-cum Application Form to any Designated Intermediary (other than SCSBs) should ensure that only UPI ID is included in the Field Number 7: Payment Details in the Bid cum Application Form;

15. RIBs using the UPI Mechanism shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI;

16. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

17. 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;

18. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

19. Bidders, other than RIBs using the UPI Mechanism, shall ensure that they have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;

20. Ensure that you submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

21. 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;

22. 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 and (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. 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;

23. Ensure that Anchor Investors submit their Anchor Investor Application Form only to the Book Running Lead Manager;

24. Ensure that the Demographic Details are updated, true and correct in all respects;

25. 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;

26. Ensure that the correct investor category and the investor status is indicated in the Bid cum Application Form;

27. 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;

28. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

29. Ensure that the depository account is active, the correct DP ID, Client ID and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID and PAN available in the Depository database;

30. Ensure that where the Bid cum Application Form is submitted in joint names, 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;

31. 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 in case of Bidding through a Designated Intermediary (other than for Anchor Investors and RIBs ) 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 www.sebi.gov.in) or such other websites as updated from time to time;

32. 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 or Sponsor Bank, as applicable, 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;

33. For RIBs using the UPI Mechanism, ensure that you approve the Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

34. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;

35. RIBs shall ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid / Offer Closing Date;

36. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

37. RIBs using the UPI Mechanism should mention valid UPI ID of only the Applicant (in case of single account) and of the first Applicant (in case of joint account) in the Bid cum Application Form;

38. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;

39. RIBs using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner; and

40. Bids by Eligible NRIs and HUFs for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Portion, and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Portion, for the purposes of allocation in the Offer.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

***Don'ts*:**

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;

3. Do not Bid on another Bid cum Application Form or the Anchor Investor Application Form, as the case maybe, after you have submitted a Bid to a Designated Intermediary;

4. RIBs should not submit a Bid using the UPI Mechanism, unless the name of the bank where the bank account linked to your UPI ID is maintained, is listed on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40;

5. RIB should not submit a Bid using the UPI Mechanism, using a Mobile App or UPI handle, not listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40;

6. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;

7. Do not submit a Bid using UPI ID, if you are not a RIB;

8. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

9. Anchor Investors should not Bid through the ASBA process;

10. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company or at a location other than the Bidding Centres. Provided that RIBs not using the UPI Mechanism should not submit Bid cum Application Forms with Designated Intermediaries (other than SCSBs);

11. Do not Bid on a physical ASBA Form that does not have the stamp of the relevant Designated Intermediary;

12. Do not Bid at Cut-off Price in case of Bids by QIBs and Non-Institutional Bidders;

13. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Draft Red Herring Prospectus;

14. If you are a Non-Institutional Bidder or a Retail Individual Bidder, do not submit your Bid after 3.00 pm on the Bid / Offer Closing Date;

15. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid / Offer Closing Date;

16. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

17. Do not submit the General Index Register (GIR) number instead of the PAN;

18. Do not submit incorrect UPI ID details if you are a RIB Bidding through the UPI Mechanism. RIBs Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected;

19. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

20. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account;

21. Do not submit more than one Bid cum Application Form for each UPI ID in case of RIBs using the UPI Mechanism;

22. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;

23. Do not submit Bids to a Designated Intermediary at a location other than Specified Locations;

24. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

25. 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 Bidder. Retail Individual Bidders can revise or withdraw their Bids on or before the Bid / Offer Closing Date;

26. 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;

27. Do not Bid for Equity Shares in excess of what is specified for each category;

28. 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;

29. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by RIB Bidders using the UPI Mechanism;

30. Do not Bid on another Bid cum Application Form after you have submitted a Bid to any of the Designated Intermediaries;

31. 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);

32. Do not submit a Bid cum Application Form using a third party bank account or using third party linked bank account UPI ID (in case of in case of Bids submitted by RIBs using the UPI Mechanism); and

33. Do not Bid if you are an OCB.

**The Bid cum Application Form is liable to be rejected if any of the above instructions or any other condition mentioned in this Draft Red Herring Prospectus, as applicable, is not complied with.**

For helpline details of the Book Running Lead Manager pursuant to the SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see "*General Information – Book Running Lead Manager*" on page 67.

**Names of entities responsible for finalising the Basis of Allotment in a fair and proper manner**

The authorised employees of the Designated Stock Exchange, along with the Book Running Lead Manager and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

**Method of allotment as may be prescribed by SEBI from time to time**

Our Company will not make any Allotment in excess of the Equity Shares through the Offer Document except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 1% of the Offer may be made for the purpose of making Allotment in minimum lots.

The Allotment of Equity Shares to applicants other than to the Retail Individual Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The Allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum Bid Lot, subject to the availability of shares in Retail Individual Bidders Portion, and the remaining available Equity Shares, if any, shall be Allotted on a proportionate basis. The Allotment of Equity Shares to Anchor Investors shall be on a discretionary basis.

**Payment into Escrow Account**

Our Company and the Investor Selling Shareholders, in consultation with the Book Running Lead Manager, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS or NEFT) to the Escrow Accounts. The payment instruments for payment into the Escrow Accounts should be drawn in favour of:

(i) In case of resident Anchor Investors: "[●]"
(ii) In case of non-resident Anchor Investors: "[●]"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders and the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

**Depository Arrangements**

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite Agreement dated April 22, 2021 among NSDL, our Company and the Registrar to the Offer.

- Tripartite Agreement dated April 16, 2021 among CDSL, our Company and Registrar to the Offer.

**Undertakings by our Company**

Our Company undertakes the following:

(i) adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and to consider them similar to Anchor Investors while finalising the Basis of Allotment

(ii) the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily

(iii) that if the Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period

(iv) that all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within six Working Days of the Bid / Offer Closing Date or such other time as may be prescribed

(v) that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company

(vi) where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund

(vii) that if our Company does not proceed with the Offer after the Bid / Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid / Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly

(viii) that if our Company and the Investor Selling Shareholders, in consultation with the Book Running Lead Manager, withdraw the Offer after the Bid / Offer Closing Date, our Company shall be required to file a fresh draft offer document with the SEBI, in the event our Company or the Investor Selling Shareholders subsequently decide to proceed with the Offer thereafter

(ix) Promoter's contribution, if any, shall be brought in advance before the Bid / Offer Opening Date

(x) 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

(xi) that adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors; and

(xii) that no further issue of Equity Shares shall be made until the Equity Shares offered through this Draft Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.

**Undertakings by each Selling Shareholder**

Each Selling Shareholder, severally and not jointly, undertakes the following in respect of themself as a Selling Shareholder and its respective portion of the Offered Shares:

(i) that the Offered Shares are free and clear of any pre-emptive rights, liens, charges, pledges or encumbrances and are eligible to be a part of the Offer for Sale, in accordance with Regulation 8 of the SEBI ICDR Regulations

(ii) that they are the legal and beneficial owner of its respective portion of the Offered Shares

(iii) that they shall provide all support and cooperation as may be reasonably requested by our Company and the Book Running Lead Manager to the extent such support and cooperation is in relation to its Offered Shares and in relation to necessary formalities for listing and commencement of trading at the Stock Exchanges, the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders (as applicable) to the requisite extent of its respective portion of the Offered Shares

(iv) that each Selling Shareholder specifically confirms that they shall not have any recourse to the proceeds of the Offer, until final listing and trading approvals have been received from the Stock Exchanges

(v) that they shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer, except as permitted under applicable law; and

(vi) that they shall transfer their respective portion of the Offered Shares to an escrow demat account in accordance with the share escrow agreement to be executed between the parties to such share escrow agreement.

**Utilisation of Offer Proceeds**

The Selling Shareholders, severally and not jointly, and together with our Company declare that all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act.

**Impersonation**

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

"*Any person who—*

*(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*

*(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*

*(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name*

*shall be liable for action under Section 447.*"

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 1,000 thousand or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1,000 thousand or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5,000 thousand or with both.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is governed *inter alia* through the Industrial Policy, 1991 of the Government of India, FEMA and the FEMA NDI Rules. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries / departments are responsible for granting approval for foreign investment.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the "**FDI Policy**"), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

**The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States, and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being only offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as "U.S. QIBs") in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs".**

**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.**

For further details, see "*Offer Procedure*" on page 292.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

## SECTION X – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

*The Articles of the Company comprise of two parts, Part A and Part B, which shall be applicable in the following manner:*

*(a) Till the time of listing and trading of equity shares of the Company on a recognised stock exchange in India, Part A and Part B shall, unless the context otherwise requires, co-exist with each other. Notwithstanding anything contained herein, in the event of any conflict between the provisions of Part A and Part B of these Articles, the provisions of Parts B of these Articles shall prevail.*

*(b) Part B shall automatically terminate, be deleted and cease to have any force and effect upon the listing of equity shares of the Company proposed to be transferred/ issued pursuant to an initial public offering of the equity shares of the Company on a recognised stock exchange in India, without any further action by the Company, the Board of Directors or by the Shareholders.*

### PART A

**1. Table F Applicable**

No regulation contained in Table "F" in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.

### INTERPRETATION CLAUSE

**2.** In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:

**Act**

(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.

**Articles**

(b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.

**Auditors**

(c) "Auditors" means and includes those persons appointed as such for the time being of the Company.

**Capital**

(d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.

(e) "The Company" shall mean TRACXN TECHNOLOGIES LIMITED

**Executor or Administrator**

(f) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.

**Legal Representative**

(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.

**Gender**

(h) Words importing the masculine gender also include the feminine gender.

**In Writing and Written**

(i) "In Writing" and “Written" includes printing lithography and other modes of representing or reproducing words in a visible form.

**Marginal notes**

(j) The marginal notes hereto shall not affect the construction thereof.

**Meeting or General Meeting**

(k) “Meeting” or “General Meeting” means a meeting of members.

**Month**

(l) "Month" means a calendar month.

**Annual General Meeting**

(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.

**Extra-Ordinary General Meeting**

(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.

**National Holiday**

(o) “National Holiday” means and includes a day declared as National Holiday by the Central Government.

**Non-retiring Directors**

(p) “Non-retiring Directors” means a director not subject to retirement by rotation.

**Office**

(q) "Office” means the registered Office for the time being of the Company.

**Ordinary and Special Resolution**

(r) “Ordinary Resolution” and “Special Resolution” shall have the meanings assigned thereto by Section 114 of the Act.

**Person**

(s) “Person" shall be deemed to include corporations and firms as well as individuals.

**Proxy**

(t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.

**Register of Members**

(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.

**Seal**

(v) "Seal" means the common seal for the time being of the Company.

**Singular number**

(w) Words importing the Singular number include where the context admits or requires the plural number and vice versa.

**Statutes**

(x) "The Statutes" means the Companies Act, 2013and every other Act for the time being in force affecting the Company.

**These presents**

(y) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.

**Variation**

(z) "Variation" shall include abrogation; and "vary" shall include abrogate.

**Year and Financial Year**

(aa) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.

**Expressions in the Act to bear the same meaning in Articles**

Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.

## CAPITAL

**3. Authorized Capital**

The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.

**4. Increase of capital by the Company how carried into effect**

The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.

**5. Further Issue of Share Capital**

(a) Where, at any time, it is proposed to increase the subscribed capital of the company by allotment of further shares then:

(i) Such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the company, in proportion, as nearly as circumstances admit, to the capital paid-up on those shares at that date;

(ii) The offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;

(iii) 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 sub-clause (ii) shall contain a statement of this right;

(iv) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the company.

(b) Notwithstanding anything contained in subclause (a), the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (i) of sub-clause (a) hereof) in any manner whatsoever.

(i) If a special resolution to that effect is passed by the company in general meeting, or

(ii) 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 members who, being entitled so to do, 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.

(c) Nothing in sub-clause (iii) of (a) hereof shall be deemed:

(i) To extend the time within which the offer should be accepted; or

(ii) To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

(d) Nothing in this Article shall apply to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debentures issued by the company:

(i) To convert such debentures or loans into shares in the company; or

(ii) To subscribe for shares in the company

PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

(a) Either has been approved by the central Government before the issue of debentures or the raising of the loans or is in conformity with Rules, if any, made by that Government in this behalf; and

(b) In the case of debentures or loans or other than debentures issued to, or loans obtained from the Government or any institution specified by the Central Government in this behalf, has also been approved by the special resolution passed by the company in General Meeting before the issue

of the loans.

**6. New Capital same as existing capital**

Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

**7. Non-Voting Shares**

The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.

**8. Redeemable Preference Shares**

Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.

**9. Voting rights of preference shares**

The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.

**10. Provisions to apply on issue of Redeemable Preference Shares**

On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions-shall take effect:

(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;

(b) No such Shares shall be redeemed unless they are fully paid;

(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;

(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and

(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital.

**11. Reduction of capital**

The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce:

(a) the share capital;
(b) any capital redemption reserve account; or
(c) any security premium account

In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.

**12. Debentures**

Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any 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 with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

**13. Issue of Sweat Equity Shares**

The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.

**14. ESOP**

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 a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.

**15. Buy Back of shares**

Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

**16. Consolidation, Sub-Division and Cancellation**

Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

**17. Issue of Depository Receipts**

Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.

**18. Issue of Securities**

Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.

**19. Register of Members**

The Company shall cause to be kept a register and index of members in accordance with all applicable

provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in physical and dematerialised forms in any medium as may be permitted by law including in any form of electronic medium. The Company shall be entitled to keep in any State or Country outside India a branch Register of Members Resident in that State or Country.

## MODIFICATION OF CLASS RIGHTS

**20. Modification of rights.**

(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.

Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.

**New Issue of Shares not to affect rights attached to existing shares of that class.**

(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.

**21. Shares at the disposal of the Directors.**

Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.

PROVIDED THAT option or right to call of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.

**22. Power to issue shares on preferential basis.**

The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.

**23. Shares should be Numbered progressively and no share to be subdivided.**

The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

**24. Acceptance of Shares.**

An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.

**25. Directors may allot shares as full paid-up**

Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.

**26. Deposit and call etc.to be a debt payable immediately.**

The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.

**27. Liability of Members.**

Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.

**28. Registration of Shares.**

Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.

**RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT**

**29.** The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Section 39 of the Act

**CERTIFICATES**

**30. Share Certificates.**

(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve.

PROVIDED THAT in respect of a 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 of shares to one or several joint holders shall be a sufficient delivery to all such holder.

(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board

shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.

**31. Issue of new certificates in place of those defaced, lost or destroyed.**

(a) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof 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 lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate.

(b) Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding ₹ 2 for each certificate) as the Directors shall prescribe.

PROVIDED THAT no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

PROVIDED THAT notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Companies Act, 2013 or rules made under Securities Contracts (Regulation) Act, 1956 or any other act, or rules applicable thereof in this behalf.

(c) The provision of this Article shall mutatis mutandis apply to debentures of the company.

**32. The first named joint holder deemed Sole holder.**

(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.

**Maximum number of joint holders.**

(b) The Company shall not be bound to register more than three persons as the joint holders of any share.

**33. Company not bound to recognise any interest in share other than that of registered holders.**

Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

**34. Instalment on shares to be duly paid.**

If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by instalment, every such instalment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.

**UNDERWRITING AND BROKERAGE**

**35. Commission**

Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or

conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.

**36. Brokerage**

The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.

**CALLS**

**37. Directors may make calls**

(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.

(2) A call may be revoked or postponed at the discretion of the Board.

(3) A call may be made payable by instalments.

**38. Notice of Calls**

Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.

**39. Calls to date from resolution.**

A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.

**40. Calls on uniform basis.**

Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.

**41. Directors may extend time.**

The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.

**42. Calls to carry interest.**

If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.

**43. Sums deemed to be calls.**

If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or instalment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or instalment accordingly.

**44. Proof on trial of suit for money due on shares.**

On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

**45. Judgment, decree, partial payment motto proceed for forfeiture.**

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 thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.

**46. Payments in Anticipation of calls may carry interest**

(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.

(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.

(c) The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.

**LIEN**

**47. Company to have Lien on shares.**

The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.

**48. Fully paid shares to be free from all lien**

Fully paid shares of the Company shall be free from all lien. In the case of partly paid shares, the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

**49. As to enforcing lien by sale.**

For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.

**50. Application of proceeds of sale.**

The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to 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.

**FORFEITURE AND SURRENDER OF SHARES**

**51. If call or instalment not paid, notice may be given.**

If any Member fails to pay the whole or any part of any call or instalment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or instalment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or instalment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or instalment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.

**52. Terms of notice.**

The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or instalment and such interest thereon as the Directors shall determine from the day on which such call or instalment ought to have been paid and expenses as aforesaid are to be paid.

The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

**53. On default of payment, shares to be forfeited.**

If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or instalments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.

**54. Notice of forfeiture to a Member**

When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.

**55. Forfeited shares to be property of the Company and may be sold etc.**

Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.

**56. Members still liable to pay money owing at time of forfeiture and interest.**

Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.

**57. Effect of forfeiture.**

The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

**58. Evidence of Forfeiture.**

A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles 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 shares.

**59. Title of purchaser and allottee of Forfeited shares.**

The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.

**60. Cancellation of share certificate in respect of forfeited shares.**

Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.

**61. Forfeiture may be remitted.**

In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.

**62. Validity of sale**

Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given,

the Board may appoint some person to execute an instrument of 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 the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, 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 and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

**63. Surrender of shares.**

The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.

**TRANSFER AND TRANSMISSION OF SHARES**

**64. Execution of the instrument of shares.**

(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee.

(b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.

**65. Transfer Form.**

The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof.

The instrument of transfer shall be in a common form approved by the Exchange.

**66. Transfer not to be registered except on production of instrument of transfer.**

The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, 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 certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: 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 of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, 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 any person to whom the right to any shares in the Company has been transmitted by operation of law.

**67. Directors may refuse to register transfer.**

Subject to the provisions of Section 58 and 59 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, these Articles and other applicable provisions of the Act, the Directors may, whether in pursuance of any power of the company under these Articles or otherwise, decline to register the transfer of, or the transmission by operation of law of the right to, any shares, or interest of a Member therein, or debentures of the Company. The Company shall, within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal.

PROVIDED THAT registration of transfer shall however 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.

**68. Notice of refusal to be given to transferor and transferee.**

If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.

**69. No fee on transfer.**

No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.

**70. Closure of Register of Members or debenture holder or other security holders**

The Board of Directors shall have power on giving not less than seven days pervious notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.

**71. Custody of transfer Deeds.**

The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.

**72. Application for transfer of partly paid shares.**

Where an application of transfer 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 receipt of the notice.

**73. Notice to transferee.**

For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

**74. Recognition of legal representative.**

(a) 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 person recognized by the Company as having any title to his interest in the shares.

(b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India.

Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate

(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

**75. Titles of Shares of deceased Member**

The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72of the Companies Act.

**76. Notice of application when to be given**

Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.

**77. Registration of persons entitled to share otherwise than by transfer. (transmission clause).**

Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.

**78. Refusal to register nominee.**

Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

**79. Board may require evidence of transmission.**

Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.

**80. Company not liable for disregard of a notice prohibiting registration of transfer**

The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.

**81. Form of transfer Outside India.**

In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.

**82. No transfer to insolvent etc.**

No transfer shall be made to any minor, insolvent or person of unsound mind.

## NOMINATION

**83. Nomination**

i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013shall apply in respect of such nomination.

ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014

iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.

iv) lf the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.

**84. Transmission of Securities by nominee**

A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-

(i) to be registered himself as holder of the security, as the case may be; or

(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;

(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;

(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

PROVIDED FURTHER THAT the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.

## DEMATERIALISATION OF SHARES

**85. Dematerialisation of Securities**

Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility

to hold securities issued by it in dematerialized form.

## JOINT HOLDER

**86. Joint Holders**

Where two or more persons are registered as the holders of any share, they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.

**87. Joint and several liabilities for all payments in respect of shares.**

(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.

**Title of survivors.**

(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;

**Receipts of one sufficient.**

(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and

**Delivery of certificate and giving of notices to first named holders.**

(d) 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 delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.

## SHARE WARRANTS

**88. Power to issue share warrants**

The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.

**89. Deposit of share warrants**

(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.

(b) Not more than one person shall be recognized as depositor of the Share warrant.

(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.

**90. Privileges and disabilities of the holders of share warrant**

(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.

(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.

**91. Issue of new share warrant coupons**

The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

## CONVERSION OF SHARES INTO STOCK

**92. Conversion of shares into stock or reconversion.**

The Company may, by ordinary resolution in General Meeting.

a) convert any fully paid-up shares into stock; and

b) re-convert any stock into fully paid-up shares of any denomination.

**93. Transfer of stock.**

The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

**94. Rights of stock holders.**

The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares , have conferred that privilege or advantage.

**95. Regulations.**

Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words “share” and “shareholders” in those regulations shall include “stock” and “stockholders” respectively.

## BORROWING POWERS

**96. Power to borrow.**

Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting 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 specified purpose.

**97. Issue of discount etc. or with special privileges.**

Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.

**98. Securing payment or repayment of Moneys borrowed.**

The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.

**99. Bonds, Debentures etc. to be under the control of the Directors.**

Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

**100. Mortgage of uncalled Capital.**

If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.

**101. Indemnity may be given.**

Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surely for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

## MEETINGS OF MEMBERS

**102. Distinction between AGM & EGM.**

All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.

**103. Extra-Ordinary General Meeting by Board and by requisition**

(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members

**Proceedings at General Meeting**

(b) No business shall be transacted at any general meeting unless quorum of members, as stipulated under the provisions of the Act, is present at the time when the meeting proceeds to business.

(c) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103 of the Act.

**When a Director or any two Members may call an Extra Ordinary General Meeting**

(d) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.

**104. Meeting not to transact business not mentioned in notice.**

No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.

**105. Chairman of General Meeting**

The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Vice Chairman of the Company so shall take the chair and preside the meeting. In the absence of the Vice Chairman as well, the Directors present may choose one of the Directors among themselves to preside the meeting.

**106. Business confined to election of Chairman or Vice Chairman whilst chair is vacant.**

No business, except the election of a Chairman or Vice Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.

**107. Chairman with consent may adjourn meeting.**

a) 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.

b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

d) 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.

**108. Chairman's casting vote.**

In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.

**109. In what case poll taken without adjournment.**

Any poll duly demanded on the election of Chairman or Vice Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.

**110. Demand for poll not to prevent transaction of other business.**

The demand for a poll except on the question of the election of the Chairman or Vice Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than

the question on which the poll has been demanded.

## VOTES OF MEMBERS

**111. Members in arrears not to vote.**

No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.

**112. Number of votes each member entitled.**

Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.

**113. Casting of votes by a member entitled to more than one vote.**

On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

**114. Vote of member of unsound mind and of minor**

A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor 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.

**115. Postal Ballot**

Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.

**116. E-Voting**

A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

**117. Votes of joint members.**

a) 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. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.

b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

**118. Votes may be given by proxy or by representative**

Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles

**119. Representation of a body corporate.**

A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.

**120. Members paying money in advance.**

(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.

**Members not prohibited if share not held for any specified period.**

(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.

**121. Votes in respect of shares of deceased or insolvent members.**

Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least 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 satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.

**122. No votes by proxy on show of hands.**

No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.

**123. Appointment of a Proxy.**

The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

**124. Form of proxy.**

An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

**125. Validity of votes given by proxy notwithstanding death of a member.**

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.

**126. Time for objections to votes.**

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.

**127. Chairperson of the Meeting to be the judge of validity of any vote.**

Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

## DIRECTORS

**128. Number of Directors**

Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution

**129. Qualification shares.**

A Director of the Company shall not be bound to hold any Qualification Shares in the Company.

**130. Nominee Directors.**

(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the financing company or body or financing corporation or credit corporation or bank or any insurance corporation (each such financing company or body or financing corporation or credit corporation or bank or any insurance corporation is hereinafter referred to as financial institution) out of any loans granted by the financial institution to the Company or so long as the financial institution hold Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the financial institution on behalf of the Company remains outstanding, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement.

(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.

(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.

**131. Appointment of alternate Director.**

The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director

returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.

**132. Additional Director**

Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.

**133. Directors power to fill casual vacancies.**

Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, 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, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.

**134. Sitting Fees.**

Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.

**135. Travelling expenses Incurred by Director on Company's business.**

The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.

**PROCEEDINGS` OF THE BOARD OF DIRECTORS**

**136. Meetings of Directors.**

(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.

(b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

**Quorum**

No business shall be transacted at any Board meeting unless quorum of Directors, as stipulated under the provisions of the Act, is present at the time when the meeting proceeds to business

**137. Chairman and Vice Chairman**

a) The Directors may from time to time elect from among their members a Chairperson of the Board as well as a Vice Chairman of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, to the Vice Chairman shall preside at the meeting and in the absence of the Vice Chairman as well, the Directors present may choose one of the Directors among themselves to preside the meeting.

b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.

**138. Questions at Board meeting how decided.**

Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman or the Vice Chairman, as the case may be will have a second or casting vote.

**139. Continuing directors may act notwithstanding any vacancy in the Board**

The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

**140. Directors may appoint committee.**

Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

**141. Committee Meetings how to be governed.**

The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.

**142. Chairperson of Committee Meetings**

a) A committee may elect a Chairperson of its meetings.

b) 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.

**143. Meetings of the Committee**

a) A committee may meet and adjourn as it thinks fit.

b) 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.

**144. Acts of Board or Committee shall be valid notwithstanding defect in appointment.**

Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.

**145. Power to fill casual vacancy**

Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and 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 had not been

vacated as aforesaid.

## POWERS OF THE BOARD

**146. Powers of the Board**

The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However, no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

**147. Certain powers of the Board**

Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say

**To acquire any property, rights etc.**

(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.

**To take on Lease.**

(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.

**To erect & construct.**

(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.

**To pay for property.**

(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

**To insure properties of the Company.**

(5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.

**To open Bank accounts.**

(6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.

**To secure contracts by way of mortgage.**

(7) To secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.

**To accept surrender of shares.**

(8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.

**To appoint trustees for the Company.**

(9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.

**To conduct legal proceedings.**

(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.

**Bankruptcy & Insolvency**

(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.

**To issue receipts & give discharge.**

(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.

**To invest and deal with money of the Company.**

(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.

**To give Security by way of indemnity.**

(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;

**To determine signing powers.**

(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills,

notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.

**Commission or share in profits.**

(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.

**Bonus etc. to employees.**

(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.

**Transfer to Reserve Funds.**

(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depredation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.

**To appoint and remove officers and other employees.**

(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.

**To appoint Attorneys.**

(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether

nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.

**To enter into contracts.**

(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.

**To make rules.**

(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.

**To effect contracts etc.**

(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.

**To apply & obtain concessions licenses etc.**

(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.

**To pay commissions or interest.**

(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.

**To redeem preference shares.**

(26) To redeem preference shares.

**To assist charitable or benevolent institutions.**

(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.

(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.

(29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.

(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and

dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.

(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.

(32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.

(33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.

(34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.

(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.

(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.

(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.

(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.

## MANAGING AND WHOLE-TIME DIRECTORS

**148. Powers to appoint Managing/ Wholetime Directors.**

a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.

**149. Remuneration of Managing or Wholetime Director.**

The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.

**150. Powers and duties of Managing Director or Whole-time Director.**

(1) Subject to control, direction and supervision of the Board of Directors, the day-today management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.

(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.

(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.

(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.

(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.

**CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

**151. Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer**

a) 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.

**b)** A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

**THE SEAL**

**152. The seal, its custody and use.**

(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.

(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.

**153. Deeds how executed.**

The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

**Dividend and Reserves**

**154. Division of profits.**

(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(3) 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.

**155. The company in General Meeting may declare Dividends.**

The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.

**156. Transfer to reserves**

a) 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.

b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

**157. Interim Dividend.**

Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

**158. Debts may be deducted.**

The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

**159. Capital paid up in advance not to earn dividend.**

No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.

**160. Dividends in proportion to amount paid-up.**

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 dividends as from a particular date such share shall rank for dividend accordingly.

**161. Retention of dividends until completion of transfer under Articles.**

The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.

**162. No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.**

No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.

**163. Effect of transfer of shares.**

A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.

**164. Dividend to joint holders.**

Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.

**165. Dividends how remitted.**

a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

**166. Notice of dividend.**

Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

**167. No interest on Dividends.**

No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.

**168. Unpaid or unclaimed dividend**

a) If the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, the Company shall, within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days, transfer the total amount of dividend, which remained so unpaid or unclaimed to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account".

b) Any money so transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. "Investor Education and Protection Fund".

## CAPITALIZATION

**169. Capitalization.**

(1) 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 (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:

(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or

(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).

(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.

(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

**170. Fractional Certificates.**

(1) 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 to do all acts and things required to give effect thereto.

(2) The Board shall have full power -

(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case

may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.

(3) Any agreement made under such authority shall be effective and binding on all such members.

(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.

**171. Inspection of Minutes Books of General Meetings.**

(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.

(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.

**172. Inspection of Accounts**

a) 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.

b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

## FOREIGN REGISTER

**173. Foreign Register.**

The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.

## DOCUMENTS AND SERVICE OF NOTICES

**174. Signing of documents & notices to be served or given.**

Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.

**175. Authentication of documents and proceedings.**

Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.

## WINDING UP

**176.** Subject to the provisions of Chapter XX of the Act and rules made thereunder—

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind,

the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

## INDEMNITY

**177. Directors' and others right to indemnity.**

Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.

**178. Not responsible for acts of others**

Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.

## SECRECY

**179. Secrecy**

(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

**Access to property information etc.**

(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any

matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.

**180. Nomination of Directors by Investor**

Notwithstanding anything contained in these Articles and hereinabove, this Article 180 shall be placed before the Shareholders for their approval through special resolution post listing of the equity shares on the Stock Exchanges. In the event the Shareholders approve the Article, this Article 180 would come into force and become valid, applicable and effective along with along with other Articles in this Part A and the provisions of Article 180 shall prevail over anything contained hereinabove in case of any inconsistency:

**(a) Investor Director**

(i) Notwithstanding anything in these Articles, in the event that Elevation Capital V Limited holds 7% or more of the paid-up share capital of the Company on a fully diluted basis, it shall have the right to nominate one Director on the Board of the Company. Elevation Capital V Limited shall be hereinafter referred to as "**Investor**", and the nominee of the Investor is hereinafter referred to as the "**Investor Director**". The nomination of the Investor Director shall take effect immediately upon a notification to the Company by the Investor.

(ii) The Investor Director shall be director whose office is not capable of being vacated by retirement or by rotation. However, the Investor shall cause the Investor Director to resign from the Board immediately upon the Investor ceasing to hold less than 7% of the Share Capital on a fully diluted basis and the director nomination right herein shall cease to exist on and from such date.

(iii) In the event any Investor Director has been nominated to the Board prior to the listing of the Company's equity shares, the continuation of their appointment thereafter shall be subject to the approval of the Shareholders in the first general meeting convened after listing of the equity shares of the Company.

**(b) Investor Alternate Director**

(i) Notwithstanding anything in these Articles, so long as the Investor holds 7% of the share capital on a fully diluted basis, it shall be entitled to appoint, remove and substitute an alternate Director to an Investor Director nominated by it ("**Investor Alternate Director**"") from time to time and to act as an alternate Director to the Investor Director during the absence of the Investor Director from the state in which the meetings of the Board are ordinarily held. The nomination of the Investor Alternate Director shall take effect immediately upon a notification to the Company by the Investor.

(ii) The Investor Alternate Director shall be considered for the constitution of quorum and shall be entitled to attend and vote at such meetings in place of the Investor Director and generally perform all functions of the Investor Director in their absence.

(iii) The Investor Alternate Director shall be director whose office is not capable of being vacated by retirement or by rotation. However, the Investor shall cause the Investor Alternate Director to resign from the Board immediately upon the Investor ceasing to hold less than 7% of the Share Capital on a fully diluted basis and the director nomination right herein shall cease to exist on and from such date.

(iv) In the event any Investor Alternate Director has been nominated to the Board prior to the listing of the Company's equity shares, the continuation of their appointment thereafter shall be subject to the approval of the Shareholders in the first general meeting convened after listing of the equity shares of the Company.

(v) Upon the appointment of the Investor Alternate Director, all notices and other materials that are circulated to the Directors shall also be circulated to the Investor Alternate Director.

(c) The right of nomination of the Investor Director or Investor Alternate Director by the Investors in sub-clauses (a) and (b) above shall include the right at any time to remove from office any such individuals nominated or appointed by them and from time to time determine the period for which such individuals shall hold office as Director.

(d) The Investor shall ensure that they and their representatives shall, at all times, exercise their votes through the Investor Director (or Investor Alternate Director) at meetings of the Board, and otherwise act in such manner so as to comply with, and to fully and effectually implement the spirit, intent and provisions of these Articles.

## PART B

## I. PRELIMINARY

1.1. Subject to as hereinafter provided, the Regulations in Table 'F' in the First Schedule to the Companies Act, 2013 as far as applicable to a company except and in so far as they are altered, varied or deleted in these Articles which shall be the regulations for the management of the Company.

## II. DEFINITIONS AND INTERPRETATIONS

2.1. In the construction of these Articles unless inconsistent with the context the singular shall include the plural and the masculine shall include the feminine and vice versa and the following words and expression, unless inconsistent with the context, shall bear the meanings assigned hereto:

2.1.1. "**Act**" means the Companies Act, 2013, and the Companies Act, 1956 (to the extent applicable), the rules and regulations prescribed thereunder, as now enacted or as amended from time to time and shall include any statutory replacement or re-enactment thereof.

2.1.2. "**Affiliate**", with respect to: (a) a corporation, partnership, association, trust, or any other entity (in each case, a "Person"), means any Person who, Controls, is Controlled by or is under common Control with such Person, including, without limitation any general partner, officer or director of such Person and any venture capital fund now or hereafter existing which is Controlled by or under common Control with one or more general partners or shares the same management company with such Person, and (b) an individual, means any Person who is Controlled by or is under common Control with the individual, a Relative of such individual and a Person who is Controlled by or in under common Control with a Relative of such individual.

2.1.3. Without limiting the generality of the foregoing, Affiliate in relation to SAIF or a Series A4 Investor or a Series B1 Investor or a Series B2 Investor includes: (a) any fund, collective investment scheme, trust, partnership (including, any co-investment partnership), special purpose or other vehicle, in which SAIF or Series A4 Investor or a Series B1 Investor or a Series B2 Investor (as applicable) is a general or limited partner, significant shareholder, investment manager or advisor, settlor, member of a management or investment committee or trustee; (b) any general partner of SAIF or such Series A4 Investor or Series B1 Investor or Series B2 Investor (as applicable); and (c) any fund, collective investment scheme, trust, partnership (including, any co-investment partnership), special purpose or other vehicle in which any general partner of SAIF or Series A4 Investor or Series B1 Investor or Series B2 Investor (as applicable) is a general partner, significant shareholder, investment manager or advisor, settlor, member of a management or investment committee or trustee.

2.1.4. "**Angel Investors**" shall refer to any and all of (i) Sachin Bansal, having his address at 841, 15th main 3rd Block, Koramangala, Bengaluru -560034 , (ii) Binny Bansal, having his address at C-703, Mantri Classic Apts, 1st Main, 8th Cross 4th Block, Koramangala, Bengaluru- 560034, Karnataka , (iii) Mukul Singhal, having his address at 6386, Sector B9, Vasant Kunj, New Delhi – 110070, (iv) Nita Goyal, having her address at 1734 Webster Street, Palo Alto, CA 94301,

USA , (v) Sahil Barua, having his address at F-272, DLF Park Heights, Sector 54, Gurgaon – 122002 and (vi) Deepak Singh, having his address at Flat# 9134, Tower 9, Embassy Pristine, Iblur Village, Bellandur, Bengaluru, Karnataka 560103 , and shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include their heirs, successors and permitted assigns.

2.1.5. "**Applicable Law**" includes all statutes, enactments, acts of legislature or parliament, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders, requirement or other governmental restrictions or any similar form of decision of, or determination by, or any interpretation, policy or administration, having the force of law of any of the foregoing, of any government, statutory authority, tribunal, board, court having jurisdiction over the matter in question, or any recognized stock exchange(s) on which the Shares may be listed.

2.1.6. "**Articles**" means the memorandum of association and articles of association of the Company as amended from time to time.

2.1.7. "**As If Converted Basis**" means a calculation assuming that all Dilution Instruments existing at the time of determination have been exercised or converted into Shares, excluding any options issued or reserved for issuance under any stock option plan or scheme by whatever name called of the Company.

2.1.8. "**Assets**" shall mean assets or properties of every kind, nature, character and description (whether immovable, movable, tangible, intangible, absolute, accrued, fixed or otherwise), including cash, cash equivalents, receivables, real estate, plant and machinery, equipment, Proprietary Rights, raw materials, inventory, furniture, fixtures and insurance.

2.1.9. "**Big Four Accounting Firms**" means KPMG, Price water house Coopers, Ernst & Young and Deloitte Touche Tohmatsu or such firm of chartered accountants associated with any of them and their respective successors.

2.1.10. "**Board**" means the board of Directors of the Company, as the constituted from time to time.

2.1.11. "**Business**" shall mean the business of providing data / information and analysis related to internet / technology companies to VC / PE funds and corporates.

2.1.12. "**Business Day**" means any day other than Saturday, Sunday or any day on which banks in Bangalore, India and Mauritius are generally closed for regular banking business.

2.1.13. "**Company**" means Tracxn Technologies Limited and shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns.

2.1.14. "**Control**" (including, with its correlative meanings, the terms "Controlled by" or "under common Control with") means (a) the possession, directly or indirectly, of the power to direct or cause the direction of management and policies of a Person whether through the ownership of voting securities, by agreement or otherwise or the power to elect more than half of the Directors, partners or other individuals exercising similar authority with respect to a Person; or (b) the possession, directly or indirectly, of a voting interest in excess of 50% (Fifty per cent) in a Person.

2.1.15. "**Dilution Instruments**" includes any Shares, securities, rights, options, warrants or arrangement (whether oral or in writing) which are convertible into or entitle the holder to acquire or receive any Shares of the Company, or any rights to purchase or subscribe to Shares or securities by their terms convertible into or exchangeable for Shares; excluding any arrangement (whether oral or in writing) binding the Company pursuant to which a bank or a financial institution is entitled to convert any amount due to it into Shares upon default by the Company, and assuming that such default has not occurred as of the relevant date.

2.1.16. "**Director**" means a director of the Company from time to time.

2.1.17. "**Dollars**" or "**USD**" or "**$"** mean United States Dollars.

2.1.18. "**Drag Along Right**" shall mean the right available to SAIF under Article 8.8 and includes a right to cause a Drag Sale and/or a Third Party Sale in accordance with the terms of these Articles.

2.1.19. **"Employee Stock Option Plan**" or "**ESOP Plan**" means an employee stock option plan, in a form agreeable to SAIF, which shall be adopted by the Board and the shareholders of the Company, for the benefit of the employees of the Company, and for the benefit of such Persons, as approved with SAIF Consent, to administer the grant, vesting and exercise of the employee stock options.

2.1.20. "**Encumbrance**" means any form of legal or equitable security interest, including but not limited to any mortgage, assignment of receivables, debenture, lien, charge, pledge, title retention, right to acquire, lease, sub-lease, license, voting agreement, security interest, hypothecation, option, right of first refusal, restrictions or limitation, purchase agreement, any preference arrangement (including title transfers and retention arrangements or otherwise), and any other encumbrance or similar condition whatsoever or an agreement to do any of the foregoing or any other arrangements having similar effect.

2.1.21. "**Equity Shares**" mean ordinary equity Shares with voting rights of face value of INR 1/- (Rupee One only) each in the capital of the Company.

2.1.22. "**Exit Right**" shall mean an individual reference to SAIF' rights as set out in Article VII and "Exit Rights" shall mean a collective reference to the same.

2.1.23. "**Fair Market Valuation**" means a value of the SAIF Securities determined by a Big Four Accounting Firm appointed by the Company with SAIF Consent.

2.1.24. "**Financial Year**" means the year commencing on the first day of April and ending on the last day of March of the next calendar year.

2.1.25. "**Founders**" mean (i) Abhishek Goyal and, (ii) Neha Singh, both residing at H-1101, Kariyammana Agrahara, Bellandur, Bengaluru, Karnataka - 560103, and shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include their heirs, successors and permitted assigns.

2.1.26. "**Fully Diluted Basis**" means a calculation assuming that all Dilution Instruments existing at the time of determination have been exercised or converted into Shares.

2.1.27. "**Governmental Authority**" means any government, any state or other political subdivision thereof, and includes any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, or any other government authority, agency, department, board, commission or instrumentality of India and/or any jurisdiction in which the Company conducts business, or any political subdivision thereof, and any court, tribunal or arbitrator(s) of competent jurisdiction, and, any governmental or non-governmental self-regulatory organisation, agency or authority.

2.1.28. "**Indebtedness**" of any Person means all indebtedness including (a) all obligations of such Person for borrowed money or with respect to advances of any kind; and (b) all binding indemnity, guarantees and sureties by such Person whether in connection with such borrowing or advances or otherwise.

2.1.29. "**INR**", "**Rupees**" or "**Rs**." means Indian rupees, the lawful currency of India for the time being.

2.1.30. "**Investment Amount**" means the amount invested by SAIF to subscribe to the SAIF Securities and such other amount as SAIF might invest in the Company.

2.1.31. "**Investment Exit Date**" means 7 (Seven) years from Series A Closing Date.

2.1.32. "**Investors**" shall refer to all and any of:

(i) Elevation Capital V Limited (SAIF), having its address at Sanne House, Bank Street, Twenty-Eight Cybercity, Ebene, 72201, Republic of Mauritius;

(ii) Ratan N. Tata, having his address at 169B-171, "Halekai", Lower Colaba Road, Colaba, Mumbai 400 005;

(iii) Milliways Fund LLC, having its address at 104, 1st Street Los Altos, CA 94022;

(iv) Beenext Pte. Ltd., having its address at 9 Raffles Place, #26-01Republic Plaza, Singapore - 048619;

(v) Rahul Mehta, having his address at 5202, Emirates Crown, Dubai Marina, Dubai, UAE;

(vi) VH Capital, having its address at Level 6, GFin Tower, 42 Hotel Street, CyberCity, Ebene - 72201, Mauritius;

(vii) Rathna Girish Mathrubootham, having his address at A-7, Terraspace Blooming Dale, Plot No 1-7, Jeyachandran Nagar, Chennai – 600100;

(viii) Apoletto Asia Ltd, having its address at Sanne House, Twenty Eight, Cybercity, Ebene, Mauritius;

(ix) Trustees, NRJN Family Trust, having its address at No. 24, 4th Floor, 1st Cross, Magrath Road, Bangalore – 560025;

(x) Aneesh Reddy Boddu, having his address at Flat No. 7004, Shobha Daffodil, Sector 2, HSR Layout, Somsandra Palya, Bangalore – 560102;

(xi) Ashish Gupta and Nita Goyal, having his address at 1734 Webster Street, Palo Alto, CA 94301;

(xii) Gaurav Deepak, having his address at B - 601/602, New Punam CHS, 29/ 30 Pali Hill Road, Union Park, Khar West, Mumbai – 400052;

(xiii) 3ONE4 Capital Fund – Scheme I, represented by IL&FS Trust Company Limited as the trustee of 3ONE4 Capital Trust, having its address at 3rd Floor, Grace Towers, 70 Millers Road, Bangalore, Karnataka;

(xiv) Manoj Kumar Gandhi, having his address at 17, Adi Nath Nagar, Chaman Gali, Near Ram Nagar, Jodhpur - 342008, Rajasthan;

(xv) WGG International, Ltd., having its address at IFS Court, Bank Street, TwentyEight Cybercity, Ebène 72201, Mauritius;

(xvi) Seabright II Ltd, having its address at 9th Floor, Ebene Tower, 52 Cybercity, Ebene, Republic of Mauritius;

(xvii) Accel India IV (Mauritius) Ltd., having its address at 5th Floor, Ebene Esplanade, 24 Bank Street, Cybercity, Ebene, Mauritius;

(xviii) Trustees, Amitabh and Shilpa Singhal Living Trust, having its address at 925 Moraga Ct., Palo Alto, CA 94303, USA;

(xix) Amit Ranjan, having his address at C - 129, Ground Floor, Sarvodaya Enclave, New Delhi – 110017;

(xx) SCI Investments V, having its address at IFS Court, Bank Street, Twenty-Eight, Cybercity, Ebene – 72201, Mauritius; and

(xxi) KB Global Platform Fund having its address at 9F, 731 Yeongdongdaero, Gangnam – GU, Seaoul 06072, South Korea.

2.1.33. "**IRR" or "Internal Rate of Return**" means the specified rate of return to be received by SAIF pre-Tax and pursuant to the investment of the Investment Amount, sufficient to cause SAIF to have received, as of the date of determination, an aggregate pre-Tax internal rate of return of such specified rate per annum on the aggregate of the amounts (including the Investment Amount) invested by SAIF. For such purposes, the IRR shall be calculated using the "xIRR" function in Microsoft Excel 2007 and using the Investment Amount and any other amounts invested by SAIF as the investment "out-flows", with dividends, redemption value, interest, all receipts in cash and kind (other than any payments related to indemnity), securities (valued at issue price) and liquidation proceeds of the Company distributed to SAIF as "in-flows". The IRR calculated shall be net of the expenses incurred by SAIF in course of exercise of an Exit Right.

2.1.34. "**Key Managerial Personnel**" means Directors, chief executive officer, chief operating officer, chief technology officer, heads of department, vice president (by whatever name called) of the Company and any other person whose remuneration is excess of INR 25,00,000 (Indian Rupees Twenty-Five Lakh) per annum.

2.1.35. "**Kolluri Trust**" means Trustees, Kolluri Living Trust, having its office at 19349 Athos Pl., Saratoga, CA 95070-5139, USA.

2.1.36. "**Liquidation Event**" means and includes (a) liquidation, dissolution or winding up (whether voluntary or involuntary) of the Company or the passing of an order of any court appointing a provisional liquidator or administrator in any other proceeding seeking the winding up of the Company or the liquidation of the Company; (b) merger, demerger, reorganisation, acquisition, change of Control, consolidation, sale of shares (including Strategic Sale, trade sale and sale pursuant to exercise of Drag Along Right) or other transaction or series of transactions in which the Company's Shareholders as on the date of investment will not, (i) retain a majority of the voting power of the surviving entity, or (ii) control the board of directors of the surviving entity, and (c) a sale, lease, license or other transfer of 50%(Fifty Percent) or more of the Company's Assets, or (d) a Public Offer.

2.1.37. "**Material Breach**" shall, unless expressly waived by SAIF, mean:

(a) taking any action with respect to the Investor Protection Matters in the absence of SAIF Consent where such consent is mandated by the provisions of Article 16.11; or

(b) the failure on the part of the Founders to honour or give effect to the liquidation preference right of SAIF under these Articles; or

(c) termination of employment of a Founder with the Company (a) for Cause (as defined under the employment agreement executed between the relevant employee and the Company,); or

(d) wilful misconduct by the Founders.

2.1.38. "**Minimum Return**" shall mean an amount equal to the 18% (eighteen percent) IRR calculated from the date of issuance of SAIF Securities including any accrued and unpaid dividends in respect of SAIF Securities or the Fair Market Valuation, whichever is higher.

2.1.39. "**Notice**" means a notice in writing and the terms "Notify" or "Notification" shall be construed accordingly.

2.1.40. "**Ordinary CCPS**" shall mean the ordinary compulsorily convertible preference shares of the Company issued to the Kolluri Trust and having such terms as set out in Article X.

2.1.41. **"Ordinary Course of Business**" means an action, event or circumstance that is recurring in nature and is taken in the ordinary course of the Person's normal day-to-day operations, and:

(a) taken in accordance with sound and prudent business practices;

(b) similar in nature and magnitude to actions customarily taken, without any separate or special authorization, in the ordinary course of the normal day-to-day operations of other Persons that are engaged in businesses similar to the Person's business; and

(c) consistent with past practice and existing policies (including those in relation to debtors and creditors).

2.1.42. "**Other Investors**" shall refer to any and all of the Series A2 Investors, the Series A3 Investors and the Series A4 Investors, the Series B1 Investors, the Series B2 Investors and the Kolluri Trust except the Qualifying Investors.

2.1.43. "**Other Shareholders**" means (i) Prashant Chandra, residing at A-201, Sobha Garnet, Sarjapur Junction, Outer Ring Road, Iblur, Bangalore – 560102; and (ii) the Kolluri Trust, and shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include their heirs, successors and permitted assigns.

2.1.44. "**Person**" means any natural person, limited or unlimited liability company, corporation, partnership (whether limited or unlimited), proprietorship, hindu undivided family, trust, union, association, society, co-operative society, government or any agency or political subdivision thereof or any other entity that may be treated as a Person under Applicable Law.

2.1.45. "**Pro Rata Share**" means that portion of the Dilution Instruments that equals the ratio that (i) the number of Dilution Instruments owned by the relevant Shareholder (measured on an As If Converted Basis) bears to (ii) the total number of Equity Shares of the Company then outstanding (measured on an As If Converted Basis) while excluding from such calculations the Dilution Instruments to be issued by the Company at the time of making such calculation.

2.1.46. "**Proprietary Rights**" means and includes collectively or individually, the following worldwide rights relating to intangible property, whether or not filed, perfected, registered or recorded and whether now or hereafter existing, filed, issued or acquired: (a) patents, patent applications, patent disclosures, patent rights, including any and all continuations, continuations-in-part, divisions, re-issues, re-examinations, utility, model and design patents or any extensions thereof; (b) rights associated with works of authorship, including without limitation, copyrights, copyright applications, copyright registrations; (c) rights in trademarks, trademark registrations, and applications therefor, trade names, service marks, service names, logos, or trade dress; (d) rights relating to the protection of trade secrets and confidential information; (e) internet domain names, Internet and World Wide Web (WWW) URLs or addresses; (f) mask work rights, mask work registrations and applications therefor; and (g) all other intellectual, information or proprietary rights anywhere in the world including rights of privacy and publicity, rights to publish information and content in any media.

2.1.47. "**Public Offer**" means a public offering of the Shares on any Stock Exchange whether in the form of a primary issuance or an offer for sale or a combination of a primary issuance and an offer for sale and includes a Qualified IPO or a Liquidity IPO.

2.1.48. **"Qualified IPO**" means closing of a firmly underwritten public offering of Shares or other securities of the Company (including depository receipts) on the National Stock Exchange of India, the Bombay Stock Exchange Limited in India, or any other Stock Exchange elsewhere in the world, which satisfies the following conditions: (a) the value of such offering shall be such amount as approved by SAIF,; and (b) after all the relevant adjustments, the lower band of the listing price per share in such offering is such price which ensures that SAIF realises its Minimum Return, and (c) the offer price of the shares shall be determined at a minimum pre-money valuation of USD 100,000,000 (US Dollars One Hundred Million).

2.1.49. "**Qualifying Investors**" means a collective reference to. Seabright II Ltd, having its address at 9th Floor, Ebene Tower, 52 Cybercity, Ebene, Republic of Mauritius, and Accel India IV (Mauritius) Ltd., having its address at 5th Floor, Ebene Esplanade, 24 Bank Street, Cybercity,

Ebene, Mauritius.

2.1.50. "**Related Party**" in relation to the Company means (a) any Affiliate, (b) any of the Founders, or Directors (other than any Director nominated by SAIF), or any Relative of such Person or (c) any Person owned or Controlled by a Founder(s) or a Director or a Relative of such Founder(s) or a Director.

2.1.51. "**Relative**" means a relative as defined under Section 2 (77) of the Act.

2.1.52. "**SAIF"** means Elevation Capital V Limited**,** a company having its registered office at Sanne House, Bank Street, Twenty-Eight Cybercity, Ebene, 72201, Republic of Mauritius and which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns.

2.1.53. "**SAIF Securities**" means a collective reference to Series B1 CCPS, Series A CCPS, Series A4 CCPS and Equity Shares subscribed to by SAIF, including the Equity Share held by SAIF pursuant to conversion of Series A CCPS, Series A4 CCPS and Series B1 CCPS, and includes any other Shares that may be acquired by SAIF in the Company as adjusted for any capital reorganization including any stock splits, consolidation, sub-division, bonus issuances, capitalization of profits and rights issuances.

2.1.54. "**SCI**" means SCI Investments V, having its address at IFS Court, Bank Street, Twenty-Eight, Cybercity, Ebene - 72201, Mauritius and shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include their heirs, successors and permitted assigns.

2.1.55. "**Series A CCPS**" means collective reference to the series A compulsorily convertible cumulative preference shares of the Company issued to SAIF and having such terms as provided under these Articles.

2.1.56. "**Series A Closing**" means closing of the issue of the Equity Shares and Series A CCPS to SAIF by the Company in the manner and on terms of the Series A Subscription Agreement.

2.1.57. "**Series A Closing Date**" means April 23, 2015.

2.1.58. "**Series A2 CCPS**" means collective reference to the series A2 compulsorily convertible cumulative preference shares of the Company issued to the Series A2 Investors and having such terms as provided under these Articles.

2.1.59. "**Series A2 Investors**" shall refer to any and all of:

(i) Ratan N. Tata, having his address at 169B-171, "Halekai", Lower Colaba Road, Colaba, Mumbai 400 005;

(ii) Milliways Fund LLC, having its address at 104, 1st Street Los Altos, CA 94022 ;

(iii) Beenext Pte. Ltd., having its address at 9 Raffle Palace, #26-01, Republic Plaza, Singapore – 048619 ;

(iv) Rahul Mehta, having his address at 5202, Emirates Crown, Dubai Marina, Dubai, UAE;

(v) VH Capital, having its address at Level 6, GFin Tower, 42 Hotel Street, CyberCity, Ebene - 72201, Mauritius;

(vi) Rathna Girish Mathrubootham, having his address at A-7, Terraspace Blooming Dale, Plot No 1-7, Jeyachandran Nagar, Chennai – 600100;

(vii) Apoletto Asia Ltd, having its address at Sanne House, Twenty-Eight, Cybercity, Ebene, Mauritius ;

(viii) Trustees, NRJN Family Trust, having its address at No. 24, 4th Floor, 1st Cross, Magrath

Road, Bangalore – 560025;

(ix) Aneesh Reddy Boddu, having his address at Flat No. 7004, Shobha Daffodil, Sector 2, HSR Layout, Somsandra Palya, Bangalore – 560102;

(x) Ashish Gupta and Nita Goyal, having his address at 1734 Webster Street, Palo Alto, CA 94301, USA;

(xi) Gaurav Deepak, having his address at B - 601/602, New Punam CHS, 29/ 30 Pali Hill Road, Union Park, Khar West, Mumbai – 400052;

(xii) 3ONE4 Capital Fund – Scheme I, represented by IL&FS Trust Company Limited as the trustee of 3ONE4 Capital Trust, having its address at 3rd Floor, Grace Towers, 70 Millers Road, Bangalore, Karnataka; and

(xiii) Manoj Kumar Gandhi, having his address at 17, Adi Nath Nagar, Chaman Gali, Near Ram Nagar, Jodhpur - 342008, Rajasthan.

2.1.60. "**Series A3 CCPS**" means collective reference to the series A3 compulsorily convertible cumulative preference shares of the Company issued to the Series A3 Investor and having such terms as provided under these Articles.

2.1.61. "**Series A3 Closing Date**" shall mean the date of issue of Series A3 CCPS by the Company to a Series A3 Investor

2.1.62. "**Series A3 Investors**" shall refer to WGG International, Ltd., having its address at IFS Court, Bank Street, Twenty Eight Cybercity, Ebène 72201, Mauritius.

2.1.63. "**Series A4 CCPS**" means collective reference to the series A4 compulsorily convertible cumulative preference shares of the Company issued to SAIF and the Series A4 Investors and having such terms as provided under these Articles.

2.1.64. "**Series A4 Closing Date**" shall mean the date of issue of Series A4 CCPS by the Company to a Series A4 Investor.

2.1.65. "**Series A4 Investors**" shall refer to any and all of:

(i) Seabright II Ltd, having its address at 9th Floor, Ebene Tower, 52 Cybercity, Ebene, Republic of Mauritius;

(ii) WGG International, Ltd., having its address at IFS Court, Bank Street, Twenty Eight Cybercity, Ebène 72201, Mauritius;

(iii) Accel India IV (Mauritius) Ltd., having its address at 5th Floor, Ebene Esplanade, 24 Bank Street, Cybercity, Ebene, Mauritius;

(iv) SCI Investments V, having its address at IFS Court, Bank Street, Twenty-Eight, Cybercity, Ebene - 72201, Mauritius;

(v) Trustees, Amitabh and Shilpa Singhal Living Trust, having its address at 925 Moraga Ct., Palo Alto, CA 94303, USA; and

(vi) Amit Ranjan, having his address at C - 129, Ground Floor, Sarvodaya Enclave, New Delhi – 110017.

Although SAIF holds Series A4 CCPS, SAIF shall not be considered to be a Series A4 Investor for the purpose of these Articles.

2.1.66. "**Series B1 CCPS**" means collective reference to the series B1 compulsorily convertible cumulative preference shares of the Company issued to the Series B1 Investors and SAIF and

having such terms as provided under these Articles.

2.1.67. "**Series B1 Closing Date**" shall mean the date of issue Series B1 CCPS by the Company to a Series B1 Investor.

2.1.68. "**Series B1 Investors**" shall refer to any and all of:

(i) WGG International, Ltd, having its address at IFS Court, Bank Street, Twenty Eight Cybercity, Ebène 72201, Mauritius;

(ii) Accel India IV (Mauritius) Ltd., having its address at 5th Floor, Ebene Esplanade, 24 Bank Street, Cybercity, Ebene, Mauritius;

(iii) Seabright II Ltd, having its address at 9th Floor, Ebene Tower, 52 Cybercity, Ebene, Republic of Mauritius; and

(iv) SCI Investments V, having its address at IFS Court, Bank Street, Twenty-Eight, Cybercity, Ebene - 72201, Mauritius.

Although SAIF holds Series B1 CCPS, it will not be considered to be a Series B1 Investor for the purpose of these Articles.

2.1.69. "**Series B2 CCPS**" means collective reference to the Series B2 compulsorily convertible cumulative preference shares of the Company issued to the Series B2 Investors and having such terms as provided under these Articles.

2.1.70. "**Series B2 Closing Date**" shall mean the date of issue Series B2 CCPS by the Company to a Series B2 Investor.

2.1.71. "**Series B2 Investors**" shall refer to any and all of:

(i) KB Global Platform Fund, having its address at 9F, 731 Yeongdongdaero, Gangnam- GU, Seoul 06072, South Korea; and

(ii) WGG International, Ltd, having its address at IFS Court, Bank Street, Twenty Eight Cybercity, Ebène 72201, Mauritius.

2.1.72. "**Shareholders**" mean the Persons whose names are entered in the register of members of the Company.

2.1.73. "**Shares**" means all classes of Shares in the capital of the Company issued from time to time, together with all rights, differential rights, obligations, title, interest and claim in such Shares and shall be deemed to include all bonus Shares issued in respect of such Shares and Shares issued pursuant to a stock split in respect of such Shares.

2.1.74. "**Stock Exchange**" means the National Stock Exchange, the Bombay Stock Exchange or such other recognized stock exchange, approved by SAIF.

2.1.75. "**Strategic Sale**" means a transaction that enables SAIF to fully dispose of all its then existing shareholding in the Company (held either directly or indirectly) by the Investment Exit Date and which ensures that SAIF realises the Minimum Return and includes an amalgamation or merger or sale of Shares or sale of Assets of the Company.

2.1.76. "**Subsidiaries**" shall have the meaning assigned to it under the Act.

2.1.77. "**Taxes**" means all present and future income and other taxes, levies, rates, imposts, duties, deductions, cesses, dues, charges and withholdings whatsoever imposed by any Governmental Authority having power to tax and all penalties, fines, surcharges, interest or other payments on or in respect thereof and "**Tax**" and "**Taxation**" shall be construed accordingly.

2.1.78. "**Transfer**" (including the terms "**Transferred** " and "**Transferability**") shall mean to directly or indirectly, transfer, sell, assign, encumber in any manner, place in trust (voting or otherwise), exchange, gift or transfer by operation of law or in any other way subject to any Encumbrance or dispose of, whether or not voluntarily.

**2.2. Rules of Interpretation.**

2.2.1. **Irrelevance of Gender and Plurality**. The definitions in Article II shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms.

2.2.2. **Default Rules**. Unless expressly contradicted or otherwise qualified, (i) all references to a Person also refer to that Person's successors and permitted assigns, including permitted transferees, and (ii) all references to and definitions of any agreement, instrument or statute herein or in any agreement or instrument referred to herein mean such agreement, instrument or statute, including the Articles, as from time to time may be amended, modified, supplemented or restated, including (in the case of agreements or instruments) by waiver or consent and (in the case of statutes) by succession of comparable successor statutes and references to all attachments thereto and instruments incorporated therein.

## III. SHARE CAPITAL

3.1 The Authorised share capital of the Company shall be as per Clause V of the Memorandum of Association. Subject to Article 16.11 and other provisions of these Articles contained herein, the Company shall have from time to time, power to increase, reduce, subdivide or to repay the share capital or divide the same into several classes and to attach thereto any rights and to consolidate or subdivide or re-organize the capital, subject to provisions of the Act, and vary such rights as may be determined in accordance with the Articles. The minimum paid up capital of the Company shall be Rs. 1,00,000 (Rupees One Lac only).
The company shall be entitled to dematerialize its existing shares, rematerialize its shares held in the Depositories and/or to offer its fresh shares in a dematerialized form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.

3.2 **Share Certificates.**

3.2.1. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—

(i) one certificate for all his Shares without payment of any charges; or

(ii) several certificates, each for one or more of his Shares, upon payment of twenty rupees for each certificate after the first.

3.2.2. Every certificate shall be under the seal and shall specify the Shares to which it relates and the amount paid-up thereon.

3.2.3. In respect of any share or Shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

3.2.4. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

3.2.5. The provisions of Article 3.2.1 shall *mutatis mutandis* apply to debentures of the Company.

## 3.3 Transmission of Shares

3.3.1. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the Shares.

Nothing in this Article 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.

3.3.2. 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—

(i) to be registered himself as holder of the share; or

(ii) to make such transfer of the share as the deceased or insolvent member could have made.

3.3.3. The Board shall, in either case of (i) and (ii) of Article 3.3.2, 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.

3.3.4. 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. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of Shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

3.3.5. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

## 3.4 Alteration of Share Capital.

3.4.1. Subject to Article 16.11 and other provisions of these Articles, 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.

3.4.2. Subject to the provisions of Section 61 of the Act, Article 16.11 and other provisions of these Articles, 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 into stock, and reconvert that stock into 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 of association;

(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.

3.4.3. Subject to Article 16.11 and other provisions of these Article, 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 thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the Shares from which the stock arose.

(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; and 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 "stock-holder" respectively.

3.4.4. The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by Applicable Law, Article 16.11 and other provisions of these Articles,—

(i) its share capital;

(ii) any capital redemption reserve account; or

(iii) any share premium account.

## IV. BUYBACK OF SHARES

4.1 Subject to Article 16.11 and other provisions of these Articles, the Company may reduce its Capital in any way in accordance with the provision contained in the Sections 68 to 70 and all other applicable provisions, if any, of the Act and subject to such other approvals permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board or any committee of the Board , the Company shall have power to purchase its own fully paid shares and the company may implement the buy-back in one or more tranche/tranches, from out of its free reserves and/or the securities premium account and/or the proceeds of an earlier issue of shares other than equity shares made specifically for buy-back purposes, and that the buy-back may be made through the methodology of open market purchases in the Stock Exchanges, in such manner as may be prescribed under the Act, and on such terms and conditions as the Board may in its absolute discretion deem fit.

## V. FURTHER ISSUE OF SHARES, PRE-EMPTIVE RIGHT AND FORFEITURE OF SHARES

5.1 **General**. Subject to (a) the valuation protection contained in these Articles and (b) Applicable Law, in the event the Company proposes to issue any Dilution Instruments, such issue of Dilution Instruments being previously approved in accordance with Article 16.11, the Company shall first offer such Dilution Instruments to SAIF, SCI, the Series A3 Investors and the Qualifying Investors ("**RMC Holders**") in the manner set out in Article 5.4 and in accordance with Section 42 of the Act, unless otherwise agreed with the consent of the RMC Holders. The Company will not be required to comply with the requirements of this Article V in respect of Dilution Instruments offered (a) pursuant to an IPO; or (b)

pursuant to the ESOP Plan approved by SAIF ("**Exempted Issuance**"); or (c) conversion of Ordinary CCPS, Series B1 CCPS, Series B2 CCPS, Series A CCPS, Series A2 CCPS, Series A3 CCPS and Series A4 CCPS to Equity Shares in accordance with these Articles ("**Exempted Issuance**"). Each RMC Holder will have a right, but not an obligation, to purchase its Pro Rata Share of the Dilution Instruments in order to maintain their proportionate ownership of the Company ("**Right to Maintain Capital**"). Save as provided by Article 5.2.4. in relation to RMC Holders, the Shareholders (except SAIF) shall not be entitled to renounce their right to subscribe to any Dilution Instruments in favour of any person except with SAIF Consent in the event of any further issuance of Dilution Instruments being made under Section 62(1)(a) of the Act.

5.2 **Procedure**. Unless otherwise agreed to by the RMC Holders in writing, the offer of new Dilution Instruments shall be made in the manner set forth in this Article 5.2.

5.2.1 The Company shall deliver a written Notice ("**Offer Notice**") to each RMC Holder stating: (a) its intention to offer such Dilution Instruments; (b) the number of such Dilution Instruments to be offered; (c) the price and terms, if any, upon which it proposes to offer such Dilution Instruments; and (d) the number of Dilution Instruments each Shareholder is entitled to subscribe to in such issue; and (e) time period within which such Dilution Instruments must be subscribed.

5.2.2 By Notification to the Company within 30 (Thirty) days after receipt of the Offer Notice ("**Acceptance Period**"), an RMC Holder may elect to subscribe to its Pro Rata Share of the Dilution Instruments in order to maintain their proportionate ownership of the Company at the price and on the terms specified in the Offer Notice ("**Acceptance**"). Within 30 (Thirty) days of communication of Acceptance, an RMC Holder shall remit the subscription amount for the Dilution Instruments and the Company shall issue the Dilution Instruments within 7 (Seven) days of receipt of the subscription amount.

5.2.3 If the Dilution Instruments (in whole or part), referred to in the Offer Notice are not elected to be subscribed to in whole or part any of the RMC Holders within the Acceptance Period, then the Company shall during the 30 (Thirty) day period following the expiration of the last of the periods provided in Article 5.2.2 above offer such Dilution Instruments to any third party or parties, at a price not less than, and upon terms no more favourable than those specified in the Offer Notice. If the Company does not enter into an agreement for the subscription of the Dilution Instruments, which have been offered to and refused by the RMC Holders within such period, or if such agreement is not consummated within 45 (Forty-Five) days of the execution thereof, the right provided under Article V shall be deemed to have revived and such Dilution Instruments shall not be offered unless first offered again to the RMC Holders in accordance with this Article V.

5.2.4 **Assignment**. The RMC Holders shall be entitled to assign in whole or in part their right to subscribe to the Dilution Instruments or such other alternate instrument that an RMC Holders) is entitled to subscribe, to its respective Affiliates, provided that at the time of issuance of such Dilution Instruments, such Affiliate shall have executed a deed of adherence ("**Deed of Adherence**"). The holding of the relevant Affiliate subscribing to the Dilution Instruments shall be considered to be part of such RMC Holder's holding for the purposes of these Articles.

5.3 **Alternate Instruments**. The right of the RMC Holders to subscribe to Dilution Instruments shall extend to such other alternative instrument as may be issued in the event of any regulatory restriction barring an RMC Holder from subscribing to the Dilution Instruments so offered.

5.4 **Necessary Acts**. All actions necessary to give effect to this Article V will be taken as and when required.

5.5 **Forfeiture of Shares. Subject to the articles and the provisions of the Act,** if a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued. If the requirements of any such notice are not complied with any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice

has been made, be forfeited by a resuolution of the Board to that effect.

## VI. RESTRICTED SHARES AND RESTRICTIONS ON TRANSFER OF SHARES

6.1 **Founder Restrictions**. 75% (seventy five percent) of the Shares held by the Founders on the Series A Closing Date shall be bound by the restrictions described in this Article 6.1 , until the earlier of (a) the expiry of 4 (Four) years from the Series A Closing Date, or (b) upon sale of all or substantially all the Company's assets and securities ("**Restricted Shares**"). At the option of SAIF, the Restricted Shares may be placed in an escrow with an escrow agent, which agent shall be nominated by SAIF. For avoidance of doubt, immediately post the Closing Date, only 75% (Seventy Five percent) of the Shares held by each Founder shall be kept with the escrow agent. The Restricted Shares shall be free of restrictions contained in this Article 6.1 and shall be released in favor of the Founders such that 4.6875% (four point six eight seven five percent) of the Restricted Shares shall be released each quarter over a period of 4 (Four) years starting from the Series A Closing Date, subject to the continuous employment of the relevant Founder with the Company and Article 6.2 ("**Released Shares**").

6.2 Subject to there being no Material Breach, the Restricted Shares shall convert into Released Shares upon the expiry of 4 (Four) years from the Series A Closing Date ("**Restriction Period**"). In case of the occurrence of Material Breach, the Restricted Shares that are yet to be released to such Founder shall, at the discretion of SAIF, (i) be Transferred to an employee welfare trust at a nominal value as the Board may determine, or (ii) be bought back by the Company at an aggregate price not exceeding INR 10,000/- (Indian Rupees Ten Thousand only), or (c) be treated in such manner as the Board may determine.

6.3 Notwithstanding anything contained above, if a Founder voluntary terminates his/her employment agreement with the Company for good reason with SAIF Consent, the Restricted Shares that are yet to be released to such Founder shall not be transferred to an employee welfare trust or be bought back by the Company or be purchased from the Founder in accordance with Article 6.2 above and the release of Restricted Shares in accordance with Article 6.1 above shall not be deemed to be subject to the requirement of continuous employment of the Founder with the Company.

6.4 The Restricted Shares may be released in case required for consummation of any of the Exit Rights of SAIF, subject to such release being specifically approved in writing by SAIF. Each Founder shall continue to have the right to vote on and receive dividend in respect of the Restricted Shares held by such Founder. Upon occurrence of Material breach, and prior to purchase / buy-back of the Restricted Shares, the Founders shall abstain from exercising any voting rights on their Shares and any dividend payable on such Restricted Shares shall be deposited in a separate account and utilized to recover any amounts pending from the Founder/s towards the Company and/or SAIF. In the event the employment of a Founder is terminated on ground of his medical disability or death, any of the Restricted Shares which have vested till such time along with Shares that were liable to vest within 12 (Twelve) months therefrom shall be transferred to the legal heirs of such Founder.

6.5 **Lock-in.**

6.5.1. The Founders and Key Managerial Personal holding Shares in the Company shall not:

(i) without the consent of SAIF and subject to Article 6.1 above and Article VII below, sell or otherwise Transfer or part with any portion of their shareholding in the Company (including the Shares that cease to be Restricted Shares), in whatever form, until the earlier of SAIF ceasing to hold any Shares in the Company or the Company completing a Qualified IPO ("**Founder Lock-In**"),

(ii) without SAIF consent, Encumber their Shares held in the Company (either directly or indirectly), or do any other act which has the effect of undermining the underlying beneficial, fiduciary or legal rights and obligations of the Founders and/or the Key Managerial Personnel.

6.5.2. The Company shall not register any Transfer or Encumbrance in respect of the Shares owned by the Founders in violation of the Articles.

6.5.3. It is however clarified that the Founder Lock – In shall not be applicable to the Transfer of the Founders' Shares to their respective spouses and / or children or trusts established for their families, provided SAIF Consent has been obtained for such Transfer, which consent shall not be unreasonably withheld. Any Shares held by a Founder's spouse and/or children or trusts established for his/her family pursuant to such Transfer shall be deemed to be a part of such Founders' shareholding. Further, such Shares shall continue to be and the Founders shall ensure that such Shares continue to be subject to the restrictions applicable to a Transfer of Shares by a Founder as provided in Article VII.

6.6 **Transfer by SAIF.** At no time shall there be any restrictions on the Transfer of SAIF Securities by SAIF with or without rights attached to such SAIF Securities as may be determined by SAIF. The Company and the Founders shall do all reasonable acts and deeds as may be necessary to give effect to any Transfer of SAIF Securities including continuing the representations, warranties and indemnities as required. The Founders and the Company shall facilitate and co-operate with any such Transfer including any due diligence that may be conducted by a proposed purchaser and provide all necessary information relating to the Company to such purchaser. It is clarified that SAIF will be entitled to assign all or any of its rights under these Articles with or without Transfer of the SAIF Securities.

6.7 **Deed of Adherence**. No Transfer by the Founders, Key Managerial Personnel, or any of the other Shareholder (except SAIF) under these Articles shall be complete and effective unless the purchaser of the securities from such Shareholder executes a Deed of Adherence agreeing to be bound by the terms of these Articles in accordance therewith, unless such purchaser is an existing Shareholder.

## VII. TRANSFER RESTRICTIONS

7.1 **Right of First Refusal**. Subject to Article VI and Article 7.9, if any Shareholder (except SAIF and the Qualifying Investors) decides to Transfer ("**Selling Shareholder**") all or part of the Shares held by such Selling Shareholder ("**Sale Shares**") to any Person then such Selling Shareholder shall unconditionally and irrevocably grant to SAIF a prior right to purchase all or a portion of the Sale Shares at the same price and on the same terms and conditions as those offered to such Person ("**Right of First Refusal**").

7.2 **Procedure.**

7.2.1. Upon a Selling Shareholder receiving a proposal from any Person (hereinafter the "**Proposed Transferee**") for purchase of Shares held by such Selling Shareholder, which the Selling Shareholder(s) intends to accept ("**Proposal**"), the Selling Shareholder shall immediately Notify SAIF and the Company of the Proposal ("**Transfer Notice**"). The Transfer Notice shall set forth the name and other material particulars of the Proposed Transferee, the number of Sale Shares, the price per Sale Share and other terms of the Transfer and an undertaking from the Selling Shareholder(s) stating that the offer is *bona fide*. The Proposal and any other document executed by the Selling Shareholder and/or the Proposed Transferee (whether binding or non-binding by whatever name called) in relation to the Proposal shall also be annexed to the Transfer Notice. The Selling Shareholder shall ensure that such term sheet explicitly states that such transaction is subject to the Right of First Refusal of SAIF and the Tag Along Right of SAIF).

7.2.2. SAIF may exercise the Right of First Refusal with respect to all or part of the Sale Shares by a written Notice ("**ROFR Exercise Notice**") to the Selling Shareholder(s) within 30 (Thirty) days of receipt of the Transfer Notice ("**ROFR Exercise Period**"). If SAIF exercises the Right of First Refusal, the Selling Shareholder(s) shall be bound to sell all or part of the Sale Shares to SAIF and SAIF shall purchase such Sale Shares within a period of 30 (Thirty) days from the date of receipt of the ROFR Exercise Notice.

7.2.3. In the event SAIF does not exercise the Right of First Refusal in relation to a Transfer of Shares by Other Investor, the Company will have a prior right to purchase all or a portion of the Sale Shares proposed to be Transferred by such Other Investor ("**Company's Right of First Refusal**").

7.2.4. If SAIF does not exercise the Right of First Refusal in relation to a Transfer of Shares by Other Investor, such Other Investor shall provide the Company a Notice of the proposed Transfer of

Sale Shares in accordance with the procedure laid down in Article 7.2 for exercise of Right of First Refusal by SAIF, which shall apply *mutatis mutandis* to exercise of the Company's Right of First Refusal by the Company.

In the event SAIF and/or the Company does not exercise their Right of First Refusal (as set forth in this Article 7), the Selling Shareholder(s) may Transfer the Sale Shares to the Proposed Transferee, subject to (i) complying with the provisions of Article 7.3 below; (ii) at a price not lower than the price per Share, and on terms and conditions no more favourable than those specified in the Transfer Notice; and (iii) within the time period specified in Article 7.4.

7.3 **Tag Along Right of SAIF and the Qualifying Investors.**

7.3.1 If the Selling Shareholder is a Founder ("**Founder Seller**"), the Founder Seller shall also ensure that the Transfer Notice contains an offer from the Proposed Transferee to purchase up to a pro rata number of the SAIF Securities held by SAIF and the Shares held by the Qualifying Investors on the same terms and conditions of the offer made to the Founder Sellers (the "**Tag Along Right**"). If the Transfer to the Proposed Transferee is expected to result in a Liquidation Event, then SAIF and Qualifying Investors will be entitled to sell all the SAIF Securities and Shares held by Qualifying Investors on the same terms and conditions specified in the Transfer Notice. If SAIF or Qualifying Investors desires to exercise its Tag Along Right, it must give the Founder Seller(s) a written Notice along with the details of number of Shares it proposes to Transfer ("**Tag Along Shares**") to that effect within 30 (Thirty) days of the receipt of Transfer Notice, and upon giving such Notice, SAIF and/or Qualifying Investors shall be deemed to have effectively exercised the Tag Along Right. If SAIF and/or Qualifying Investors exercise their Tag Along Right, the Transfer of the Shares by the Founder Seller(s) to the Proposed Transferee shall be conditional upon such Proposed Transferee acquiring the Tag Along Shares simultaneously with the acquisition of the Sale Shares in accordance with this Article 7.3, on the same terms and conditions set forth in the Transfer Notice, provided that: (a) SAIF and/or Qualifying Investors shall not be required to give any representations and warranties for such Transfer, except those relating to title to Shares and the legal standing of SAIF and/or Qualifying Investors; and, (b) SAIF and/or Qualifying Investors shall be entitled, at its option, to receive the cash equivalent of any non-cash component of the consideration received by the Founder Seller(s).

7.3.2 The Tag Along Shares shall be Transferred to the Proposed Transferee simultaneously with the Transfer of the Sale Shares.

7.3.3 It is clarified that a SAIF shall not have the Tag Along Right for a Transfer of Shares by the Founder Seller to SAIF pursuant to exercise of the Right of First Refusal by SAIF.

7.3.4 To the extent that SAIF and/ or a Qualifying Investor exercises its Tag Along Right in accordance with the terms and conditions set forth in Article 7.3, the number of Sale Shares that the Founder Seller may sell in the proposed Transfer shall be correspondingly reduced. However, except if the Transfer to the Proposed Transferee is expected to result in a Liquidation Event (where SAIF and Qualifying Investors will be entitled to sell all the SAIF Securities and Shares held by Qualifying Investors), if SAIF exercises their Tag Along Right in relation to such Transfer in accordance with Article 7.3, the number of Tag Along Shares to be Transferred by SAIF shall not be reduced.

7.4 **Fresh Compliance**. Subject to compliance with Articles 7.1, 7.2 and 7.3 above, if (i) any proposed Transfer is not consummated by the Selling Shareholder(s) (other than the Other Investors) and the Founder Seller(s), respectively, within a period of 75 (seventy five ) days; or (ii) any proposed Transfer is not consummated by the Other Investor(s) within a period of 120 (one hundred and twenty) days from the date on delivery of the Transfer Notice to SAIF, the Selling Shareholder(s) may sell any of the Sale Shares only after complying afresh with the requirements laid down under Articles 7.1 to 7.3 above.

7.5 **Failure to Comply**. Any Transfer made in violation of the requirements prescribed under these Articles shall be null and *void ab initio.*

7.6 **No avoidance of Restrictions**. The Transfer restrictions in these Articles shall not be capable of being avoided by the holding of Shares indirectly through an entity that can itself be sold in order to indirectly dispose of an interest in the Shares free of such restrictions. Further nothing contained in Article VII shall be deemed to impose any restrictions on SAIF's ability to freely Transfer the SAIF Securities in the Company.

7.7 **Right of First Offer on the Qualifying Investors**

7.7.1. Subject to Article 7.9, if a Qualifying Investor proposes or desires to Transfer the Shares held by it ("**ROFO Offered Securities**") to any Person other than its Affiliates ("**ROFO Transferee**"), then the Qualifying Investor shall first inform the Company and SAIF ("**ROFO Holders**") of the same in writing ("**ROFO Notice**").

7.7.2. Within 15 (fifteen) days of receipt of the ROFO Notice ("**ROFO Notice Period**"), if any of the ROFO Holders desire to purchase the ROFO Offered Securities from the Qualifying Investor, it shall communicate its intention to purchase all (and not less than all) of the ROFO Offered Securities by serving a Notice to such Qualifying Investor ("**ROFO Exercise Notice**"). The ROFO Exercise Notice shall specify the price for purchase of the ROFO Offered Securities ("**ROFO Offer Price**") on a cash, non-contingent basis.

7.7.3. The Qualifying Investor shall have a period of 45 (forty-five) days from receipt of the ROFO Exercise Notice ("**ROFO Acceptance Period**") to either accept or decline to Transfer the ROFO Offered Securities to the ROFO Holders. If the Qualifying Investor accepts to Transfer the ROFO Offered Securities to the ROFO Holder(s), who has/have issued the ROFO Notice, it shall inform such ROFO Holder(s) about the same by issuing a Notice to such ROFO Holder(s) within the aforesaid time period ("**ROFO Acceptance Notice**"). The ROFO Acceptance Notice shall be binding on the relevant Qualifying Investor and the relevant ROFO Holder(s).

7.7.4. Subject to Article 7.7.2, in the event that more than one ROFO Holder issues a ROFO Exercise Notice before the expiry of the ROFO Notice Period and the Qualifying Investor intends to issue a ROFO Acceptance Notice with regard to the ROFO Offered Securities, the ROFO Acceptance Notice shall be issued and ROFO Offered Securities thereof shall be transferred by the Qualifying Investor to such ROFO Holder who has offered the highest ROFO Offer Price.

7.7.5. Subject to Articles 7.7.2 and 7.7.4 above, in the event the ROFO Offer Price specified by 2 (two) or more ROFO Holders is equal, then such number of the ROFO Offered Securities shall be transferred to each of such ROFO Holders, which is equivalent to the proportionate inter se shareholding of the ROFO Holders in the Company.

7.7.6. The completion of the Transfer of the ROFO Offered Securities and payment for the same shall take place within 30 (thirty) days from (a) the date of receipt of the ROFO Acceptance Notice, or (b) obtaining the necessary approvals in relation to the Transfer, whichever is later.

7.7.7. If the ROFO Holders fail to issue the ROFO Exercise Notice within the ROFO Notice Period or declines to purchase the ROFO Offered Securities, the Qualifying Investor shall be free, for a period of 90 (ninety) days from the date the ROFO Notice Period expires, to Transfer the ROFO Offered Securities to the ROFO Transferee at any price it wishes.

7.7.8. If the ROFO Holder(s) issues the ROFO Exercise Notice within the ROFO Notice Period but the Qualifying Investor declines to sell the ROFO Offered Securities or fails to issue the ROFO Acceptance Notice within the ROFO Acceptance Period, the Qualifying Investors shall be free, for a period of 90 (ninety) days from the expiry of the ROFO Acceptance Period, to transfer the ROFO Offered Securities to a third party provided that the price at which the Qualifying Investor Transfers the ROFO Offered Securities shall be higher than the ROFO Offer Price and the terms of the Transfer of the ROFO Offered Securities to the ROFO Transferee are favourable than those offered by the ROFO Holders.

7.7.9. Subject to Article 7.7, at no time shall there be any restrictions on the Transfer of Series A4 CCPS or Series B1 CCPS or Series B2 CCPS by the respective Qualifying Investors with or without rights attached to such Series A4 CCPS or Series B1 CCPS or Series B2 CCPS as may

be determined by the relevant Qualifying Investor. The Company and Founders shall do all such acts, deeds, matters and things as may be necessary or required by the Qualifying Investor for it to Transfer the ROFO Offered Securities to the ROFO Transferee, including the provision of customary representations and warranties as to the shares, the business and affairs of the Company that are customary in such transactions. It is clarified that relevant Qualifying Investor will be entitled to assign all or any of its rights under their terms during subscription with or without Transfer of Series A4 CCPS or Series B1 CCPS or Series B2 CCPS. Notwithstanding anything contrary provided in these Articles, a Series A4 Investor and/or Series B1 and/or Series B2 Investor shall be entitled to, at any time, Transfer any of the Series A4 CCPS and/or Series B1 CCPS and/or Series B2 CCPS, respectively, held by it in the Company to an Affiliate subject to such Affiliate executing a deed of adherence to the Articles.

7.8 **Tag Along Right of the Shareholders.**

7.8.1. The Founder Seller shall also provide the Transfer Notice to all of the other Shareholders ("**Tag Holder**"). Further, the Founder Seller shall also ensure that the Transfer Notice contains an offer from the Proposed Transferee to purchase up to a pro rata number of the Shares held by each Tag Holder on the same terms and conditions of the offer made to the Founder Seller ("**Shareholder Tag Along Right**").

7.8.2. If a Tag Holder desires to exercise the Shareholder Tag Along Right, it must give the Founder Seller a written Notice along with the details of number of Shares it proposes to Transfer ("**Shareholder Tag Along Shares**") to that effect within 30 (thirty) days of the receipt of Transfer Notice, and upon giving such Notice, the Tag Holder shall be deemed to have effectively exercised the Shareholder Tag Along Right. If a Tag Holder exercises the Shareholder Tag Along Right, the Transfer of the Shares by the Founder Seller to the Proposed Transferee shall be conditional upon such Proposed Transferee acquiring the Shareholder Tag Along Shares simultaneously with the acquisition of the Sale Shares in accordance with this Article 7.8, on the same terms and conditions set forth in the Transfer Notice.

7.8.3. To the extent that a Tag Holder exercises its Shareholder Tag Along Right in accordance with the terms and conditions set forth in Article 7.8, the number of Sale Shares that the Founder Seller may sell in the proposed Transfer shall be correspondingly reduced. However, if SAIF and/or Qualifying Investors exercise their Tag Along Right in relation to such Transfer in accordance with Article 7.3, the number of Tag Along Shares to be Transferred by SAIF and/ or the Qualifying Investors shall not be reduced.

7.8.4. The Shareholder Tag Along Shares shall be Transferred to the Proposed Transferee simultaneously with the Transfer of the Sale Shares.

7.8.5. It is clarified that a Tag Holder shall not have the Shareholder Tag Along Right for a Transfer of Shares by the Founder Seller to SAIF pursuant to exercise of the Right of First Refusal by SAIF.

7.9 The restrictions under this Article VII will not apply to any Transfer or proposed Transfer of Shares by a Series A4 Investor or a Series B1 Investor or a Series B2 Investor to its Affiliate, provided that such Affiliate executes a Deed of Adherence.

## VIII. EXIT

8.1 The Company shall make best efforts to provide an exit to SAIF by way of a Qualified IPO or a Strategic Sale on or before the Investment Exit Date in a manner in terms as provided in this Article VIII.

8.2 **Qualified IPO**. The Company shall make best efforts to provide an exit to SAIF by way of completing a Qualified IPO on or before the Investment Exit Date.

8.3 **Strategic Sale**. Subject to Applicable Law, if the Company has not completed a Qualified IPO or SAIF, the Founders and the Company decide not to pursue a Qualified IPO, SAIF shall, in addition to the rights under this Article VIII, be entitled at any time up to and after the expiry of the Investment Exit Date, at its sole discretion, to require the Company to provide an exit to SAIF by undertaking a Strategic

Sale, which shall be on such terms and conditions as may be acceptable to the SAIF. If the Company proposes to undertake a Strategic Sale, then such Strategic Sale shall be subject to the following conditions.

8.3.1. The Founders and the Company, shall deliver a Notice to SAIF (the "**Strategic Sale Notice**") setting out (a) the exact nature of the transaction proposed; (b) identity of the purchaser; (c) time required to close; and, (d) such other material terms of the Strategic Sale as SAIF might request.

8.3.2. SAIF will have the right but not the obligation to offer, in an offer for sale, all or any of the SAIF Securities in priority to all other Shareholders.

8.3.3. SAIF shall not be required to provide any representations and warranties for such Transfer, except those relating to title to their Shares and the legal standing of SAIF.

8.3.4. If the Strategic Sale is by way of stock swap then SAIF will be entitled to receive the value of the stock of the third party entity that will enable SAIF to receive at least Minimum Return.

8.3.5. The costs and expenses of the Strategic Sale (including stamp duties and all Taxes other than Taxes on net income of the recipient) shall be borne by the third party purchaser or the Company.

8.4 **Liquidity IPO.** If the Company and the Founders fail to complete either a Qualified IPO or a Strategic Sale by the Investment Exit Date, SAIF shall, at any time after the Investment Exit Date, have the right, without prejudice to its rights under these Articles, to require the Company to, and the Company shall, list SAIF Securities on any Stock Exchange, through an offer for sale or fresh issue of Shares or such other manner as requested by SAIF ("**Liquidity IPO**"), at a final issue price per Share and other terms as determined by SAIF at its sole discretion. Provided however, the issue price per Share shall not be less than the price that provides SAIF with the Minimum Return. Upon exercise of the Liquidity IPO under this Article 8.4 by SAIF, the Founders shall do all things necessary to support such an offer and if required by SAIF offer such number of Shares held by them for listing as may be necessary.

8.5 **General IPO Terms**. Any Public Offer shall include or be subject to the following terms:

8.5.1. Cost of the Public Offer including in relation to any offer for sale will be borne by the Company. In the event Applicable Law does not permit the Company to bear the cost in relation to any offer for sale, the Founders and SAIF shall bear such expense as are required by Applicable Law to be borne by them.

8.5.2. SAIF will have the right but not the obligation to offer, in an offer for sale, all or any of the SAIF Securities in priority to all other Shareholders.

8.5.3. The Founders shall not offer any Shares held by them for sale except as may be required by Applicable Law (a) as a condition for obtaining listing on any Stock Exchange; or (b) to ensure that minimum public holding requirements are satisfied.

8.5.4. The Public Offer will be underwritten at least to the extent required under Applicable Law.

8.5.5. The shareholding of SAIF shall not be subject to any lock-in unless specified under Applicable Law.

8.5.6. All advisors/consultants to the Public Offer including the book running lead managers, underwriters, bankers, counsel and transfer agents shall be appointed only with the SAIF Consent.

8.5.7. If the SAIF Securities are converted into equity shares pursuant to a proposed Public Offer and the Company fails to complete such Public Offer or if the Shares of the Company are not listed on recognized Stock Exchanges due to any reason whatsoever within 6 (Six) months from such conversion, all the rights available to SAIF owing to its shareholding in the Company under these Articles shall continue to be available to SAIF. The Shareholders shall support any decisions and actions required by SAIF to give effect to the provisions herein contained including by exercise of their voting and other rights. The decisions and actions that SAIF may

require may without limitation include:

(a) modification and/or reclassification of the SAIF Securities into Shares of a different class which rank in preference to the remainder of the issued, paid-up and subscribed share capital. Upon such modification and/or re-classification, the SAIF Securities shall, subject to Applicable Law, have all the rights that were attached to the SAIF Securities immediately prior to the conversion referred to above;

(b) entry into any contractual arrangements for the purposes of ensuring that the rights attached to the SAIF Securities post such conversion are the same as those attached to the SAIF Securities immediately prior to the conversion;

(c) alteration of the Articles to include all of the rights attached to the SAIF Securities that were so attached immediately prior to the conversion referred to above; and

(d) all such other measures as shall be necessary to restore the rights enjoyed by SAIF prior to conversion of the Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS into Equity Shares.

The rights set forth in this Clause 9.5.7 shall apply mutatis mutandis to all other Investors.

8.6 **Third Party Sale**. Subject to Applicable Law, if the Company has not completed a Qualified IPO or if SAIF, the Founders and the Company decide not to pursue a Qualified IPO by the Investment Exit Date, SAIF shall, for as long as SAIF holds 5% (Five Percent) in the share capital of the Company on an As If Converted Basis, at any time after the expiry of the Investment Exit Date, in addition to the right under Articles 8.3 to 8.5 above, have the right to require the Company to provide an exit to them on such terms and conditions as may be acceptable to them. The Company shall, and the Founders shall cause the Company, to (i) make best efforts to identify a *bona fide* third party purchaser or group of purchasers acceptable to SAIF to purchase all of the Shares held by SAIF as are mentioned in the Strategic Sale Notice in the manner provided in Article 8.3 above, or (ii) merge the Company with any other entity, or (iii) conduct sale of all or part of the Business or Assets of the Company, or (iv) create an exit in any other manner, on such terms and conditions as may be determined by SAIF. The third party purchaser may also be a third party purchaser or group purchasers identified by SAIF. ("**Third Party Sale**")

The Founders and the Key Managerial Personnel shall facilitate and co-operate with any such Transfer, sale or merger, as mentioned above, including by way of co–operating in any due diligence conducted by a potential third-party purchaser and providing all the necessary information relating to the Company. The Company and Founders shall provide adequate representations and warranties in this regard, wherever required.

8.7 **Drag Along Right of SAIF.**

8.8.1. The following events shall be treated as events that will entitle SAIF ("**Dragging Investor**") to exercise its Drag Along Right under these Articles ("**Drag Events**"):

(a) petition for bankruptcy has been filed by a creditor for default in making any payments due by the Company and such petition has not been dismissed, stayed or if admitted, not vacated within 6 (Six) months of such petition being filed; or

(b) occurrence of a Material Breach and its continuance after the expiry of Cure Period in the event such breach is capable of being cured; or,

(c) if the Company and the Founders have failed to (i) provide an exit to SAIF within the Investment Exit Date, and (ii) provide a Liquidity IPO, Third Party Sale or Buy Back within a period of 2 (two) years from the Investment Exit Date.

8.8.2. **Drag Sale**. Upon occurrence of a Drag Event, subject to such Dragging Investor holding a minimum shareholding of 5% (Five Percent) in the share capital of the Company on an As If Converted Basis, the Dragging Investor shall have the right, but not the obligation, to compel:

(a) the Shareholders (the "**Dragged Shareholders**") to: (i) merge or consolidate the Company and/ or its Subsidiaries with any other entity, or (ii) sell all or substantially all of the Assets or Proprietary Rights of the Company and/ or its Subsidiaries to a third party/ Company; or

(b) (i) the Dragged Shareholders (except the Qualifying Investors) sell up to 100% (One Hundred Percent) of their Shares along with the Dragging Investor to a third party ("**New Buyer**"); or (ii) the Qualifying Investors sell up to such number of Shares along with the Dragging Investor to the New Buyer that is pro rata to the number of Shares being sold by the Dragging Investor to the New Buyer.

The Shares to be sold by the Dragged Shareholders shall hereinafter be referred to as the "**Drag Along Shares**". Hereinafter, "**Drag Sale**" shall refer to any of (a) sale of Shares to the New Buyer; (b) merger or consolidation the Company and/ or its Subsidiaries with any other entity; or (c) sale of all or substantially all of the Assets or Proprietary Rights of the Company and/ or its Subsidiaries to a third party/ Company, pursuant to this Article 8.8.2.

8.8.3. **Drag Sale Procedure**. On exercise of the Drag Along Right for the purpose of causing a Drag Sale, the Dragging Investor shall send a written Notice (the "**Drag Sale Notice**") to the Dragged Shareholders, specifying (i) the details of the name and authorized representatives of the New Buyer; (ii) the consideration payable per Share; (iii) the number of Shares to be sold by the relevant Dragged Shareholder; and, (iv) a summary of the material terms of such purchase.

8.8.4. Upon receipt of a Drag Sale Notice, the Dragged Shareholders shall:

(a) subject to Article 8.8.2, simultaneously with the Dragging Investor sell such a number of their Shares (as determined by the Dragging Investor and set out in the Drag Sale Notice in accordance with Article 8.8.3 above) free of any Encumbrance on terms set out in the Drag Sale Notice; and,

(b) take all necessary action (including such action as may be reasonably requested of them by the Dragging Investor) to cause the consummation of such transaction, including: (i) exercising the voting rights attached to their Shares in favor of such transaction; (ii) not exercising any approval or voting rights in connection therewith in a manner contrary to the Closing of the transaction; and (iii) appointing the Dragging Investor, as their attorney-in-fact to do the same on their behalf.

Notwithstanding anything contained in this Article 8.8, where the Dragging Investor exercises a drag right in respect of Drag Along Shares held by a Series A4 Investor or a Series B1 Investor or a Series B2 Investor, the Series A4 Investor or Series B1 Investor or Series B2 Investor shall be entitled to the same price and terms of sale of Shares as applicable to the Dragging Investor.

8.8.5. **Delivery of Drag Along Shares**. The Dragged Shareholders shall deliver the share certificates in respect of the Drag Along Shares, to the Company at least 30 (Thirty) days before the proposed closing date of such sale, along with the transfer forms duly filled in and if the Shares have been dematerialized, the Dragged Shareholders shall issue appropriate instructions to their depository participant to give effect to the Transfer in accordance with the Drag Sale Notice.

8.8.6. If a Dragged Shareholder fails, refuses or is otherwise unable to comply with its obligations in this Article 8.8, the Company shall have the authority and be obliged to designate a Person to execute and perform the necessary Transfer on such Dragged Shareholder's behalf. The Company may receive and hold the purchase consideration in trust for the Dragged Shareholder and cause the New Buyer to be registered as the holder of the Drag Along Shares being sold by the relevant Dragged Shareholder. The receipt by the Company of the purchase consideration shall be a good discharge to the New Buyer.

8.8.7. Further, if any Dragged Shareholder fails or refuses to Transfer any Drag Along Shares after the Company has received the entire purchase money in respect of the Drag Along Shares in trust for the Dragged Shareholder in accordance with Article 8.8.6 above, the New Buyer may serve

a default Notice on the relevant defaulting Dragged Shareholder and send copies of such default Notice to the Dragging Investor and the Company. Upon receipt of a default Notice (unless such non-compliance by the relevant defaulting Dragged Shareholder is remedied to the reasonable satisfaction of the New Buyer), the defaulting Dragged Shareholder shall not be entitled to exercise any of its powers or rights in relation to the Drag Along Shares of the Dragged Shareholder Transferred to the New Buyer including voting right attached thereto or right to participate in the profits of the Company.

8.8.8. **Actions to be taken**. In the event the Dragging Investor exercises a Drag Along Right to cause a Drag Sale or calls for a Third Party Sale, then each Shareholder, including the Dragged Shareholder, with respect to all Shares which it owns or over which it otherwise exercises voting or dispositive authority:

(a) in the event such transaction is to be brought to a vote at a Shareholders' meeting, after receiving proper Notice of any meeting of Shareholders of the Company, shall vote on the approval of Drag Sale or Third Party Sale, as the case may be, to be present, in person or by proxy, as a holder of Shares of voting securities, at all such meetings and be counted for the purposes of determining the presence of a quorum at such meetings;

(b) shall vote (in person, by proxy or by action by written consent, as applicable) all Shares in favour of such Drag Sale or Third Party Sale, as the case may be, (the "**Proposed Sale**") and in opposition to any and all other proposals that could reasonably be expected to delay or impair the ability of the Company to consummate such Proposed Sale;

(c) shall refrain from exercising any dissenters' rights or rights of appraisal under Applicable Law at any time with respect to the Proposed Sale;

(d) shall execute and deliver all related documentation and take such other action in support of the Proposed Sale as shall reasonably be requested by the Company or the Dragging Investor; and

(e) shall not deposit, and shall not cause their Affiliates to deposit, except as provided in these Articles, any Shares owned by such Shareholder or Affiliate in a voting trust or subject any such Shares to any arrangement or agreement with respect to the voting of such Shares, unless specifically requested to do so by the acquirer in connection with the Proposed Sale.

8.8.9. It is clarified that in the event of a Drag Sale, the Investors shall be required to provide representations, warranties and indemnities only in relation to the Shares being Transferred by them in such Drag Sale.

8.8 In the event the Company provides an exit to SAIF under Article VIII, the Series A4 Investors, Series B1 Investors and Series B2 Investors shall be entitled to participate in the relevant exit provided by the Company to SAIF on same terms and at the same price as applicable to the shares held by SAIF. The Company and the Founders shall undertake all such actions as may be necessary to give effect to the rights of Series A4 Investors, Series B1 Investors and Series B2 Investors under this Article VIII. On SAIF exercising any of its Exit Rights under Articles 8.3, 8.6, 8.7 and 8.8, the Series A4 Investors, the Series B1 Investors and the Series B2 Investors shall be entitled to participate in the relevant exit being triggered by SAIF on same price and terms applicable to SAIF.

## IX. TERMS OF SERIES A CCPS

9.1 The Series A CCPS are issued with the following characteristics, including certain rights vested in the holder of the Series A CCPS which are in addition to, and without prejudice to, the other rights of SAIF set out in these Articles. Further, the terms of issuance of Series B1 CCPS, Series A4 CCPS and Series A CCPS shall rank *pari passu* to each other (except the Issue Price, which shall be Series A Conversion Price in relation to Series A CCPS, Series A4 Conversion Price in relation Series A4 CCPS and Series B1 Conversion Price in relation Series B1 CCPS).

9.1.1. **Equity Shares**. The number of Equity Shares to be issued to the holders of the Series A CCPS upon conversion shall, subject to the other terms and conditions set forth in these Articles, be as

set out in Article 9.1.3 below.

9.1.2. **Dividends**. The Series A CCPS shall carry a pre-determined cumulative dividend rate of 0.01% (zero point zero one percent) per annum on an As If Converted Basis. The dividend shall be payable, subject to cash flow solvency, in the event the Board declares any dividend for the relevant year and shall be paid *parri passu* with the holders of Series A4 CCPS, Series B1 CCPS and Series B2 CCPS, and in priority to Equity Shares, Series A2 CCPS, Series A3 and Ordinary CCPS. In addition to the same, the holders of the Series A CCPS shall be entitled to dividend an As If Converted Basis. Any dividend declared by the Company on any Shares other than Series A CCPS pursuant to approval from SAIF shall be paid only after similar dividend, on an As If Converted Basis and other contractual payments are first paid in full on the Series A CCPS.

9.1.3. **Conversion.**

(a) The holders of the Series A CCPS may convert the Series A CCPS in whole or part into Equity Shares at any time before 19 (Nineteen) years from the date of issuance of the same subject to the adjustments provided in Articles 9.1.4, 9.1.6 and 9.1.7 below and other terms and conditions of these Articles. In the event the conversion of Series A CCPS entitles the holder of Series A CCPS to any fraction of an Equity Share, then such fraction shall be rounded up to the nearest whole number.

(b) The holders of Series A CCPS shall, at any time prior to expiry of 19 (Nineteen) years from the date of issuance of the same, be entitled to call upon the Company to convert all or any of the Series A CCPS by issuing a Notice to the Company accompanied by a share certificate representing the Series A CCPS sought to be converted. Immediately and no later than 7 (Seven) days from the receipt of such Notice, the Company shall issue Equity Shares in respect of the Series A CCPS sought to be converted. The record date of conversion of the Series A CCPS shall be deemed to be the date on which the holder of such Series A CCPS issues a Notice of conversion to the Company. The Series A CCPS, or any of them, if not converted earlier, shall automatically convert into Equity Shares at the then applicable conversion rate, (i) on latest permissible date prior to the issue of Shares to the public in connection with the occurrence of a Public Offer under Applicable Law, or (ii) on the day following the completion of 19 (Nineteen) years from the date of issuance of the same.

(c) Subject to the adjustments provided in Article 9.1.4, 9.1.6 and 9.1.7 below, each Series A CCPS shall convert into 1 (One) Equity Share. No fractional Shares shall be issued upon conversion of Series A CCPS, and the number of Equity Shares to be issued shall be rounded up to the nearest whole number.

9.1.4. **Conversion Price and Conversion Ratio.** As of the Series A Closing Date, each Series A CCPS shall be convertible into one Equity Share and the price at which each Equity Share shall be issued upon conversion of a Series A CCPS shall initially be INR 678.25 (Indian Rupees six hundred and seventy eight point two five) (the "**Series A Conversion Price**"). The Series A Conversion Price shall be subject to the adjustments provided in Articles 9.1.6, 9.1.7 and 9.1.8 below. The adjusted Series A Conversion Price shall be construed as the relevant Series A Conversion Price for the purposes of these Articles and accordingly the conversion ratio for Series A CCPS shall be determined ("**Series A Conversion Ratio**").

9.1.5. **Valuation Protection.** If the Company offers any Dilution Instruments to a new investor or a third party after the Series A Closing Date, at a price (the "**New Price**") less than the then effective conversion price of the Series A CCPS ("**Dilutive Issuance**") then the holders of Series A CCPS shall be entitled to a broad based weighted-average basis anti-dilution protection as provided for in Article 9.2 (the "**Valuation Protection Right**"). In such an event the Company and Founders shall be bound to cooperate with the holders of Series A CCPS such that the Company forthwith takes all necessary steps as described in Article 9.2. The Company shall Notify the holders of Series A CCPS of the impact of the Dilutive Issuance prior to such issuance and obtain confirmation from SAIF that the same conforms to these Terms of Issue.

9.1.6. **Adjustments.**

(a) If, whilst any Series A CCPS remain capable of being converted into Equity Shares, the Company splits, sub-divides (stock split) or consolidates (reverse stock split) the Equity Shares into a different number of securities of the same class, the number of Equity Shares issuable upon a conversion of the Series A CCPS shall, subject to Applicable Law and receipt of requisite approvals, be proportionately increased in the case of a split or sub-division (stock split), and likewise, the number of Equity Shares issuable upon a conversion of the Series A CCPS shall be proportionately decreased in the case of a consolidation (reverse stock split).

(b) If, whilst any Series A CCPS remain capable of being converted into Equity Shares, the Company makes or issues a dividend or other distribution of Equity Shares to the holders of Equity Shares then the number of Equity Shares to be issued on any subsequent conversion of Series A CCPS shall, subject to Applicable Law and receipt of requisite approvals, be increased proportionately and without payment of additional consideration therefor by the holders of Series A CCPS.

(c) If the Company, by re-classification or conversion of Shares or otherwise, changes any of the Equity Shares into the same or a different number of Shares of any other class or classes, the right to convert the Series A CCPS into Equity Shares shall thereafter represent the right to acquire such number and kind of Shares as would have been issuable as the result of such change with respect to the Equity Shares that were subject to the conversion rights of the holder of Series A CCPS immediately prior to the record date of such re-classification or conversion.

(d) The holders of Series A CCPS shall be entitled to the cumulative benefit of all adjustments referred to herein.

9.1.7. **Liquidation and Participation Preference.**

(a) In any Liquidation Event, subject to Applicable Law, holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS shall have a preference over the Shareholders and for return of capital as set out hereinafter. The proceeds of a Liquidation Event shall be distributed such that the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS, and Series B2 CCPS receive the higher of (a) an amount equal to 1X of the amounts invested by them for subscription of Series A CCPS, Series A4 CCPS, Series B1 CCPS, and Series B2 CCPS respectively, plus any declared and all accrued and unpaid dividends thereon, or (b) their pro rata entitlement on an As If Converted Basis ("**Preference Amount**").

(b) If the amount available for distribution is lower than the Preference Amount, then the amount available for distribution shall be distributed to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS, and Series B2 CCPS in proportion to amounts invested by them for subscription of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS respectively. Any incremental Shares that need to be issued or Transferred to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS to facilitate realization of the Preference Amount shall be made at the option of the holder of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS respectively by (a) an adjustment of the conversion price of the Series A CCPS , Series A4 CCPS, Series B1 CCPS and Series B2 CCPS as the case may be; (b) issue of additional Shares at the lowest permissible price to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS, as the case may be; (c) Transfer of Shares held by the Founders at lowest price permissible under Applicable Law to the holders of Series A CCPS, Series A4 CCPS Series B1 CCPS and Series B2 CCPS, as the case may be; (d) buy back of Shares held by the Founders, the Angel Investors and the Other Shareholders; (e) reduction of the sale proceeds receivable by the Founders; or, (f) by taking such measures as may be necessary to ensure that the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS realize the Preference Amount.

(c) In any Liquidation Event, subject to Applicable Law, upon and subject to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS receiving the Preference Amount, holders of Series A2 CCPS and Series A3 CCPS shall have a preference

over the Shareholders and for return of capital as set out hereinafter. The proceeds of a Liquidation Event shall be distributed such that the holders of Series A2 CCPS and Series A3 CCPS receive the higher of (a) an amount equal to 1X of the amounts invested by them for subscription of Series A2 CCPS and Series A3 CCPS respectively, plus any declared and all accrued and unpaid dividends thereon, or (b) their pro rata entitlement on an As If Converted Basis ("**A2 & A3 Preference Amount**").

(d) If the amount available for distribution, (if any) after payment of the Preference Amount to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS, is lower than the A2 & A3 Preference Amount, then the entire amount available for distribution shall be distributed to the holders of Series A2 CCPS and Series A3 CCPS in proportion to amounts invested by them for subscription of Series A2 CCPS and Series A3 CCPS respectively. Any incremental Shares that need to be issued or Transferred to the holders of Series A2 CCPS and Series A3 CCPS to facilitate realization of the A2 & A3 Preference Amount shall be made at the option of the holder of Series A2 CCPS and Series A3 CCPS respectively by (a) an adjustment of the conversion price of the Series A2 CCPS or Series A3 CCPS, as the case may be; (b) issue of additional Shares at the lowest permissible price to the holders of Series A2 CCPS and Series A3 CCPS, as the case may be; (c) Transfer of Shares held by the Founders at lowest price permissible under Applicable Law to the holders of Series A2 CCPS and Series A3 CCPS, as the case may be; (d) buy back of Shares held by the Founders, the Angel Investors and the Other Shareholders; (e) reduction of the sale proceeds receivable by the Founders; or, (f) by such taking such measures as may be necessary to ensure that the holders of Series A2 CCPS and Series A3 CCPS realize the A2 & A3 Preference Amount.

(e) In any Liquidation Event, subject to Applicable Law, upon and subject to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS receiving the Preference Amount and the holders of Series A2 CCPS and Series A3 CCPS receiving the A2 & A3 Preference Amount, the holders of Ordinary CCPS shall have a preference over the other Shareholders for return of capital such that subject to any amount remaining for distribution, the holders of Ordinary CCPS shall receive an amount equal to 1X of the amounts invested by them for subscription of Ordinary CCPS, plus any declared and all accrued and unpaid dividends thereon in preference to distribution of the proceeds to any other Shareholders ("**Kolluri Preference Amount**").

(f) If the amount available for distribution, (if any) after payment of the Preference Amount and the A2 & A3 Preference Amount to the holders of Series A CCPS, Series A2 CCPS, Series A3 CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS, is lower than the Kolluri Preference Amount, subject to Applicable Law, the entire amount shall be distributed to the holders of Ordinary CCPS. The holders of Ordinary CCPS can choose to not to receive their Kolluri Preference amount in preference to other Shareholders and participate in the remaining proceeds of the Liquidation Event (post distribution to holders of Series A CCPS, Series A2 CCPS, Series A3 CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS) together with all other Shareholders (except holders of Series A CCPS, Series A2 CCPS, Series A3, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS) proportionately.

(g) All Shareholders (excluding holders of Series A CCPS, Series A2 CCPS, Series A3 CCPS, Series A4 CCPS, Series B1 CCPS, Series B2 CCPS and Ordinary CCPS) shall participate proportionately in the entire proceeds resulting from a Liquidation Event only after (i) the holders of Series A CCPS , Series B1 CCPS, Series A4 CCPS and Series B2 CCPS have realised the Preference Amount, (ii) the holders of Series A2 CCPS and Series A3 CCPS have realised the A2 & A3 Preference Amount, and (iii) the holders of Ordinary CCPS have realised their Kolluri Preference Amount.

9.1.8. **Senior Rights**. No other instruments that are outstanding and/or which may be issued by the Company from time to time shall rank senior to the SAIF Securities in any respects including but not limited to voting rights, dividends and liquidation. The holders of Series A CCPS shall be entitled to all superior rights or other rights that may be given to any other investor, if any, in the future.

9.1.9. **Additional Rights**. The Company shall not and/or Founders shall ensure that the Company does not grant any other current/potential investor any rights which are more favourable than those granted to the holders of Series A CCPS. If the rights granted to any other investor are at variance with rights of the Series A CCPS, the holders of Series A CCPS shall be entitled to such favourable terms as are offered by the Company to SAIF.

9.1.10. **Registration Rights**. SAIF shall receive typical and customary registration rights, where available, in all global market(s) where the Company lists the Shares.

9.1.11. **Meeting and Voting Rights**. The holders of Series A CCPS shall be entitled to attend meetings of all Shareholders of the Company and will be entitled to such voting rights on an As If Converted Basis, as may be permissible under Applicable Law. Accordingly, but subject to adjustments as set forth herein, the holders of Series A CCPS shall be entitled to the same number of votes for each Series A CCPS as a holder of 1 (One) Equity Share, provided however that in the event of any adjustment in conversion the number of votes associated with each Series A CCPS will change accordingly. The holders of Series A CCPS shall be entitled to vote on all such matters which affect their rights directly or indirectly.

9.2 **Broad Based Weighted Average Valuation Protection for Holders of Series A CCPS.**

9.2.1. **Definitions.** For the purposes of this Article 9.2 and unless the context requires a different meaning, the following terms have the meanings indicated.

(a) "**Issue Date**" shall have the meaning ascribed to it in Article 9.2.2(a)(ii).

(b) "**Lowest Permissible Price**" in relation to the holders of Series A CCPS shall mean the lowest possible price at which a Share may be issued to/acquired by the holders of Series A CCPS in accordance with Applicable Law.

(c) "**New Issue Price**" shall have the meaning ascribed to it in Article 9.2.2(a)(i).

(d) "**Issue Price**" shall Series A Conversion Price as adjusted from time to time.

9.2.2. **Non-Dilution Protection.**

(a) **Issuance below Issue Price.**

(i) **New Issues**. If the Company shall at any time or from time to time issue or sell any Dilution Instruments at a price per Dilution Instrument that is less than the Issue Price (treating the price per Dilution Instrument as equal to (x) the total sum paid for such Dilution Instruments plus any additional consideration payable (without regard to any anti-dilution adjustments) upon the conversion, exchange or exercise of such Dilution Instruments divided by (y) the number of Shares initially underlying such Dilution Instruments) (the "**New Issue Price**"), other than Exempted Issuance and any Dilution Instruments offered in accordance with contracts with vendors or on account of acquisition and other similar transaction approved by the Board, then, the holders of Series A CCPS shall be issued additional Equity Shares at par or at the lowest value permitted under the exchange control Laws of India as would enable them to maintain their shareholding of the Series A CCPS in accordance with Article 9.2.2(a)(iii).

(ii) **Timing for New Issues**. Such Anti-Dilution Issuance shall be made whenever such Dilution Instruments are issued in accordance with Article 9.2.2(a)(ii), (x) in the case of an issuance to the Shareholders of the Company, as such, to a date immediately following the close of business on the record date for the determination of Shareholders entitled to receive such Dilution Instruments and (y) in all other cases, on the date (the "**Issue Date**") of such issuance; provided, however, that the determination as to whether an anti-dilution issuance is required to be made pursuant to this Article 9.2.2(a) shall be made immediately or simultaneously upon the issuance of such Dilution Instruments, and not upon the subsequent issuance of any

security into which the Dilution Instruments convert, exchange or may be exercised.

(iii) **Anti-Dilution Issuance**. If an Anti-Dilution Issuance is to be undertaken pursuant to an occurrence of any event described in Article 9.2.2(a)(i), the conversion price shall be adjusted in accordance with the following formula:

$$NCP = \frac{(P1) \times (Q1) + (Q2)}{(Q1) + (R)}$$

For the purposes of this Article, "NCP" is the new Purchase Price;

**"P1"** is the Issue Price;

**"Q1"** means the number of Equity Shares Outstanding immediately prior to the new issue;

"**Q2**" means such number of Equity Shares that the aggregate consideration received by the Company for such issuance would purchase at Issue Price;

"**R**" means the number of Equity Shares issuable / issued upon conversion of the Dilution Instruments being issued.

For purposes of this Condition, the term "**Equity Shares Outstanding**" shall mean the aggregate number of Equity Shares of the Company then outstanding (assuming for this purpose the exercise and/or conversion of all then-outstanding securities exercisable for and/or convertible into Equity Shares (including without limitation the conversion of all preference shares of the Company)).

9.2.3. **Reorganization, Reclassification**. In case of any reconstruction or consolidation of the Company or any capital reorganization, reclassification or other change of outstanding Shares or if the Company declares a distribution (other than dividend for cash) on its Equity Shares or the Company authorizes the granting to the holders of its Equity Shares rights or warrants to subscribe for or purchase any Equity Shares of any class or of any other rights or warrants; or upon occurrence of any other similar transaction (each, a "**Transaction**"):

(i) then the Company shall mail to each holder of Series A CCPS at such holder's address as it appears on the books of the Company, as promptly as possible but in any event at least 20 (Twenty) days prior to the applicable date hereinafter specified, a Notice stating the date on which a record is to be taken for the purpose of such dividend, distribution or granting of rights or warrants or, if a record is not to be taken, the date as of which the holders of Equity Shares of record to be entitled to such dividend, distribution or granting of rights or warrants are to be determined. Notwithstanding the foregoing, in the case of any event to which this Article 9.2.3(i) is applicable, the Company shall also deliver the certificate described in Article 9.2.3(ii) below to each holder of Series A CCPS at least 10 (ten) Business Days' prior to effecting such reorganization or reclassification as aforesaid

(ii) the Company shall execute and deliver to each holder of Series A CCPS at least 7 (Seven) Business Days prior to effecting such Transaction a certificate, signed by (i) the chief executive officer of the Company and (ii) the chief financial officer of the Company, stating that the holder of each Series A CCPS shall have the right to receive in such Transaction, in exchange for each such Equity Share or Series A CCPS, a security identical to (and not less favourable than) each such Equity Share or Series A CCPS and no less favourable than any security offered to any Shareholder for or in relation to that Transaction, and provision shall be made therefor in the agreement, if any, relating to such Transaction.

9.2.4. **Mode of Giving Effect to Valuation Protection.** In the event of the provisions of Article 9.2.2(a) become applicable, then the holders of Series A CCPS, shall have the option to require the Company to (a) adjust the conversion ratio or conversion price of the Series A CCPS, (b) Transfer Shares held by the Founders to the holders of Series A CCPS at lowest price permissible

under Applicable Law; (c) buy back of Shares held by the Founder, Angel Investors and Other Shareholders; (d) reduce the sale proceeds receivable by the Founders; (e) issue of additional Shares to the Series A CCPS at the lowest permissible price; or (f) take such measures as may be necessary to give effect to the provisions of this Article 9.2.

9.2.5. **Compliance with and Effectiveness of this Article**

(a) **Waiver**. If a Shareholder (other than SAIF) is entitled under any contract, requirement of Applicable Law or otherwise to participate in relation to any issue of Shares to the holders of Series A CCPS under this Article 9.2, then such Shareholder shall waive all such rights and, to the extent it cannot waive such rights, shall not exercise them.

(b) **Ensuring Economic Effect**. If for any reason any part of this Article 9.2 is not fully effected as a result of any change in Applicable Law (including a change in Applicable Law that affects the price at which the holders of Series A CCPS may sell or be issued Shares) then each Shareholder and the Company shall each use its best efforts to take all such actions (by corporate, director or shareholder action) as may be necessary to provide Series A CCPS, the same economic benefits as are contemplated by this Article 9.2.

(c) **Change in Applicable Law**. If there is a change in any Applicable Law that makes it possible to implement any part of this Article 9.2 so as to confer the economic benefits on Series A CCPS that are contemplated by this Article 9.2 in a more effective manner then each Shareholder (other than SAIF) and the Company shall co-operate and use its best efforts to implement this Article 9.2 in that more effective manner.

(d) **Material Breach of this Article**. If a Shareholder (other than SAIF) breaches a provision of this Article 9.2 or acts or omits to act in a particular manner and as a result of such breach, act or omission and the holders of Series A CCPS is unable to be issued the number and percentage of Equity Shares or Equity Shares at a price contemplated by this Article 9.2 then that Shareholder is deemed to have committed a material breach of these Articles.

(e) **Currency Exchange**. If in calculating a price or any other amount under this Article 9.2 the relevant variables for that calculation are expressed in different currencies then all such variables for the purposes of that calculation shall be converted to INR.

## X. TERMS OF ORDINARY CCPS

10.1 The Ordinary CCPS are issued with the following characteristics, including certain rights vested in the holder of the Ordinary CCPS which are in addition to, and without prejudice to, the other rights of the holders of the Ordinary CCPS set out in these Articles.

10.1.1. **Equity Shares**. The number of Equity Shares to be issued to the holders of the Ordinary CCPS upon conversion shall, subject to the other terms and conditions set forth in the Articles, be as set out in Article 10.1.3 below.

10.1.2. **Dividends**. The Ordinary CCPS shall carry a pre-determined cumulative dividend rate of 0.001% (Zero point zero zero one percent) per annum on an As If Converted Basis. The dividend shall be payable, subject to cash flow solvency, in the event the Board declares any dividend for the relevant year, and shall be paid subsequent to the preference of the holders of Series A CCPS, Series A2 CCPS, Series A3 CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS and in priority to Equity Shares.

10.1.3. **Conversion**.

(a) The holders of the Ordinary CCPS may convert the Ordinary CCPS in whole or part into Equity Shares at any time before 19 (Nineteen) years from the date of issuance of the same subject to the adjustments provided in Article 10.1.4 and Article 10.1.5.

(b) The holders of Ordinary CCPS shall, at any time prior to expiry of 19 (Nineteen) years from

the date of issuance of the same, be entitled to call upon the Company to convert all or any of the Ordinary CCPS by issuing a Notice to the Company accompanied by a share certificate representing the Ordinary CCPS sought to be converted. Immediately and no later than 7 (Seven) days from the receipt of such Notice, the Company shall issue Equity Shares in respect of the Ordinary CCPS sought to be converted. The record date of conversion of the Ordinary CCPS shall be deemed to be the date on which the holder of such Ordinary CCPS issues a Notice of conversion to the Company. The Ordinary CCPS, or any of them, if not converted earlier, shall automatically convert into Equity Shares at the then applicable conversion rate, (i) on latest permissible date prior to the issue of Shares to the public in connection with the occurrence of a Public Offer under Applicable Law, or (ii) on the day following the completion of 19 (Nineteen) years from the date of issuance of the same.

(c) Subject to the adjustments provided in Article 10.1.4 and Article 10.1.5, each Ordinary CCPS shall convert into 1 (One) Equity Share. No fractional Shares shall be issued upon conversion of Ordinary CCPS, and the number of Equity Shares to be issued shall be rounded to the nearest whole number.

10.1.4. **Conversion Price and Conversion Ratio.** As of the Closing Date, each Ordinary CCPS shall be convertible into one Equity Share ("**Ordinary CCPS Conversion Ratio**") and the price at which each Equity Share shall be issued upon conversion of an Ordinary CCPS shall initially be INR 450.05 (Indian Rupees four hundred and fifty point zero five) (the "**Ordinary CCPS Conversion Price**") unless adjusted for any stock split, readjustment, consolidation, etc.

10.1.5. **Adjustments**

(a) If, whilst any Ordinary CCPS remain capable of being converted into Equity Shares, the Company splits, sub-divides (stock split) or consolidates (reverse stock split) the Equity Shares into a different number of securities of the same class, the number of Equity Shares issuable upon a conversion of the Ordinary CCPS shall, subject to Applicable Law and receipt of requisite approvals, be proportionately increased in the case of a split or sub-division (stock split), and likewise, the number of Equity Shares issuable upon a conversion of the Ordinary CCPS shall be proportionately decreased in the case of a consolidation (reverse stock split).

(b) If, whilst any Ordinary CCPS remain capable of being converted into Equity Shares, the Company makes or issues a dividend or other distribution of Equity Shares to the holders of Equity Shares then the number of Equity Shares to be issued on any subsequent conversion of Ordinary CCPS shall, subject to Applicable Law and receipt of requisite approvals, be increased proportionately and without payment of additional consideration therefore by the holders of Ordinary CCPS.

10.1.6. **Liquidation and Participation Preference**

(a) In any Liquidation Event, subject to Applicable Law, holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS shall have a preference over the Shareholders and for return of capital as set out hereinafter. The proceeds of a Liquidation Event shall be distributed such that the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS receive the higher of (a) an amount equal to 1X of the amounts invested by them for subscription of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS respectively, plus any declared and all accrued and unpaid dividends thereon, or (b) their pro rata entitlement on an As If Converted Basis ("**Preference Amount**").

(b) If the amount available for distribution is lower than the Preference Amount, then the amount available for distribution shall be distributed to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS in proportion to amounts invested by them for subscription of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS respectively. Any incremental Shares that need to be issued or Transferred to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS to facilitate realization of the Preference Amount shall be made at the option of the holder of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS respectively by (a) an

adjustment of the conversion price of the Series A CCPS, Series A4 CCPS, , Series B1 CCPS and Series B2 CCPS as the case may be; (b) issue of additional Shares at the lowest permissible price to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS as the case may be; (c) Transfer of Shares held by the Founders at lowest price permissible under Applicable Law to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS as the case may be; (d) buy back of Shares held by the Founders, the Angel Investors and the Other Shareholders; (e) reduction of the sale proceeds receivable by the Founders; or, (f) by such taking such measures as may be necessary to ensure that the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS realize the Preference Amount.

(c) In any Liquidation Event, subject to Applicable Law, upon and subject to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS receiving the Preference Amount, holders of Series A2 CCPS and Series A3 CCPS shall have a preference over the Shareholders and for return of capital as set out hereinafter. The proceeds of a Liquidation Event shall be distributed such that the holders of Series A2 CCPS and Series A3 CCPS receive the higher of (a) an amount equal to 1X of the amounts invested by them for subscription of Series A2 CCPS and Series A3 CCPS respectively, plus any declared and all accrued and unpaid dividends thereon, or (b) their pro rata entitlement on an As If Converted Basis ("**A2 & A3 Preference Amount**").

(d) If the amount available for distribution, (if any) after payment of the Preference Amount to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS is lower than the A2 & A3 Preference Amount, then the entire amount available for distribution shall be distributed to the holders of Series A2 CCPS and Series A3 CCPS in proportion to amounts invested by them for subscription of Series A2 CCPS and Series A3 CCPS respectively. Any incremental Shares that need to be issued or Transferred to the holders of Series A2 CCPS and Series A3 CCPS to facilitate realization of the A2 & A3 Preference Amount shall be made at the option of the holder of Series A2 CCPS and Series A3 CCPS respectively by (a) an adjustment of the conversion price of the Series A2 CCPS or Series A3 CCPS, as the case may be; (b) issue of additional Shares at the lowest permissible price to the holders of Series A2 CCPS and Series A3 CCPS, as the case may be; (c) Transfer of Shares held by the Founders at lowest price permissible under Applicable Law to the holders of Series A2 CCPS and Series A3 CCPS, as the case may be; (d) buy back of Shares held by the Founders, the Angel Investors and the Other Shareholders; (e) reduction of the sale proceeds receivable by the Founders; or, (f) by such taking such measures as may be necessary to ensure that the holders of Series A2 CCPS and Series A3 CCPS realize the A2 & A3 Preference Amount.

(e) In any Liquidation Event, subject to Applicable Law, upon and subject to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS receiving the Preference Amount and the holders of Series A2 CCPS and Series A3 CCPS receiving the A2 & A3 Preference Amount, the holders of Ordinary CCPS shall have a preference over the other Shareholders for return of capital such that subject to any amount remaining for distribution, the holders of Ordinary CCPS shall receive an amount equal to 1X of the amounts invested by them for subscription of Ordinary CCPS, plus any declared and all accrued and unpaid dividends thereon in preference to distribution of the proceeds to any other Shareholders ("**Kolluri Preference Amount**").

(f) If the amount available for distribution, (if any) after payment of the Preference Amount and the A2 & A3 Preference Amount to the holders of Series A CCPS, Series A2 CCPS, Series A3 CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 is lower than the Kolluri Preference Amount, subject to Applicable Law, the entire amount shall be distributed to the holders of Ordinary CCPS. The holders of Ordinary CCPS can choose to not to receive their Kolluri Preference amount in preference to other Shareholders and participate in the remaining proceeds of the Liquidation Event (post distribution to holders of Series A CCPS, Series A2 CCPS, Series A3 CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS) together with all other Shareholders (except holders of Series A CCPS, Series A2 CCPS, Series A3, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS) proportionately.

(g) All Shareholders (excluding holders of Series A CCPS, Series A2 CCPS, Series A3 CCPS, Series A4 CCPS, Series B1 CCPS, Series B2 CCPS and Ordinary CCPS) shall participate proportionately in the entire proceeds resulting from a Liquidation Event only after (i) the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS have realised the Preference Amount, (ii) the holders of Series A2 CCPS and Series A3 CCPS have realised the A2 & A3 Preference Amount, and (iii) the holders of Ordinary CCPS have realised their Kolluri Preference Amount.

10.1.7. **Meeting and Voting Rights**. The holders of Ordinary CCPS shall only have voting rights on matters which directly affect or amend the rights attached to the Ordinary CCPS or any matters related to winding up of the Company or for repayment or reduction of its preference share capital, proportionate to his share in paid up preference share capital of the Company.

10.1.8. **Rights of Shareholders.** The Company may issue hares to any Person with rights that are *pari passu* or superior to the rights of the holders of Ordinary CCPS without the consent of the holders of Ordinary CCPS.

## XI. TERMS OF SERIES A2 CCPS

11.1 The Series A2 CCPS are issued with the following characteristics, including certain rights vested in the holders of the Series A2 CCPS, which are in addition to, and without prejudice to, the other rights of the holders of the Series A2 CCPS set out in these Articles.

11.1.1. **Equity Shares**. The number of Equity Shares to be issued to the holders of the Series A2 CCPS upon conversion shall, subject to the other terms and conditions set forth in the Articles, be as set out in Article 11.1.3 below.

11.1.2. **Dividends**. The Series A2 CCPS shall carry a pre-determined cumulative dividend rate of 0.001% (zero point zero zero one percent) per annum on an As If Converted Basis. The dividend shall be payable, subject to cash flow solvency, in the event the Board declares any dividend for the relevant year, and shall be paid (i) after payment of dividend to holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS (ii) *pari passu* with the holders of Series A3 CCPS, and (iii) in priority to Equity Shares and Ordinary CCPS.

11.1.3. **Conversion**.

(a) The Series A2 CCPS shall be compulsorily converted to Equity Shares after the expiry of 19 (nineteen) years from the date of issuance of the same subject to the adjustments provided in Article 11.1.4, Article 11.1.5 and Article 11.1.6, and other terms and conditions of the Articles. The price paid per Series A2 CCPS is INR 1,164.14 (Indian Rupees one thousand one hundred and sixty four point one four) ("**Series A2 Conversion Price**"). The Series A2 Conversion Price shall be adjusted in accordance with the terms specified under the Articles. However, at any given point of time, the Series A2 Conversion Price shall not be adjusted to a price which is less than the fair market value of the Series A2 CCPS determined as on the date of issuance of the Series A2 CCPS. The adjusted Series A2 Conversion Price shall be construed as the relevant Series A2 Conversion and accordingly the conversion ratio for Series A2 CCPS shall be determined ("**Series A2 Conversion Ratio**"). No fractional Shares shall be issued upon conversion of Series A2 CCPS, and the number of Equity Shares to be issued shall be rounded up to the nearest whole number.

(b) The holders of Series A2 CCPS shall, at any time prior to 19 (nineteen) years from the date of issuance of the same, be entitled to call upon the Company to convert all or any of the Series A2 CCPS by issuing a Notice to the Company accompanied by a share certificate representing the Series A2 CCPS sought to be converted. Immediately and no later than 21 (twenty one) days from the receipt of such Notice, the Company shall issue Equity Shares in respect of the Series A2 CCPS sought to be converted. The record date of conversion of the Series A2 CCPS shall be deemed to be the date on which the holder of Series A2 CCPS issues a Notice of conversion to the Company. The Series A2 CCPS, if not converted earlier, shall automatically convert into Equity Shares at the then applicable Series A2 Conversion Price, upon the earlier of the following (i) on latest permissible date prior to the issue of

Shares to the public in connection with the occurrence of a Public Offer under Applicable Law, or (ii) on the day following the completion of 19 (nineteen) years from the date of issuance of the same.

(c) Subject to the adjustments provided in Article 11.1.4, Article 11.1.5 and Article 11.1.6, a Series A2 CCPS shall convert into 1 (One) equity Share. No fractional Shares shall be issued upon conversion of Series A2 CCPS, and the number of Equity Shares to be issued shall be rounded up to the nearest whole number.

11.1.4. **Adjustments**.

(a) If, whilst any Series A2 CCPS remain capable of being converted into Equity Shares, the Company splits, sub-divides (stock split) or consolidates (reverse stock split) the Equity Shares into a different number of securities of the same class, the number of Equity Shares issuable upon a conversion of the Series A2 CCPS shall, subject to Applicable Law and receipt of requisite approvals, be proportionately increased in the case of a split or sub-division (stock split), and likewise, the number of Equity Shares issuable upon a conversion of the Series A2 CCPS shall be proportionately decreased in the case of a consolidation (reverse stock split).

(b) If, whilst any Series A2 CCPS remain capable of being converted into Equity Shares, the Company makes or issues a dividend or other distribution of Equity Shares to the holders of Equity Shares then the number of Equity Shares to be issued on any subsequent conversion of Series A2 CCPS shall, subject to Applicable Law and receipt of requisite approvals, be increased proportionately and without payment of additional consideration therefor by the holders of Series A2 CCPS.

11.1.5. **Valuation Protection.** If the Company offers any Dilution Instruments to a new investor or a third party after the issuance of Series A2 CCPS, at a price (the "**New Price**") less than the then effective conversion price of the Series A2 CCPS Conversion Price ("**Dilutive Issuance**"), then the holders of Series A2 CCPS shall be entitled to a broad based weighted-average valuation protection as provided for in Article 11.2 (the "**Valuation Protection Right**"). In such an event, the Company and Founders shall be bound to cooperate with the holders of Series A2 CCPS such that the Company forthwith takes all necessary steps as described in Article 11.2. The Company shall notify the holders of Series A2 CCPS of the impact of the Dilutive Issuance prior to such issuance and obtain confirmation from the holders of Series A2 CCPS that the same conforms to these terms of issue

11.1.6. **Liquidation and Participation Preference**

(a) In any Liquidation Event, subject to Applicable Law, holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS shall have a preference over the Shareholders and for return of capital as set out hereinafter. The proceeds of a Liquidation Event shall be distributed such that the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS receive the higher of (a) an amount equal to 1X of the amounts invested by them for subscription of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS respectively, plus any declared and all accrued and unpaid dividends thereon, or (b) their pro rata entitlement on an As If Converted Basis ("**Preference Amount**").

(b) If the amount available for distribution is lower than the Preference Amount, then the amount available for distribution shall be distributed to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS in proportion to amounts invested by them for subscription of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS respectively. Any incremental Shares that need to be issued or Transferred to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS to facilitate realization of the Preference Amount shall be made at the option of the holder of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS respectively by (a) an adjustment of the conversion price of the Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS as the case may be; (b) issue of additional Shares at the lowest permissible price to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and

Series B2 CCPS as the case may be; (c) Transfer of Shares held by the Founders at lowest price permissible under Applicable Law to the holders of Series A CCPS, and Series A4 CCPS, Series B1 CCPS and Series B2 CCPS as the case may be; (d) buy back of Shares held by the Founders, the Angel Investors and the Other Shareholders; (e) reduction of the sale proceeds receivable by the Founders; or, (f) by such taking such measures as may be necessary to ensure that the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS realize the Preference Amount.

(c) In any Liquidation Event, subject to Applicable Law, upon and subject to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS receiving the Preference Amount, holders of Series A2 CCPS and Series A3 CCPS shall have a preference over the Shareholders and for return of capital as set out hereinafter. The proceeds of a Liquidation Event shall be distributed such that the holders of Series A2 CCPS and Series A3 CCPS receive the higher of (a) an amount equal to 1X of the amounts invested by them for subscription of Series A2 CCPS and Series A3 CCPS respectively, plus any declared and all accrued and unpaid dividends thereon, or (b) their pro rata entitlement on an As If Converted Basis ("**A2 & A3 Preference Amount**").

(d) If the amount available for distribution, (if any) after payment of the Preference Amount to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS is lower than the A2 & A3 Preference Amount, then the entire amount available for distribution shall be distributed to the holders of Series A2 CCPS and Series A3 CCPS in proportion to amounts invested by them for subscription of Series A2 CCPS and Series A3 CCPS respectively. Any incremental Shares that need to be issued or Transferred to the holders of Series A2 CCPS and Series A3 CCPS to facilitate realization of the A2 & A3 Preference Amount shall be made at the option of the holder of Series A2 CCPS and Series A3 CCPS respectively by (a) an adjustment of the conversion price of the Series A2 CCPS or Series A3 CCPS, as the case may be; (b) issue of additional Shares at the lowest permissible price to the holders of Series A2 CCPS and Series A3 CCPS, as the case may be; (c) Transfer of Shares held by the Founders at lowest price permissible under Applicable Law to the holders of Series A2 CCPS and Series A3 CCPS, as the case may be; (d) buy back of Shares held by the Founders, the Angel Investors and the Other Shareholders; (e) reduction of the sale proceeds receivable by the Founders; or, (f) by such taking such measures as may be necessary to ensure that the holders of Series A2 CCPS and Series A3 CCPS realize the A2 & A3 Preference Amount.

(e) In any Liquidation Event, subject to Applicable Law, upon and subject to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS receiving the Preference Amount and the holders of Series A2 CCPS and Series A3 CCPS receiving the A2 & A3 Preference Amount, the holders of Ordinary CCPS shall have a preference over the other Shareholders for return of capital such that subject to any amount remaining for distribution, the holders of Ordinary CCPS shall receive an amount equal to 1X of the amounts invested by them for subscription of Ordinary CCPS, plus any declared and all accrued and unpaid dividends thereon in preference to distribution of the proceeds to any other Shareholders ("**Kolluri Preference Amount**").

(f) If the amount available for distribution, (if any) after payment of the Preference Amount and the A2 & A3 Preference Amount to the holders of Series A CCPS, Series A2 CCPS, Series A3 CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS is lower than the Kolluri Preference Amount, subject to Applicable Law, the entire amount shall be distributed to the holders of Ordinary CCPS. The holders of Ordinary Preference Shares can choose to not to receive their Kolluri Preference amount in preference to other Shareholders and participate in the remaining Liquidations Proceeds (post distribution to holders of Series A CCPS, Series A2 CCPS, Series A3 CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS) together with all other Shareholders (except holders of Series A CCPS, Series A2 CCPS, Series A3 CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS) proportionately.

(g) All Shareholders (excluding holders of Series A CCPS, Series A2 CCPS, Series A3 CCPS, Series A4 CCPS, Series B1 CCPS, Series B2 CCPS and Ordinary CCPS) shall participate proportionately in the entire proceeds resulting from a Liquidation Event only after (i) the

holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS have realised the Preference Amount, (ii) the holders of Series A2 CCPS and Series A3 CCPS have realised the A2 & A3 Preference Amount and (iii) the holders of Ordinary CCPS have realised their Kolluri Preference Amount.

11.1.7. **Meeting and Voting rights**. The holders of Series A2 CCPS shall be entitled to attend meetings of all Shareholders of the Company and will be entitled to such voting rights on an As If Converted Basis, as may be permissible under Applicable Law. Accordingly, subject to the adjustments provided in Article 11.1.4, Article 11.1.5 and Article 11.1.6, the holders of Series A2 CCPS shall be entitled to the same number of votes for each Series A2 CCPS as a holder of 1 (One) Equity Share, provided however that in the event of any adjustment in conversion the number of votes associated with each Series A2 CCPS will change accordingly. The holders of Series A2 CCPS shall be entitled to vote on all such matters which affect their rights directly or indirectly.

11.1.8. **Rights of Shareholders.** The Company may issue Shares to any Person with rights that are *pari passu* or superior to the rights of the holders of Series A2 CCPS without the consent of the holders of Series A2 CCPS.

11.2 **Broad Based Weighted Average Valuation Protection for Series A2 CCPS.**

11.2.1. **Definitions.** For the purposes of this Article 11.2 and unless the context requires a different meaning, the following terms have the meanings indicated.

(a) "**Issue Date**" shall have the meaning ascribed to it in Article 11.2.2(a)(ii).

(b) "**Lowest Permissible Price**" in relation to a Person shall mean the lowest possible price at which a Share may be issued to/acquired by that Person in accordance with Applicable Law.

(c) "**New Issue Price**" shall have the meaning ascribed to it in Article 11.2(a)(i).

(d) "**Issue Price**" shall mean the Series A2 Conversion Price as adjusted from time to time.

11.2.2. **Non-Dilution Protection.**

(a) **Issuance below Issue Price.**

(i) **New Issues**. If the Company shall at any time or from time to time issue or sell any Dilution Instruments at a price per Dilution Instrument that is less than the Issue Price (treating the price per Dilution Instrument as equal to (x) the total sum paid for such Dilution Instruments plus any additional consideration payable (without regard to any anti-dilution adjustments) upon the conversion, exchange or exercise of such Dilution Instruments divided by (y) the number of Shares initially underlying such Dilution Instruments) (the "**New Issue Price**"), other than Exempted Issuance and any Dilution Instruments offered in accordance with contracts with vendors or on account of acquisition and other similar transaction approved by the Board, then, the holders of Series A2 CCPS shall be issued additional Equity Shares at par or at the lowest value permitted under the exchange control Laws of India as would enable them to maintain their shareholding of the Series A2 CCPS in accordance with Article 11.2.2(a)(iii) ("**Anti-Dilution Issuance**").

(ii) **Timing for New Issues**. Such Anti-Dilution Issuance shall be made whenever such Dilution Instruments are issued in accordance with Article 11.2.2(a)(i), (x) in the case of an issuance to the Shareholders of the Company, as such, to a date immediately following the close of business on the record date for the determination of Shareholders entitled to receive such Dilution Instruments and (y) in all other cases, on the date (the "**Issue Date**") of such issuance; provided, however, that the determination as to whether an anti-dilution issuance is required to be made pursuant to Article 11.2.2(a) shall be made immediately or simultaneously upon the issuance of such Dilution Instruments, and not upon the subsequent issuance of any security

into which the Dilution Instruments convert, exchange or may be exercised.

(iii) **Anti-Dilution Issuance.** If an Anti-Dilution Issuance is to be undertaken pursuant to an occurrence of any event described in Article 11.2.2(a)(i), the conversion price shall be adjusted in accordance with the following formula:

$$NCP = (P1) \times \frac{(Q1) + (Q2)}{(Q1) + (R)}$$

For the purposes of this Paragraph, "NCP" is the new Purchase Price;

**"P1"** is the Issue Price;

**"Q1"** means the number of Equity Shares Outstanding immediately prior to the new issue;

**"Q2"** means such number of Equity Shares that the aggregate consideration received by the Company for such issuance would purchase at Issue Price;

**"R"** means the number of Equity Shares issuable / issued upon conversion of the Dilution Instruments being issued.

For purposes of this Condition, the term "**Equity Shares Outstanding**" shall mean the aggregate number of Equity Shares of the Company then outstanding (assuming for this purpose the exercise and/or conversion of all then-outstanding securities exercisable for and/or convertible into Equity Shares (including without limitation the conversion of all Preference Shares)).

11.2.3. **Reorganization, Reclassification**. In case of any reconstruction or consolidation of the Company or any capital reorganization, reclassification or other change of outstanding Shares or if the Company declares a distribution (other than dividend for cash) on its Equity Shares or the Company authorizes the granting to the holders of its Equity Shares rights or warrants to subscribe for or purchase any Equity Shares of any class or of any other rights or warrants; or upon occurrence of **any** other similar transaction (each, a "**Transaction**"):

(i) then the Company shall mail to each holder of Series A2 CCPS at such holder's address as it appears on the books of the Company, as promptly as possible but in any event at least 20 (Twenty) days prior to the applicable date hereinafter specified, a Notice stating the date on which a record is to be taken for the purpose of such dividend, distribution or granting of rights or warrants or, if a record is not to be taken, the date as of which the holders of Equity Shares of record to be entitled to such dividend, distribution or granting of rights or warrants are to be determined. Notwithstanding the foregoing, in the case of any event to which this Paragraph is applicable, the Company shall also deliver the certificate described in Article 11.2.3(ii) below to each holder of Series A2 CCPS at least 10 (ten) Business Days' prior to effecting such reorganization or reclassification as aforesaid

(ii) the Company shall execute and deliver to each holder of Series A2 CCPS at least 7 (Seven) Business Days prior to effecting such Transaction a certificate, signed by (i) the chief executive officer of the Company and (ii) the chief financial officer of the Company, stating that the holder of each Series A2 CCPS shall have the right to receive in such Transaction, in exchange for each such Equity Share or Series A2 CCPS, a security identical to (and not less favourable than) each such Equity Share or Series A2 CCPS and no less favourable than any security offered to any Shareholder for or in relation to that Transaction, and provision shall be made therefor in the agreement, if any, relating to such Transaction.

11.2.4. **Mode of Giving Effect to Valuation Protection:** In the event of the provisions of Article 11.2.2(a) become applicable, then the holders of Series A2 CCPS, shall have the option to require the Company to (a) adjust the conversion ratio or conversion price of the Series A2 CCPS, (b) Transfer Shares held by the Founders to the holders of Series A2 CCPS at lowest

price permissible under Applicable Law; (c) buy back of Shares held by Founder, Angel Investors and the Other Shareholders; (d) reduce the sale proceeds receivable by the Founders; (e) issue of additional Shares to the holders of Series A2 CCPS at the lowest permissible price; or (f) take such measures as may be necessary to give effect to the provisions of this Article 11.2.

11.2.5. **Compliance with and Effectiveness of this Article**.

(a) **Waiver**. If a Shareholder is entitled under any contract, requirement of Applicable Law or otherwise to participate in relation to any issue of Shares to the holders of Series A2 CCPS under this Article 11.2, then such Shareholder hereby waives all such rights and, to the extent it cannot waive such rights it shall not to exercise them.

(b) **Ensuring Economic Effect**. If for any reason any part of this Article 11.2 is not fully effected as a result of any change in Applicable Law (including a change in Applicable Law that affects the price at which the holders of Series A2 CCPS may sell or be issued Shares) then each Shareholder and the Company shall each use its best efforts to take all such actions (by corporate, director or shareholder action) as may be necessary to provide to each holder of Series A2 CCPS the same economic benefits as are contemplated by this Article 11.2.

(c) **Change in Applicable Law**. If there is a change in any Applicable Law that makes it possible to implement any part of this Article 11.2 so as to confer the economic benefits on the holders of Series A2 CCPS that are contemplated by this Article 11.2 in a more effective manner then each Shareholder and the Company shall co-operate and use its best efforts to implement this Article in that more effective manner.

(d) **Material Breach of this Article**. If a Shareholder breaches a provision of this Article 11.2 or acts or omits to act in a particular manner and as a result of such breach, act or omission, a holder of Series A2 CCPS is unable to be issued the number and percentage of Equity Shares or Equity Shares at a price contemplated by this Article 11.2 then that Shareholder is deemed to have committed a material breach of these Articles.

(e) **Currency Exchange**. If in calculating a price or any other amount under this Article 12.2 the relevant variables for that calculation are expressed in different currencies then all such variables for the purposes of that calculation shall be converted to INR.

## XII. TERMS OF SERIES A3 CCPS

12.1 The Series A3 CCPS are issued with the following characteristics, including certain rights vested in the holders of the Series A3 CCPS which are in addition to, and without prejudice to, the other rights of the holders of the Series A3 CCPS set out in these Articles.

12.1.1. **Equity Shares**. The number of Equity Shares to be issued to the holders of the Series A3 CCPS upon conversion shall, subject to the other terms and conditions set forth in the Articles, be as set out in Article 12.1.3 below.

12.1.2. **Dividends**. The Series A3 CCPS shall carry a pre-determined cumulative dividend rate of 0.001% (zero point zero zero one percent) per annum on an As If Converted Basis. The dividend shall be payable, subject to cash flow solvency, in the event the Board declares any dividend for the relevant year and shall be paid (i) after payment of dividend to holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS (ii) *pari passu* with the holders of Series A2 CCPS, and (iii) in priority to Equity Shares and Ordinary CCPS.

12.1.3. **Conversion**.

(a) The Series A3 CCPS shall be compulsorily converted to Equity Shares after the expiry of 19 (nineteen) years from the date of issuance of the same subject to the adjustments provided in Article 12.1.4, Article 12.1.5 and Article 12.1.6, and other terms and conditions of the Articles. The price paid per Series A3 CCPS is INR 1,396.93 (Indian Rupees one thousand

three hundred and ninety six point nine three) ("**Series A3 Conversion Price**"). The Series A3 Conversion Price shall be adjusted in accordance with the terms specified under the Articles. However, at any given point of time, the Series A3 Conversion Price shall not be adjusted to a price which is less than the fair market value of the Series A3 CCPS determined as on the date of issuance of the Series A3 CCPS. The adjusted Series A3 Conversion Price shall be construed as the relevant Series A3 Conversion Price and accordingly the conversion ratio for Series A3 CCPS shall be determined ("**Series A3 Conversion Ratio**"). No fractional Shares shall be issued upon conversion of Series A3 CCPS, and the number of Equity Shares to be issued shall be rounded up to the nearest whole number.

(b) The holders of Series A3 CCPS shall, at any time prior to 19 (nineteen) years from the date of issuance of the same, be entitled to call upon the Company to convert all or any of the Series A3 CCPS by issuing a Notice to the Company accompanied by a share certificate representing the Series A3 CCPS sought to be converted. Immediately and no later than 21 (twenty one) days from the receipt of such Notice, the Company shall issue Equity Shares in respect of the Series A3 CCPS sought to be converted. The record date of conversion of the Series A3 CCPS shall be deemed to be the date on which the holder of Series A3 CCPS issues a Notice of conversion to the Company. The Series A3 CCPS, if not converted earlier, shall automatically convert into Equity Shares at the then applicable Series A3 Conversion Price, upon the earlier of the following (i) on latest permissible date prior to the issue of Shares to the public in connection with the occurrence of a Public Offer under Applicable Law, or (ii) on the day following the completion of 19 (nineteen) years from the date of issuance of the same.

(c) Subject to the adjustments provided in Article 12.1.4, Article 12.1.5 and Article 12.1.6, a Series A3 CCPS shall convert into 1 (One) equity Share. No fractional Shares shall be issued upon conversion of Series A3 CCPS, and the number of Equity Shares to be issued shall be rounded up to the nearest whole number.

12.1.4. **Adjustments**.

(a) If, whilst any Series A3 CCPS remain capable of being converted into Equity Shares, the Company splits, sub-divides (stock split) or consolidates (reverse stock split) the Equity Shares into a different number of securities of the same class, the number of Equity Shares issuable upon a conversion of the Series A3 CCPS shall, subject to Applicable Law and receipt of requisite approvals, be proportionately increased in the case of a split or sub-division (stock split), and likewise, the number of Equity Shares issuable upon a conversion of the Series A3 CCPS shall be proportionately decreased in the case of a consolidation (reverse stock split).

(b) If, whilst any Series A3 CCPS remain capable of being converted into Equity Shares, the Company makes or issues a dividend or other distribution of Equity Shares to the holders of Equity Shares then the number of Equity Shares to be issued on any subsequent conversion of Series A3 CCPS shall, subject to Applicable Law and receipt of requisite approvals, be increased proportionately and without payment of additional consideration therefor by the holders of Series A3 CCPS.

12.1.5. **Valuation Protection.** If the Company offers any Dilution Instruments to a new investor or a third party after the Series A3 Closing Date, at a price (the "**New Price**") less than the then effective conversion price of the Series A3 CCPS Conversion Price ("**Dilutive Issuance**"), then the holders of Series A3 CCPS shall be entitled to a broad based weighted-average valuation protection as provided for in Article 12.2 (the "**Valuation Protection Right**"). In such an event, the Company and Founders shall be bound to cooperate with the holders of Series A3 CCPS such that the Company forthwith takes all necessary steps as described in Article 12.2. The Company shall notify the holders of Series A3 CCPS of the impact of the Dilutive Issuance prior to such issuance and obtain confirmation from the holders of Series A3 CCPS that the same conforms to these terms of issue.

12.1.6. **Liquidation and Participation Preference.**

(a) In any Liquidation Event, subject to Applicable Law, holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS shall have a preference over the Shareholders and for return of capital as set out hereinafter. The proceeds of a Liquidation Event shall be distributed such that the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS receive the higher of (a) an amount equal to 1X of the amounts invested by them for subscription of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS respectively, plus any declared and all accrued and unpaid dividends thereon, or (b) their pro rata entitlement on an As If Converted Basis ("**Preference Amount**").

(b) If the amount available for distribution is lower than the Preference Amount, then the amount available for distribution shall be distributed to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS in proportion to amounts invested by them for subscription of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS respectively. Any incremental Shares that need to be issued or Transferred to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS to facilitate realization of the Preference Amount shall be made at the option of the holder of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS respectively by (a) an adjustment of the conversion price of the Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS as the case may be; (b) issue of additional Shares at the lowest permissible price to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS as the case may be; (c) Transfer of Shares held by the Founders at lowest price permissible under Applicable Law to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS as the case may be; (d) buy back of Shares held by the Founders, the Angel Investors and the Other Shareholders; (e) reduction of the sale proceeds receivable by the Founders; or, (f) by such taking such measures as may be necessary to ensure that the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS realize the Preference Amount.

(c) In any Liquidation Event, subject to Applicable Law, upon and subject to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS receiving the Preference Amount, holders of Series A2 CCPS and Series A3 CCPS shall have a preference over the Shareholders and for return of capital as set out hereinafter. The proceeds of a Liquidation Event shall be distributed such that the holders of Series A2 CCPS and Series A3 CCPS receive the higher of (a) an amount equal to 1X of the amounts invested by them for subscription of Series A2 CCPS and Series A3 CCPS respectively, plus any declared and all accrued and unpaid dividends thereon, or (b) their pro rata entitlement on an As If Converted Basis ("**A2 & A3 Preference Amount**").

(d) If the amount available for distribution, (if any) after payment of the Preference Amount to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS is lower than the A2 & A3 Preference Amount, then the entire amount available for distribution shall be distributed to the holders of Series A2 CCPS and Series A3 CCPS in proportion to amounts invested by them for subscription of Series A2 CCPS and Series A3 CCPS respectively. Any incremental Shares that need to be issued or Transferred to the holders of Series A2 CCPS and Series A3 CCPS to facilitate realization of the A2 & A3 Preference Amount shall be made at the option of the holder of Series A2 CCPS and Series A3 CCPS respectively by (a) an adjustment of the conversion price of the Series A2 CCPS or Series A3 CCPS, as the case may be; (b) issue of additional Shares at the lowest permissible price to the holders of Series A2 CCPS and Series A3 CCPS, as the case may be; (c) Transfer of Shares held by the Founders at lowest price permissible under Applicable Law to the holders of Series A2 CCPS and Series A3 CCPS, as the case may be; (d) buy back of Shares held by the Founders, the Angel Investors and the Other Shareholders; (e) reduction of the sale proceeds receivable by the Founders; or, (f) by such taking such measures as may be necessary to ensure that the holders of Series A2 CCPS and Series A3 CCPS realize the A2 & A3 Preference Amount

(e) In any Liquidation Event, subject to Applicable Law, upon and subject to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS receiving the Preference Amount and the holders of Series A2 CCPS and Series A3 CCPS receiving the A2 & A3 Preference Amount, the holders of Ordinary CCPS shall have a preference over

the other Shareholders for return of capital such that subject to any amount remaining for distribution, the holders of Ordinary CCPS shall receive an amount equal to 1X of the amounts invested by them for subscription of Ordinary CCPS, plus any declared and all accrued and unpaid dividends thereon in preference to distribution of the proceeds to any other Shareholders ("**Kolluri Preference Amount**").

(f) If the amount available for distribution, (if any) after payment of the Preference Amount and the A2 & A3 Preference Amount to the holders of Series A CCPS, Series A2 CCPS, Series A3 CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS is lower than the Kolluri Preference Amount, subject to Applicable Law, the entire amount shall be distributed to the holders of Ordinary CCPS. The holders of Ordinary CCPS can choose to not to receive their Kolluri Preference amount in preference to other Shareholders and participate in the remaining Liquidations Proceeds (post distribution to holders of Series A CCPS, Series A2 CCPS, Series A3 CCPS, Series A4 CCPS and Series B1 CCPS) together with all other Shareholders (except holders of Series A CCPS, Series A2 CCPS, Series A3, Series A4 CCPS and Series B1 CCPS) proportionately.

(g) All Shareholders (excluding holders of Series A CCPS, Series A2 CCPS, Series A3 CCPS, Series A4 CCPS, Series B1 CCPS, Series B2 CCPS and Ordinary CCPS) shall participate proportionately in the entire proceeds resulting from a Liquidation Event only after (i) the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS have realised the Preference Amount, (ii) the holders of Series A2 CCPS and Series A3 CCPS have realised the A2 & A3 Preference Amount, and (iii) the holders of Ordinary CCPS have realised their Kolluri Preference Amount.

12.1.7. **Meeting and Voting rights**. The holders of Series A3 CCPS shall be entitled to attend meetings of all Shareholders of the Company and will be entitled to such voting rights on an As If Converted Basis, as may be permissible under Applicable Law. Accordingly, subject to the adjustments provided in Article 12.1.4, Article 12.1.5 and Article 12.1.6, the holders of Series A3 CCPS shall be entitled to the same number of votes for each Series A3 CCPS as a holder of 1 (One) Equity Share, provided however that in the event of any adjustment in conversion the number of votes associated with each Series A3 CCPS will change accordingly. The holders of Series A3 CCPS shall be entitled to vote on all such matters which affect their rights directly or indirectly.

12.1.8. **Rights of Shareholders**. The Company may issue Shares to any Person with rights that are *pari passu* or superior to the rights of the holders of Series A3 CCPS without the consent of the holders of Series A3 CCPS.

12.2 **Broad Based Weighted Average Valuation Protection for Series A3 CCPS.**

12.2.1. **Definitions.** For the purposes of this Article 12.2 and unless the context requires a different meaning, the following terms have the meanings indicated.

(a) "**Issue Date**" shall have the meaning ascribed to it in Article 12.2.2(a)(ii).

(b) "**Lowest Permissible Price**" in relation to a Person shall mean the lowest possible price at which a Share may be issued to/acquired by that Person in accordance with Applicable Law.

(c) "**New Issue Price**" shall have the meaning ascribed to it in Article 12.2.2(a)(i).

(d) "**Issue Price**" shall mean the Series A3 Conversion Price as adjusted from time to time.

12.2.2. **Non-Dilution Protection.**

(a) **Issuance below Issue Price.**

(i) **New Issues**. If the Company shall at any time or from time to time issue or sell any Dilution Instruments at a price per Dilution Instrument that is less than the Issue Price (treating the price per Dilution Instrument as equal to (x) the total sum paid for such

Dilution Instruments plus any additional consideration payable (without regard to any anti-dilution adjustments) upon the conversion, exchange or exercise of such Dilution Instruments divided by (y) the number of Shares initially underlying such Dilution Instruments) (the "**New Issue Price**"), other than Exempted Issuance and any Dilution Instruments offered in accordance with contracts with vendors or on account of acquisition and other similar transaction approved by the Board, then, the holders of Series A3 CCPS shall be issued additional Equity Shares at par or at the lowest value permitted under the exchange control Laws of India as would enable them to maintain their shareholding of the Series A3 CCPS in accordance with Article 12.2.2(a)(iii) ("**Anti-Dilution Issuance**").

(ii) **Timing for New Issues**. Such Anti-Dilution Issuance shall be made whenever such Dilution Instruments are issued in accordance with Article 12.2.2(a)(i), (x) in the case of an issuance to the Shareholders of the Company, as such, to a date immediately following the close of business on the record date for the determination of Shareholders entitled to receive such Dilution Instruments and (y) in all other cases, on the date (the "**Issue Date**") of such issuance; provided, however, that the determination as to whether an anti-dilution issuance is required to be made pursuant to Article 12.2.2(a) shall be made immediately or simultaneously upon the issuance of such Dilution Instruments, and not upon the subsequent issuance of any security into which the Dilution Instruments convert, exchange or may be exercised.

(iii) **Anti-Dilution Issuance**. If an Anti-Dilution Issuance is to be undertaken pursuant to an occurrence of any event described in Article 12.2.2(a)(i), the conversion price shall be adjusted in accordance with the following formula:

$$NCP = (P1) \times \frac{(Q1) + (Q2)}{(Q1) + (R)}$$

For the purposes of this Paragraph, "NCP" is the new Purchase Price;

**"P1"** is the Issue Price;

**"Q1"** means the number of Equity Shares Outstanding immediately prior to the new issue;

**"Q2"** means such number of Equity Shares that the aggregate consideration received by the Company for such issuance would purchase at Issue Price;

**"R"** means the number of Equity Shares issuable / issued upon conversion of the Dilution Instruments being issued.

For purposes of this Condition, the term "**Equity Shares Outstanding**" shall mean the aggregate number of Equity Shares of the Company then outstanding (assuming for this purpose the exercise and/or conversion of all then-outstanding securities exercisable for and/or convertible into Equity Shares (including without limitation the conversion of all preference shares of the Company)).

12.2.3. **Reorganization, Reclassification**. In case of any reconstruction or consolidation of the Company or any capital reorganization, reclassification or other change of outstanding Shares or if the Company declares a distribution (other than dividend for cash) on its Equity Shares or the Company authorizes the granting to the holders of its Equity Shares rights or warrants to subscribe for or purchase any Equity Shares of any class or of any other rights or warrants; or upon occurrence of any other similar transaction (each, a "**Transaction**"):

(i) then the Company shall mail to each holder of Series A3 CCPS at such holder's address as it appears on the books of the Company, as promptly as possible but in any event at least 20 (Twenty) days prior to the applicable date hereinafter specified, a Notice stating the date on which a record is to be taken for the purpose of such dividend, distribution or granting of

rights or warrants or, if a record is not to be taken, the date as of which the holders of Equity Shares of record to be entitled to such dividend, distribution or granting of rights or warrants are to be determined. Notwithstanding the foregoing, in the case of any event to which this Paragraph is applicable, the Company shall also deliver the certificate described in Article 12.2.3(ii) below to each holder of Series A3 CCPS at least 10 (ten) Business Days' prior to effecting such reorganization or reclassification as aforesaid

(ii) the Company shall execute and deliver to each holder of Series A3 CCPS at least 7 (Seven) Business Days prior to effecting such Transaction a certificate, signed by (i) the chief executive officer of the Company and (ii) the chief financial officer of the Company, stating that the holder of each Series A3 CCPS shall have the right to receive in such Transaction, in exchange for each such Equity Share or Series A3 CCPS, a security identical to (and not less favourable than) each such Equity Share or Series A3 CCPS and no less favourable than any security offered to any Shareholder for or in relation to that Transaction, and provision shall be made therefor in the agreement, if any, relating to such Transaction.

12.2.4. **Mode of Giving Effect to Valuation Protection.** In the event of the provisions of Article 12.2.2(a) become applicable, then the holders of Series A3 CCPS, shall have the option to require the Company to (a) adjust the conversion ratio or conversion price of the Series A3 CCPS, (b) Transfer Shares held by the Founders to the holders of Series A3 CCPS at lowest price permissible under Applicable Law; (c) buy back of Shares held by Founder, Angel Investors and the Other Shareholders; (d) reduce the sale proceeds receivable by the Founders; (e) issue of additional Shares to the holders of Series A3 CCPS at the lowest permissible price; or (f) take such measures as may be necessary to give effect to the provisions of this Article 12.2.

12.2.5. **Compliance with and Effectiveness of this Article**

(a) **Waiver**. If a Shareholder is entitled under any contract, requirement of Applicable Law or otherwise to participate in relation to any issue of Shares to the holders of Series A3 CCPS under this Article 12.2, then such Shareholder hereby waives all such rights and, to the extent it cannot waive such rights it shall not to exercise them.

(b) **Ensuring Economic Effect**. If for any reason any part of this Article 12.2 is not fully effected as a result of any change in Applicable Law (including a change in Applicable Law that affects the price at which the holders of Series A3 CCPS may sell or be issued Shares) then each Shareholder and the Company shall each use its best efforts to take all such actions (by corporate, director or shareholder action) as may be necessary to provide to each holder of Series A3 CCPS the same economic benefits as are contemplated by this Article 12.2.

(c) **Change in Applicable Law**. If there is a change in any Applicable Law that makes it possible to implement any part of this Article 12.2 so as to confer the economic benefits on the holders of Series A3 CCPS that are contemplated by this Article in a more effective manner then each Shareholder and the Company shall co-operate and use its best efforts to implement this Article 12.2 in that more effective manner.

(d) **Material Breach of this Article**. If a Shareholder breaches a provision of this Article 12.2 or acts or omits to act in a particular manner and as a result of such breach, act or omission, a holder of Series A3 CCPS is unable to be issued the number and percentage of Equity Shares or Equity Shares at a price contemplated by this Article 12.2 then that Shareholder is deemed to have committed a material breach of the Articles.

(e) **Currency Exchange**. If in calculating a price or any other amount under this Article 12.2 the relevant variables for that calculation are expressed in different currencies then all such variables for the purposes of that calculation shall be converted to INR.

## XIII. TERMS OF SERIES A4 CCPS

13.1 The Series A4 CCPS are issued with the following characteristics, including certain rights vested in the

holders of the Series A4 CCPS, which are in addition to, and without prejudice to, the other rights of the holders of the Series A4 CCPS set out in these Articles. The terms of issuance of Series B1 CCPS, Series A4 CCPS and Series A CCPS shall rank *pari passu* to each other (except the Issue Price, which shall be Series A Conversion Price in relation to Series A CCPS, Series A4 Conversion Price in relation Series A4 CCPS and Series B1 Conversion Price in relation Series B1 CCPS).

13.1.1. **Equity Shares**. The number of Equity Shares to be issued to the holders of the Series A4 CCPS upon conversion shall, subject to the other terms and conditions set forth in the Articles, be as set out in Article 13.1.3 below.

13.1.2. **Dividends**. The Series A4 CCPS shall carry a pre-determined cumulative dividend rate of 0.001% (zero point zero zero one percent) per annum on an As If Converted Basis. The dividend shall be payable, subject to cash flow solvency, in the event the Board declares any dividend for the relevant year, and shall be paid *parri passu* with the holders of Series A CCPS, Series B1 CCPS and Series B2 CCPS, and in priority to Equity Shares, Series A2 CCPS, Series A3 and Ordinary CCPS.

13.1.3. **Conversion**.

(a) The Series A4 CCPS shall be compulsorily converted to Equity Shares after the expiry of 19 (nineteen) years from the date of issuance of the same subject to the adjustments provided in Article 13.1.4, Article 13.1.5 and Article 13.1.6, and other terms and conditions of the Articles. The price paid per Series A4 CCPS is INR 1,729.93 (Indian Rupees one thousand seven hundred and twenty nine point nine three) ("**Series A4 Conversion Price**"). The Series A4 Conversion Price shall be adjusted in accordance with the terms specified under the Articles. However, at any given point of time, the Series A4 Conversion Price shall not be adjusted to a price which is less than the fair market value of the Series A4 CCPS determined as on the date of issuance of the Series A4 CCPS. The adjusted Series A4 Conversion Price shall be construed as the relevant Series A4 Conversion Price and accordingly the conversion ratio for Series A4 CCPS shall be determined ("**Series A4 Conversion Ratio**"). No fractional Shares shall be issued upon conversion of Series A4 CCPS, and the number of Equity Shares to be issued shall be rounded up to the nearest whole number.

(b) The holders of Series A4 CCPS shall, at any time prior to 19 (nineteen) years from the date of issuance of the same, be entitled to call upon the Company to convert all or any of the Series A4 CCPS by issuing a Notice to the Company accompanied by a share certificate representing the Series A4 CCPS sought to be converted. Immediately and no later than 21 (twenty one) days from the receipt of such Notice, the Company shall issue Equity Shares in respect of the Series A4 CCPS sought to be converted. The record date of conversion of the Series A4 CCPS shall be deemed to be the date on which the holder of Series A4 CCPS issues a Notice of conversion to the Company. The Series A4 CCPS, if not converted earlier, shall automatically convert into Equity Shares at the then applicable Series A4 Conversion Price, upon the earlier of the following (i) on latest permissible date prior to the issue of Shares to the public in connection with the occurrence of a Public Offer under Applicable Law, or (ii) on the day following the completion of 19 (nineteen) years from the date of issuance of the same.

(c) Subject to the adjustments provided in Article 13.1.4, Article 13.1.5 and Article 13.1.6, a Series A4 CCPS shall convert into 1 (One) equity Share. No fractional Shares shall be issued upon conversion of Series A4 CCPS, and the number of Equity Shares to be issued shall be rounded up to the nearest whole number.

13.1.4. **Adjustments**.

(a) If, whilst any Series A4 CCPS remain capable of being converted into Equity Shares, the Company splits, sub-divides (stock split) or consolidates (reverse stock split) the Equity Shares into a different number of securities of the same class, the number of Equity Shares issuable upon a conversion of the Series A4 CCPS shall, subject to Applicable Law and receipt of requisite approvals, be proportionately increased in the case of a split or sub-

division (stock split), and likewise, the number of Equity Shares issuable upon a conversion of the Series A4 CCPS shall be proportionately decreased in the case of a consolidation (reverse stock split).

(b) If, whilst any Series A4 CCPS remain capable of being converted into Equity Shares, the Company makes or issues a dividend or other distribution of Equity Shares to the holders of Equity Shares then the number of Equity Shares to be issued on any subsequent conversion of Series A4 CCPS shall, subject to Applicable Law and receipt of requisite approvals, be increased proportionately and without payment of additional consideration therefor by the holders of Series A4 CCPS.

13.1.5. **Valuation Protection.** If the Company offers any Dilution Instruments to a new investor or a third party after the Series A4 Closing Date, at a price (the "**New Price**") less than the then effective conversion price of the Series A4 CCPS Conversion Price ("**Dilutive Issuance**"), then the holders of Series A4 CCPS shall be entitled to a broad based weighted-average valuation protection as provided for in Article 13.2 (the "**Valuation Protection Right**"). In such an event, the Company and Founders shall be bound to cooperate with the holders of Series A4 CCPS such that the Company forthwith takes all necessary steps as described in Article 13.2. The Company shall notify the holders of Series A4 CCPS of the impact of the Dilutive Issuance prior to such issuance and obtain confirmation from the holders of Series A4 CCPS that the same conforms to these terms of issue.

13.1.6. **Liquidation and Participation Preference.**

(a) In any Liquidation Event, subject to Applicable Law, holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS shall have a preference over the Shareholders and for return of capital as set out hereinafter. The proceeds of a Liquidation Event shall be distributed such that the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS receive the higher of (a) an amount equal to 1X of the amounts invested by them for subscription of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS respectively, plus any declared and all accrued and unpaid dividends thereon, or (b) their pro rata entitlement on an As If Converted Basis ("**Preference Amount**").

(b) If the amount available for distribution is lower than the Preference Amount, then the amount available for distribution shall be distributed to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS in proportion to amounts invested by them for subscription of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS respectively. Any incremental Shares that need to be issued or Transferred to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS to facilitate realization of the Preference Amount shall be made at the option of the holder of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS respectively by (a) an adjustment of the conversion price of the Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS as the case may be; (b) issue of additional Shares at the lowest permissible price to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS as the case may be; (c) Transfer of Shares held by the Founders at lowest price permissible under Applicable Law to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS as the case may be; (d) buy back of Shares held by the Founders, the Angel Investors and the Other Shareholders; (e) reduction of the sale proceeds receivable by the Founders; or, (f) by such taking such measures as may be necessary to ensure that the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS realize the Preference Amount.

(c) In any Liquidation Event, subject to Applicable Law, upon and subject to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS receiving the Preference Amount, holders of Series A2 CCPS and Series A3 CCPS shall have a preference over the Shareholders and for return of capital as set out hereinafter. The proceeds of a Liquidation Event shall be distributed such that the holders of Series A2 CCPS and Series A3 CCPS receive the higher of (a) an amount equal to 1X of the amounts invested by them for subscription of Series A2 CCPS and Series A3 CCPS respectively, plus any declared and all accrued and unpaid dividends thereon, or (b) their pro rata entitlement on an As If

Converted Basis ("**A2 & A3 Preference Amount**").

(d) If the amount available for distribution, (if any) after payment of the Preference Amount to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS is lower than the A2 & A3 Preference Amount, then the entire amount available for distribution shall be distributed to the holders of Series A2 CCPS and Series A3 CCPS in proportion to amounts invested by them for subscription of Series A2 CCPS and Series A3 CCPS respectively. Any incremental Shares that need to be issued or Transferred to the holders of Series A2 CCPS and Series A3 CCPS to facilitate realization of the A2 & A3 Preference Amount shall be made at the option of the holder of Series A2 CCPS and Series A3 CCPS respectively by (a) an adjustment of the conversion price of the Series A2 CCPS or Series A3 CCPS, as the case may be; (b) issue of additional Shares at the lowest permissible price to the holders of Series A2 CCPS and Series A3 CCPS, as the case may be; (c) Transfer of Shares held by the Founders at lowest price permissible under Applicable Law to the holders of Series A2 CCPS and Series A3 CCPS, as the case may be; (d) buy back of Shares held by the Founders, the Angel Investors and the Other Shareholders; (e) reduction of the sale proceeds receivable by the Founders; or, (f) by such taking such measures as may be necessary to ensure that the holders of Series A2 CCPS and Series A3 CCPS realize the A2 & A3 Preference Amount.

(e) In any Liquidation Event, subject to Applicable Law, upon and subject to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS receiving the Preference Amount and the holders of Series A2 CCPS and Series A3 CCPS receiving the A2 & A3 Preference Amount, the holders of Ordinary CCPS shall have a preference over the other Shareholders for return of capital such that subject to any amount remaining for distribution, the holders of Ordinary CCPS shall receive an amount equal to 1X of the amounts invested by them for subscription of Ordinary CCPS, plus any declared and all accrued and unpaid dividends thereon in preference to distribution of the proceeds to any other Shareholders ("**Kolluri Preference Amount**").

(f) If the amount available for distribution, (if any) after payment of the Preference Amount and the A2 & A3 Preference Amount to the holders of Series A CCPS, Series A2 CCPS, Series A3 CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS, is lower than the Kolluri Preference Amount, subject to Applicable Law, the entire amount shall be distributed to the holders of Ordinary CCPS. The holders of Ordinary CCPS can choose to not to receive their Kolluri Preference amount in preference to other Shareholders and participate in the remaining proceeds of the Liquidations Events (post distribution to holders of Series A CCPS, Series A2 CCPS, Series A3 CCPS and Series A4 CCPS and Series B1 CCPS) together with all other Shareholders (except holders of Series A CCPS, Series A2 CCPS, Series A3 Series A4 CCPS and Series B1 CCPS) proportionately.

(g) All Shareholders (excluding holders of Series A CCPS, Series A2 CCPS, Series A3 CCPS, Series A4 CCPS, Series B1 CCPS, Series B2 CCPS and Ordinary CCPS) shall participate proportionately in the entire proceeds resulting from a Liquidation Event only after (i) the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS have realised the Preference Amount, (ii) the holders of Series A2 CCPS and Series A3 CCPS have realised the A2 & A3 Preference Amount and (iii) the holders of Ordinary CCPS have realised their Kolluri Preference Amount.

13.1.7. **Meeting and Voting rights**. The holders of Series A4 CCPS shall be entitled to attend meetings of all Shareholders of the Company and will be entitled to such voting rights on an As If Converted Basis, as may be permissible under Applicable Law. Accordingly, subject to the adjustments provided in Article 13.1.4, Article 13.1.5 and Article 13.1.6, the holders of Series A4 CCPS shall be entitled to the same number of votes for each Series A4 CCPS as a holder of 1 (One) Equity Share, provided however that in the event of any adjustment in conversion the number of votes associated with each Series A4 CCPS will change accordingly. The holders of Series A4 CCPS shall be entitled to vote on all such matters which affect their rights directly or indirectly.

13.2 **Broad Based Weighted Average Valuation Protection for Series A4 CCPS.**

13.2.1. **Definitions.** For the purposes of this Article 13.2 and unless the context requires a different meaning, the following terms have the meanings indicated.

(a) "**Issue Date**" shall have the meaning ascribed to it in Article 13.2.2(a)(ii).

(b) "**Lowest Permissible Price**" in relation to a Person shall mean the lowest possible price at which a Share may be issued to/acquired by that Person in accordance with Applicable Law.

(c) "**New Issue Price**" shall have the meaning ascribed to it in Article 13.2.2(a)(i).

(d) "**Issue Price**" shall mean the Series A4 Conversion Price as adjusted from time to time.

13.2.2. **Non-Dilution Protection.**

(a) **Issuance below Issue Price.**

(i) **New Issues**. If the Company shall at any time or from time to time issue or sell any Dilution Instruments at a price per Dilution Instrument that is less than the Issue Price (treating the price per Dilution Instrument as equal to (x) the total sum paid for such Dilution Instruments plus any additional consideration payable (without regard to any anti-dilution adjustments) upon the conversion, exchange or exercise of such Dilution Instruments divided by (y) the number of Shares initially underlying such Dilution Instruments) (the "**New Issue Price**"), other than Exempted Issuance and any Dilution Instruments offered in accordance with contracts with vendors or on account of acquisition and other similar transaction approved by the Board, then, the holders of Series A4 CCPS shall be issued additional Equity Shares at par or at the lowest value permitted under the exchange control Laws of India as would enable them to maintain their shareholding of the Series A4 CCPS in accordance with Article 13.2.2(a)(iii) ("**Anti-Dilution Issuance**").

(ii) **Timing for New Issues**. Such Anti-Dilution Issuance shall be made whenever such Dilution Instruments are issued in accordance with Article 13.2.2(a)(i), (x) in the case of an issuance to the Shareholders of the Company, as such, to a date immediately following the close of business on the record date for the determination of Shareholders entitled to receive such Dilution Instruments and (y) in all other cases, on the date (the "**Issue Date**") of such issuance; provided, however, that the determination as to whether an anti-dilution issuance is required to be made pursuant to Article 13.2.2(a) shall be made immediately or simultaneously upon the issuance of such Dilution Instruments, and not upon the subsequent issuance of any security into which the Dilution Instruments convert, exchange or may be exercised.

(iii) **Anti-Dilution Issuance**. If an Anti-Dilution Issuance is to be undertaken pursuant to an occurrence of any event described in Article 13.2.2(a)(i), the conversion price shall be adjusted in accordance with the following formula:

$$NCP = (P1) \times \frac{(Q1) + (Q2)}{(Q1) + (R)}$$

For the purposes of this Paragraph, "NCP" is the new Purchase Price;

**"P1"** is the Issue Price;

**"Q1"** means the number of Equity Shares Outstanding immediately prior to the new issue;

**"Q2"** means such number of Equity Shares that the aggregate consideration received by the Company for such issuance would purchase at Issue Price;

**"R"** means the number of Equity Shares issuable / issued upon conversion of the Dilution Instruments being issued.

For purposes of this Condition, the term "**Equity Shares Outstanding**" shall mean the aggregate number of Equity Shares of the Company then outstanding (assuming for this purpose the exercise and/or conversion of all then-outstanding securities exercisable for and/or convertible into Equity Shares (including without limitation the conversion of all preference shares of the Company)).

13.2.3. **Reorganization, Reclassification.** In case of any reconstruction or consolidation of the Company or any capital reorganization, reclassification or other change of outstanding Shares or if the Company declares a distribution (other than dividend for cash) on its Equity Shares or the Company authorizes the granting to the holders of its Equity Shares rights or warrants to subscribe for or purchase any Equity Shares of any class or of any other rights or warrants; or upon occurrence of any other similar transaction (each, a "**Transaction**"):

(i) then the Company shall mail to each holder of Series A4 CCPS at such holder's address as it appears on the books of the Company, as promptly as possible but in any event at least 20 (Twenty) days prior to the applicable date hereinafter specified, a Notice stating the date on which a record is to be taken for the **purpose** of such dividend, distribution or granting of rights or warrants or, if a record is not to be taken, the date as of which the holders of Equity Shares of record to be entitled to such dividend, distribution or granting of rights or warrants are to be determined. Notwithstanding the foregoing, in the case of any event to which this Paragraph is applicable, the Company shall also deliver the certificate described in Article 13.2.3(ii) below to each holder of Series A4 CCPS at least 10 (ten) Business Days' prior to effecting such reorganization or reclassification as aforesaid.

(ii) the Company shall execute and deliver to each holder of Series A4 CCPS at least 7 (Seven) Business Days prior to effecting such Transaction a certificate, signed by (i) the chief executive officer of the Company and (ii) the chief financial officer of the Company, stating that the holder of each Series A4 CCPS shall have the right to receive in such Transaction, in exchange for each such Equity Share or Series A4 CCPS, a security identical to (and not less favourable than) each such Equity Share or Series A4 CCPS and no less favourable than any security offered to any Shareholder for or in relation to that Transaction, and provision shall be made therefor in the agreement, if any, relating to such Transaction.

13.2.4. **Mode of Giving Effect to Valuation Protection.** In the event of the provisions of Article 13.2.2(a) become applicable, then the holders of Series A4 CCPS, shall have the option to require the Company to (a) adjust the conversion ratio or conversion price of the Series A4 CCPS, (b) Transfer Shares held by the Founders to the holders of Series A4 CCPS at lowest price permissible under Applicable Law; (c) buy back of Shares held by Founder, Angel Investors and the Other Shareholders; (d) reduce the sale proceeds receivable by the Founders; (e) issue of additional Shares to the holders of Series A4 CCPS at the lowest permissible price; or (f) take such measures as may be necessary to give effect to the provisions of this Article 13.2.

13.2.5. **Compliance with and Effectiveness of this Article**

(a) **Waiver**. If a Shareholder is entitled under any contract, requirement of Applicable Law or otherwise to participate in relation to any issue of Shares to the holders of Series A4 CCPS under this Article 13.2, then such Shareholder hereby waives all such rights and, to the extent it cannot waive such rights it shall not to exercise them.

(b) **Ensuring Economic Effect**. If for any reason any part of this Article 13.2 is not fully effected as a result of any change in Applicable Law (including a change in Applicable Law that affects the price at which the holders of Series A4 CCPS may sell or be issued Shares) then each Shareholder and the Company shall each use its best efforts to take all such actions (by corporate, director or shareholder action) as may be necessary to provide to each holder of Series A4 CCPS the same economic benefits as are contemplated by this Article 13.2.

(c) **Change in Applicable Law**. If there is a change in any Applicable Law that makes it possible to implement any part of this Article 13.2 so as to confer the economic benefits on the holders of Series A4 CCPS that are contemplated by this Article in a more effective manner then each Shareholder and the Company shall co-operate and use its best efforts to implement this Article 13.2 in that more effective manner.

(d) **Material Breach of this Article**. If a Shareholder breaches a provision of this Article 13.2 or acts or omits to act in a particular manner and as a result of such breach, act or omission, a holder of Series A4 CCPS is unable to be issued the number and percentage of Equity Shares or Equity Shares at a price contemplated by this Article 13.2 then that Shareholder is deemed to have committed a material breach of the Articles.

(e) **Currency Exchange**. If in calculating a price or any other amount under this Article 13.2 the relevant variables for that calculation are expressed in different currencies then all such variables for the purposes of that calculation shall be converted to INR.

## XIV. TERMS OF SERIES B1 CCPS

14.1 The Series B1 CCPS are issued with the following characteristics, including certain rights vested in the holder of the Series B1 CCPS which are in addition to, and without prejudice to, the other rights of the holders of the Series B1 CCPS set out in these Articles. The terms of issuance of Series B1 CCPS, Series A4 CCPS and Series A CCPS shall rank *pari passu* to each other (except the Issue Price, which shall be Series A Conversion Price in relation to Series A CCPS, Series A4 Conversion Price in relation Series A4 CCPS and Series B1 Conversion Price in relation Series B1 CCPS).

14.1.1. **Equity Shares.** The number of Equity Shares to be issued to the holders of the Series B1 CCPS upon conversion shall, subject to the other terms and conditions set forth in these Articles, be as set out in Article 14.1.3 below.

14.1.2. **Dividends**. The Series B1 CCPS shall carry a pre-determined cumulative dividend rate of 0.001% (zero point zero zero one percent) per annum on an As If Converted Basis. The dividend shall be payable, subject to cash flow solvency, in the event the Board declares any dividend for the relevant year, and shall be paid *pari passu* with the holders of Series A CCPS, Series A4 CCPS and Series B2 CCPS and in priority to Equity Shares, Series A2 CCPS, Series A3 and Ordinary CCPS.

14.1.3. **Conversion**.

(a) The Series B1 CCPS shall be compulsorily converted to equity shares of the Company after the expiry of 19 (nineteen) years from the date of issuance of the same subject to the adjustments provided in Article 14.1.4, Article 14.1.5, Article 14.1.6 and other terms and conditions of these Articles. The price paid per Series B1 CCPS is INR 2549.83 (Indian rupees two thousand five hundred forty-nine point eight three) ("**Series B1 Conversion Price**"). The Series B1 Conversion Price shall be adjusted in accordance with the terms specified under these Articles. However, at any given point of time, the Series B1 Conversion Price shall not be adjusted to a price which is less than the fair market value of the Series B1 CCPS determined as on the date of issuance of the Series B1 CCPS. The adjusted Series B1 Conversion Price shall be construed as the relevant Series B1 Conversion Price for the purposes of these Articles and accordingly the conversion ratio for Series B1 CCPS shall be determined ("**Series B1 Conversion Ratio**"). No fractional Shares shall be issued upon conversion of Series B1 CCPS, and the number of Equity Shares to be issued shall be rounded up to the nearest whole number.

(b) The holders of Series B1 CCPS shall, at any time prior to 19 (nineteen) years from the date of issuance of the same, be entitled to call upon the Company to convert all or any of the Series B1 CCPS by issuing a Notice to the Company accompanied by a share certificate representing the Series B1 CCPS sought to be converted. Immediately and no later than 21 (twenty-one) days from the receipt of such Notice, the Company shall issue Equity Shares in respect of the Series B1 CCPS sought to be converted. The record date of conversion of the Series B1 CCPS shall be deemed to be the date on which the holder of Series B1 CCPS

issues a Notice of conversion to the Company. The Series B1 CCPS, if not converted earlier, shall automatically convert into Equity Shares at the then applicable Series B1 Conversion Price, upon the earlier of the following (i) on latest permissible date prior to the issue of Shares to the public in connection with the occurrence of a Public Offer under Applicable Law, or (ii) on the day following the completion of 19 (nineteen) years from the date of issuance of the same.

(c) Subject to the adjustments provided in Articles 14.1.4, 14.1.5 and 14.1.6, a Series B1 CCPS shall convert into 1 (one) Equity Share. No fractional Shares shall be issued upon conversion of Series B1 CCPS, and the number of Equity Shares to be issued shall be rounded up to the nearest whole number.

14.1.4. **Adjustments**.

(a) If, whilst any Series B1 CCPS remain capable of being converted into Equity Shares, the Company splits, sub-divides (stock split) or consolidates (reverse stock split) the Equity Shares into a different number of securities of the same class, the number of Equity Shares issuable upon a conversion of the Series B1 CCPS shall, subject to Applicable Law and receipt of requisite approvals, be proportionately increased in the case of a split or sub-division (stock split), and likewise, the number of Equity Shares issuable upon a conversion of the Series B1 CCPS shall be proportionately decreased in the case of a consolidation (reverse stock split).

(b) If, whilst any Series B1 CCPS remain capable of being converted into Equity Shares, the Company makes or issues a dividend or other distribution of Equity Shares to the holders of Equity Shares, then the number of Equity Shares to be issued on any subsequent conversion of Series B1 CCPS shall, subject to Applicable Law and receipt of requisite approvals, be increased proportionately and without payment of additional consideration thereof by the holders of Series B1 CCPS.

14.1.5. **Valuation Protection.** If the Company offers any Dilution Instruments to a new investor or a third party after the Series B1 Closing Date, at a price (the "**New Price**") less than the then effective conversion price of the Series B1 Conversion Price ("**Dilutive Issuance**"), then the holders of Series B1 CCPS shall be entitled to a broad based weighted-average valuation protection as provided for in Article 14.2 (the "**Valuation Protection Right**"). In such an event, the Company and Founders shall be bound to cooperate with the holders of Series B1 CCPS such that the Company forthwith takes all necessary steps as described in Article 14.2. The Company shall Notify the holders of Series B1 CCPS of the impact of the Dilutive Issuance prior to such issuance and obtain confirmation from the holders of Series B1 CCPS that the same conforms to these terms of issue.

14.1.6. **Liquidation and Participation Preference**

(a) In any Liquidation Event, subject to Applicable Law, holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS shall have preference over the Shareholders for return of capital as set out hereinafter. The proceeds of a Liquidation Event shall be distributed such that the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS receive the higher of (a) an amount equal to 1X of the amounts invested by them for subscription of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS respectively, plus any declared and all accrued and unpaid dividends thereon, or (b) their pro rata entitlement on an As If Converted Basis ("**Preference Amount**").

(b) If the amount available for distribution is lower than the Preference Amount, then the amount available for distribution shall be distributed to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS in proportion to amounts invested by them for subscription of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS respectively. Any incremental Shares that need to be issued or Transferred to the holders of Series A CCPS, Series A4 CCPS Series B1 CCPS, Series B2 CCPS to facilitate realization of the Preference Amount shall be made at the option of the holder of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS respectively by (a) an adjustment of the

conversion price of the Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS , as the case may be; (b) issue of additional Shares at the lowest permissible price to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS, as the case may be; (c) Transfer of Shares held by the Founders at lowest price permissible under Applicable Law to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS, as the case may be; (d) buy back of Shares held by the Founders, the Angel Investors and the Other Shareholders; (e) reduction of the sale proceeds receivable by the Founders; or, (f) by such taking such measures as may be necessary to ensure that the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS realize the Preference Amount.

(c) In any Liquidation Event, subject to Applicable Law, upon and subject to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS receiving the Preference Amount, holders of Series A2 CCPS and Series A3 CCPS shall have a preference over the Shareholders and for return of capital as set out hereinafter. The remaining proceeds of a Liquidation Event shall be distributed such that the holders of Series A2 CCPS and Series A3 CCPS receive the higher of (a) an amount equal to 1X of the amounts invested by them for subscription of Series A2 CCPS and Series A3 CCPS respectively, plus any declared and all accrued and unpaid dividends thereon, or (b) their pro rata entitlement on an As If Converted Basis ("**A2 & A3 Preference Amount**").

(d) If the amount available for distribution, (if any) after payment of the Preference Amount to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS, is lower than the A2 & A3 Preference Amount, then the entire amount available for distribution shall be distributed to the holders of Series A2 CCPS and Series A3 CCPS in proportion to amounts invested by them for subscription of Series A2 CCPS and Series A3 CCPS respectively. Any incremental Shares that need to be issued or Transferred to the holders of Series A2 CCPS and Series A3 CCPS to facilitate realization of the A2 & A3 Preference Amount shall be made at the option of the holder of Series A2 CCPS and Series A3 CCPS respectively by (a) an adjustment of the conversion price of the Series A2 CCPS or Series A3 CCPS, as the case may be; (b) issue of additional Shares at the lowest permissible price to the holders of Series A2 CCPS and Series A3 CCPS, as the case may be; (c) Transfer of Shares held by the Founders at lowest price permissible under Applicable Law to the holders of Series A2 CCPS and Series A3 CCPS, as the case may be; (d) buy back of Shares held by the Founders, the Angel Investors and the Other Shareholders; (e) reduction of the sale proceeds receivable by the Founders; or, (f) by such taking such measures as may be necessary to ensure that the holders of Series A2 CCPS and Series A3 CCPS realize the A2 & A3 Preference Amount.

(e) In any Liquidation Event, subject to Applicable Law, upon and subject to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS receiving the Preference Amount and the holders of Series A2 CCPS and Series A3 CCPS receiving the A2 & A3 Preference Amount, the holders of Ordinary CCPS shall have a preference over the other Shareholders for return of capital such that, subject to any amount remaining for distribution, the holders of Ordinary CCPS shall receive an amount equal to 1X of the amounts invested by them for subscription of Ordinary CCPS, plus any declared and all accrued and unpaid dividends thereon in preference to distribution of the proceeds to any other Shareholders ("**Kolluri Preference Amount**").

(f) If the amount available for distribution, (if any) after payment of the Preference Amount and the A2 & A3 Preference Amount to the holders of Series A CCPS, Series A2 CCPS, Series A3 CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS, is lower than the Kolluri Preference Amount, subject to Applicable Law, the entire amount shall be distributed to the holders of Ordinary CCPS. The holders of Ordinary CCPS can choose to not to receive their Kolluri Preference amount in preference to other Shareholders and participate in the remaining proceeds of the Liquidation Event (post distribution to holders of Series A CCPS, Series A2 CCPS, Series A3 CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS) together with all other Shareholders (except holders of Series A CCPS, Series A2 CCPS, Series A3, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS) proportionately.

(g) All Shareholders (excluding holders of Series A CCPS, Series A2 CCPS, Series A3 CCPS, Series A4 CCPS, Series B1 CCPS, Series B2 CCPS and Ordinary CCPS) shall participate proportionately in the entire proceeds resulting from a Liquidation Event only after (i) the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS have realised the Preference Amount, (ii) the holders of Series A2 CCPS and Series A3 CCPS have realised the A2 & A3 Preference Amount and (iii) the holders of Ordinary CCPS have realised their Kolluri Preference Amount.

14.1.7. **Meeting and Voting rights.** The holders of Series B1 CCPS shall be entitled to attend meetings of all Shareholders of the Company and will be entitled to such voting rights on an As If Converted Basis, as may be permissible under Applicable Law. Accordingly, subject to the adjustments provided in Articles 14.1.4, 14.1.5 and 14.1.6, the holders of Series B1 CCPS shall be entitled to the same number of votes for each Series B1 CCPS as a holder of 1 (one) Equity Share, provided however that in the event of any adjustment in conversion the number of votes associated with each Series B1 CCPS will change accordingly. The holders of Series B1 CCPS shall be entitled to vote on all such matters which affect their rights directly or indirectly.

**14.2 Broad Based Weighted Average Valuation Protection for Series B1 CCPS.**

14.2.1. **Definitions.** For the purposes of this Article 14.2 and unless the context requires a different meaning, the following terms have the meanings indicated.

(a) **Issue Date**" shall have the meaning ascribed to it in Article 14.2.2(a)(ii).

(b) **Lowest Permissible Price**" in relation to a Person shall mean the lowest possible price at which a Share may be issued to/acquired by that Person in accordance with Applicable Law.

(c) "**New Issue Price**" shall have the meaning ascribed to it in Article 14.2.2(a)(i).

(d) "**Issue Price**" shall mean the Series B1 Conversion Price as adjusted from time to time.

14.2.2. **Non- Dilution Protection.**

(a) **Issuance below Issue Price.**

(i) **New Issues**. If the Company shall at any time or from time to time issue or sell any Dilution Instruments at a price per Dilution Instrument that is less than the Issue Price (treating the price per Dilution Instrument as equal to (x) the total sum paid for such Dilution Instruments plus any additional consideration payable (without regard to any anti-dilution adjustments) upon the conversion, exchange or exercise of such Dilution Instruments divided by (y) the number of Shares initially underlying such Dilution Instruments) (the "**New Issue Price**"), other than Exempted Issuance and any Dilution Instruments offered in accordance with contracts with vendors or on account of acquisition and other similar transaction approved by the Board, then, the holders of Series B1 CCPS shall be issued additional Equity Shares at par or at the lowest value permitted under the exchange control Laws of India as would enable them to maintain their shareholding of the Series B1 CCPS in accordance with Article 14.2.2(a)(iii) ("**Anti-Dilution Issuance**").

(ii) **Timing for New Issues**. Such Anti-Dilution Issuance shall be made whenever such Dilution Instruments are issued in accordance with Article 14.2.2(a)(i), (x) in the case of an issuance to the Shareholders of the Company, as such, to a date immediately following the close of business on the record date for the determination of Shareholders entitled to receive such Dilution Instruments and (y) in all other cases, on the date (the "**Issue Date**") of such issuance; provided, however, that the determination as to whether an anti-dilution issuance is required to be made pursuant to this Article 14.2.2(a) shall be made immediately or simultaneously upon the issuance of such Dilution Instruments, and not upon the subsequent issuance of any security into which the Dilution Instruments convert, exchange or may be exercised.

(iii) **Anti-Dilution Issuance**. If an Anti-Dilution Issuance is to be undertaken pursuant to an occurrence of any event described in Article 14.2.2(a)(i), the conversion price shall be adjusted in accordance with the following formula:

$$NCP = (P1) \quad X \frac{(Q1) + (Q2)}{(Q1) + (R)}$$

For the purposes of this Paragraph, "NCP" is the new Purchase Price;

**"P1"** is the Issue Price;

**"Q1"** means the number of Equity Shares Outstanding immediately prior to the new issue;

**"Q2"** means such number of Equity Shares that the aggregate consideration received by the Company for such issuance would purchase at Issue Price;

**"R"** means the number of Equity Shares issuable / issued upon conversion of the Dilution Instruments being issued.

For purposes of this condition, the term "**Equity Shares Outstanding**" shall mean the aggregate number of Equity Shares of the Company then outstanding (assuming for this purpose the exercise and/or conversion of all then-outstanding securities exercisable for and/or convertible into Equity Shares (including without limitation the conversion of all preference shares of the Company).

14.2.3. **Reorganization, Reclassification**. In case of any reconstruction or consolidation of the Company or any capital reorganization, reclassification or other change of outstanding Shares or if the Company declares a distribution (other than dividend for cash) on its Equity Shares or the Company authorizes the granting to the holders of its Equity Shares rights or warrants to subscribe for or purchase any Equity Shares of any class or of any other rights or warrants; or upon occurrence of any other similar transaction (each, a "**Transaction**"):

(i) then the Company shall mail to each holder of Series B1 CCPS at such holder's address as it appears on the books of the Company, as promptly as possible but in any event at least 20 (Twenty) days prior to the applicable date hereinafter specified, a Notice stating the date on which a record is to be taken for the purpose of such dividend, distribution or granting of rights or warrants or, if a record is not to be taken, the date as of which the holders of Equity Shares of record to be entitled to such dividend, distribution or granting of rights or warrants are to be determined. Notwithstanding the foregoing, in the case of any event to which this Article is applicable, the Company shall also deliver the certificate described in Article 14.2.3(ii) below to each holder of Series B1 CCPS at least 10 (ten) Business Days' prior to effecting such reorganization or reclassification as aforesaid.

(ii) the Company shall execute and deliver to each holder of Series B1 CCPS at least 7 (Seven) Business Days prior to effecting such Transaction a certificate, signed by (i) the chief executive officer of the Company and (ii) the chief financial officer of the Company, stating that the holder of each Series B1 CCPS shall have the right to receive in such Transaction, in exchange for each such Equity Share or Series B1 CCPS, a security identical to (and not less favourable than) each such Equity Share or Series B1 CCPS and no less favourable than any security offered to any Shareholder for or in relation to that Transaction, and provision shall be made therefor in the agreement, if any, relating to such Transaction.

14.2.4. **Mode of Giving Effect to Valuation Protection.** In the event of the provisions of Article 14.2.2(a) become applicable, then the holders of Series B1 CCPS, shall have the option to require the Company to (a) adjust the conversion ratio or conversion price of the Series B1 CCPS, (b) Transfer Shares held by the Founders to the holders of Series B1 CCPS at lowest price permissible under Applicable Law; (c) buy back of Shares held by Founder, Angel

Investors and the Other Shareholders; (d) reduce the sale proceeds receivable by the Founders; (e) issue of additional Shares to the holders of Series B1 CCPS at the lowest permissible price; or (f) take such measures as may be necessary to give effect to the this Article 14.2.

14.2.5. **Compliance with and Effectiveness of this Article.**

(a) **Waiver**. If a Shareholder is entitled under any contract, requirement of Applicable Law or otherwise to participate in relation to any issue of Shares to the holders of Series B1 CCPS under this Article 14.2, then such Shareholder hereby waives all such rights and, to the extent it cannot waive such rights it agrees not to exercise them.

(b) **Ensuring Economic Effect**. If for any reason any part of Article 14.2 is not fully effected as a result of any change in Applicable Law (including a change in Applicable Law that affects the price at which the holders of Series B1 CCPS may sell or be issued Shares) then each Shareholder and the Company shall each use its best efforts to take all such actions (by corporate, director or shareholder action) as may be necessary to provide to each holder of Series B1 CCPS the same economic benefits as are contemplated by this Article 14.2.

(c) **Change in Applicable Law**. If there is a change in any Applicable Law that makes it possible to implement any part of this Article 14.2 so as to confer the economic benefits on the holders of Series B1 CCPS that are contemplated by Article 14.2 in a more effective manner then each Shareholder and the Company shall co-operate and use its best efforts to implement this Article 14.2 in that more effective manner.

(d) **Material Breach of this Article**. If a Shareholder breaches a provision of Article 14.2 or acts or omits to act in a particular manner and as a result of such breach, act or omission, a holder of Series B1 CCPS is unable to be issued the number and percentage of Equity Shares or Equity Shares at a price contemplated by this Article 14.2 then that Shareholder is deemed to have committed a material breach of these Articles.

(e) **Currency Exchange**. If in calculating a price or any other amount under Article 14.2 the relevant variables for that calculation are expressed in different currencies then all such variables for the purposes of that calculation shall be converted to INR.

## XV. TERMS OF SERIES B2 CCPS

15.1 The Series B2 CCPS are issued with the following characteristics, including certain rights vested in the holder of the Series B2 CCPS which are in addition to, and without prejudice to, the other rights of the holders of the Series B2 CCPS set out in these Articles.

15.1.1 **Equity Shares.** The number of Equity Shares to be issued to the holders of the Series B2 CCPS upon conversion shall, subject to the other terms and conditions set forth in these Articles, be as set out in Article 15.1.3 below.

15.1.2 **Dividends**. The Series B2 CCPS shall carry a pre-determined cumulative dividend rate of 0.001% (zero point zero zero one percent) per annum on an As If Converted Basis. The dividend shall be payable, subject to cash flow solvency, in the event the Board declares any dividend for the relevant year and shall be paid *pari passu* with the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS and in priority to Equity Shares, Series A2 CCPS, Series A3 and Ordinary CCPS.

15.1.3 **Conversion**.

(a) The Series B2 CCPS shall be compulsorily converted to equity shares of the Company after the expiry of 19 (nineteen) years from the date of issuance of the same subject to the adjustments provided in Article 15.1.4, Article 15.1.5, Article 15.1.6 and other terms and conditions of these Articles. The price paid per Series B2 CCPS is INR 2,955.48 (Indian rupees two thousand nine hundred fifty-five point four eight only) ("**Series B2 Conversion Price**"). The Series B2 Conversion Price shall be adjusted in accordance with the terms

specified under these Articles. However, at any given point of time, the Series B2 Conversion Price shall not be adjusted to a price which is less than the fair market value of the Series B2 CCPS determined as on the date of issuance of the Series B2 CCPS. The adjusted Series B2 Conversion Price shall be construed as the relevant Series B2 Conversion Price for the purposes of these Articles and accordingly the conversion ratio for Series B2 CCPS shall be determined ("**Series B2 Conversion Ratio**"). No fractional Shares shall be issued upon conversion of Series B2 CCPS, and the number of Equity Shares to be issued shall be rounded up to the nearest whole number.

(b) The holders of Series B2 CCPS shall, at any time prior to 19 (nineteen) years from the date of issuance of the same, be entitled to call upon the Company to convert all or any of the Series B2 CCPS by issuing a Notice to the Company accompanied by a share certificate representing the Series B2 CCPS sought to be converted. Immediately and no later than 21 (twenty-one) days from the receipt of such Notice, the Company shall issue Equity Shares in respect of the Series B2 CCPS sought to be converted. The record date of conversion of the Series B2 CCPS shall be deemed to be the date on which the holder of Series B2 CCPS issues a Notice of conversion to the Company. The Series B2 CCPS, if not converted earlier, shall automatically convert into Equity Shares at the then applicable Series B2 Conversion Price, upon the earlier of the following (i) on latest permissible date prior to the issue of Shares to the public in connection with the occurrence of a Public Offer under Applicable Law, or (ii) on the day following the completion of 19 (nineteen) years from the date of issuance of the same.

(c) Subject to the adjustments provided in Articles 15.1.4, 15.1.5 and 15.1.6, a Series B2 CCPS shall convert into 1 (one) Equity Share. No fractional Shares shall be issued upon conversion of Series B2 CCPS, and the number of Equity Shares to be issued shall be rounded up to the nearest whole number.

15.1.4 **Adjustments**.

(a) If, whilst any Series B2 CCPS remain capable of being converted into Equity Shares, the Company splits, sub-divides (stock split) or consolidates (reverse stock split) the Equity Shares into a different number of securities of the same class, the number of Equity Shares issuable upon a conversion of the Series B2 CCPS shall, subject to Applicable Law and receipt of requisite approvals, be proportionately increased in the case of a split or sub-division (stock split), and likewise, the number of Equity Shares issuable upon a conversion of the Series B2 CCPS shall be proportionately decreased in the case of a consolidation (reverse stock split).

(b) If, whilst any Series B2 CCPS remain capable of being converted into Equity Shares, the Company makes or issues a dividend or other distribution of Equity Shares to the holders of Equity Shares, then the number of Equity Shares to be issued on any subsequent conversion of Series B2 CCPS shall, subject to Applicable Law and receipt of requisite approvals, be increased proportionately and without payment of additional consideration thereof by the holders of Series B2 CCPS.

15.1.5 **Valuation Protection.** If the Company offers any Dilution Instruments to a new investor or a third party after the Series B2 Closing Date, at a price (the "**New Price**") less than the then effective conversion price of the Series B2 Conversion Price ("**Dilutive Issuance**"), then the holders of Series B2 CCPS shall be entitled to a broad based weighted-average valuation protection as provided for in Article 15.2 (the "**Valuation Protection Right**"). In such an event, the Company and Founders shall be bound to cooperate with the holders of Series B2 CCPS such that the Company forthwith takes all necessary steps as described in Article 15.2. The Company shall Notify the holders of Series B2 CCPS of the impact of the Dilutive Issuance prior to such issuance and obtain confirmation from the holders of Series B2 CCPS that the same conforms to these terms of issue.

15.1.6 **Liquidation and Participation Preference**

(a) In any Liquidation Event, subject to Applicable Law, holders of Series A CCPS, Series A4

CCPS, Series B1 CCPS and Series B2 CCPS shall have preference over the Shareholders for return of capital as set out hereinafter. The proceeds of a Liquidation Event shall be distributed such that the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS receive the higher of (a) an amount equal to 1X of the amounts invested by them for subscription of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS respectively, plus any declared and all accrued and unpaid dividends thereon, or (b) their pro rata entitlement on an As If Converted Basis ("**Preference Amount**").

(b) If the amount available for distribution is lower than the Preference Amount, then the amount available for distribution shall be distributed to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS in proportion to amounts invested by them for subscription of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS respectively. Any incremental Shares that need to be issued or Transferred to the holders of Series A CCPS, Series A4 CCPS Series B1 CCPS, Series B2 CCPS to facilitate realization of the Preference Amount shall be made at the option of the holder of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS respectively by (a) an adjustment of the conversion price of the Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS , as the case may be; (b) issue of additional Shares at the lowest permissible price to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS, as the case may be; (c) Transfer of Shares held by the Founders at lowest price permissible under Applicable Law to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS, as the case may be; (d) buy back of Shares held by the Founders, the Angel Investors and the Other Shareholders; (e) reduction of the sale proceeds receivable by the Founders; or, (f) by such taking such measures as may be necessary to ensure that the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS realize the Preference Amount.

(c) In any Liquidation Event, subject to Applicable Law, upon and subject to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS receiving the Preference Amount, holders of Series A2 CCPS and Series A3 CCPS shall have a preference over the Shareholders and for return of capital as set out hereinafter. The remaining proceeds of a Liquidation Event shall be distributed such that the holders of Series A2 CCPS and Series A3 CCPS receive the higher of (a) an amount equal to 1X of the amounts invested by them for subscription of Series A2 CCPS and Series A3 CCPS respectively, plus any declared and all accrued and unpaid dividends thereon, or (b) their pro rata entitlement on an As If Converted Basis ("**A2 & A3 Preference Amount**").

(d) If the amount available for distribution, (if any) after payment of the Preference Amount to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS, is lower than the A2 & A3 Preference Amount, then the entire amount available for distribution shall be distributed to the holders of Series A2 CCPS and Series A3 CCPS in proportion to amounts invested by them for subscription of Series A2 CCPS and Series A3 CCPS respectively. Any incremental Shares that need to be issued or Transferred to the holders of Series A2 CCPS and Series A3 CCPS to facilitate realization of the A2 & A3 Preference Amount shall be made at the option of the holder of Series A2 CCPS and Series A3 CCPS respectively by (a) an adjustment of the conversion price of the Series A2 CCPS or Series A3 CCPS, as the case may be; (b) issue of additional Shares at the lowest permissible price to the holders of Series A2 CCPS and Series A3 CCPS, as the case may be; (c) Transfer of Shares held by the Founders at lowest price permissible under Applicable Law to the holders of Series A2 CCPS and Series A3 CCPS, as the case may be; (d) buy back of Shares held by the Founders, the Angel Investors and the Other Shareholders; (e) reduction of the sale proceeds receivable by the Founders; or, (f) by such taking such measures as may be necessary to ensure that the holders of Series A2 CCPS and Series A3 CCPS realize the A2 & A3 Preference Amount.

(e) In any Liquidation Event, subject to Applicable Law, upon and subject to the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS receiving the Preference Amount and the holders of Series A2 CCPS and Series A3 CCPS receiving the A2 & A3 Preference Amount, the holders of Ordinary CCPS shall have a preference over the other Shareholders for return of capital such that, subject to any amount remaining for

distribution, the holders of Ordinary CCPS shall receive an amount equal to 1X of the amounts invested by them for subscription of Ordinary CCPS, plus any declared and all accrued and unpaid dividends thereon in preference to distribution of the proceeds to any other Shareholders ("**Kolluri Preference Amount**").

(f) If the amount available for distribution, (if any) after payment of the Preference Amount and the A2 & A3 Preference Amount to the holders of Series A CCPS, Series A2 CCPS, Series A3 CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS, is lower than the Kolluri Preference Amount, subject to Applicable Law, the entire amount shall be distributed to the holders of Ordinary CCPS. The holders of Ordinary CCPS can choose to not to receive their Kolluri Preference amount in preference to other Shareholders and participate in the remaining proceeds of the Liquidation Event (post distribution to holders of Series A CCPS, Series A2 CCPS, Series A3 CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS) together with all other Shareholders (except holders of Series A CCPS, Series A2 CCPS, Series A3, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS) proportionately.

(g) All Shareholders (excluding holders of Series A CCPS, Series A2 CCPS, Series A3 CCPS, Series A4 CCPS, Series B1 CCPS, Series B2 CCPS and Ordinary CCPS) shall participate proportionately in the entire proceeds resulting from a Liquidation Event only after (i) the holders of Series A CCPS, Series A4 CCPS, Series B1 CCPS and Series B2 CCPS have realised the Preference Amount, (ii) the holders of Series A2 CCPS and Series A3 CCPS have realised the A2 & A3 Preference Amount and (iii) the holders of Ordinary CCPS have realised their Kolluri Preference Amount.

15.1.7 **Meeting and Voting rights.** The holders of Series B2 CCPS shall be entitled to attend meetings of all Shareholders of the Company and will be entitled to such voting rights on an As If Converted Basis, as may be permissible under Applicable Law. Accordingly, subject to the adjustments provided in Articles 15.1.4, 15.1.5 and 15.1.6, the holders of Series B2 CCPS shall be entitled to the same number of votes for each Series B2 CCPS as a holder of 1 (one) Equity Share, provided however that in the event of any adjustment in conversion the number of votes associated with each Series B2 CCPS will change accordingly. The holders of Series B2 CCPS shall be entitled to vote on all such matters which affect their rights directly or indirectly.

15.2 **Broad Based Weighted Average Valuation Protection for Series B2 CCPS.**

15.2.1. **Definitions.** For the purposes of this Article 15.2 and unless the context requires a different meaning, the following terms have the meanings indicated.

(a) **Issue Date**" shall have the meaning ascribed to it in Article 15.2.2(a)(ii).

(b) **Lowest Permissible Price**" in relation to a Person shall mean the lowest possible price at which a Share may be issued to/acquired by that Person in accordance with Applicable Law.

(c) "**New Issue Price**" shall have the meaning ascribed to it in Article 15.2.2(a)(i).

(d) "**Issue Price**" shall mean the Series B2 Conversion Price as adjusted from time to time.

15.2.2. **Non- Dilution Protection.**

(a) **Issuance below Issue Price.**

(i) **New Issues**. If the Company shall at any time or from time to time issue or sell any Dilution Instruments at a price per Dilution Instrument that is less than the Issue Price (treating the price per Dilution Instrument as equal to (x) the total sum paid for such Dilution Instruments plus any additional consideration payable (without regard to any anti-dilution adjustments) upon the conversion, exchange or exercise of such Dilution Instruments divided by (y) the number of Shares initially underlying such Dilution Instruments) (the "**New Issue Price**"), other than Exempted Issuance and any Dilution Instruments offered in accordance with contracts with vendors or on account

of acquisition and other similar transaction approved by the Board, then, the holders of Series B2 CCPS shall be issued additional Equity Shares at par or at the lowest value permitted under the exchange control Laws of India as would enable them to maintain their shareholding of the Series B2 CCPS in accordance with Article 15.2.2(a)(iii) ("**Anti-Dilution Issuance**").

(ii) **Timing for New Issues**. Such Anti-Dilution Issuance shall be made whenever such Dilution Instruments are issued in accordance with Article 15.2.2(a)(i), (x) in the case of an issuance to the Shareholders of the Company, as such, to a date immediately following the close of business on the record date for the determination of Shareholders entitled to receive such Dilution Instruments and (y) in all other cases, on the date (the "**Issue Date**") of such issuance; provided, however, that the determination as to whether an anti-dilution issuance is required to be made pursuant to this Article 15.2.2(a) shall be made immediately or simultaneously upon the issuance of such Dilution Instruments, and not upon the subsequent issuance of any security into which the Dilution Instruments convert, exchange or may be exercised.

(iii) **Anti-Dilution Issuance**. If an Anti-Dilution Issuance is to be undertaken pursuant to an occurrence of any event described in Article 15.2.2(a)(i), the conversion price shall be adjusted in accordance with the following formula:

$$NCP = \frac{(P1) \times (Q1) + (Q2)}{(Q1) + (R)}$$

For the purposes of this Paragraph, "NCP" is the new Purchase Price;

**"P1"** is the Issue Price;

**"Q1"** means the number of Equity Shares Outstanding immediately prior to the new issue;

**"Q2"** means such number of Equity Shares that the aggregate consideration received by the Company for such issuance would purchase at Issue Price;

**"R"** means the number of Equity Shares issuable / issued upon conversion of the Dilution Instruments being issued.

For purposes of this condition, the term "**Equity Shares Outstanding**" shall mean the aggregate number of Equity Shares of the Company then outstanding (assuming for this purpose the exercise and/or conversion of all then-outstanding securities exercisable for and/or convertible into Equity Shares (including without limitation the conversion of all preference shares of the Company).

15.2.3. **Reorganization, Reclassification**. In case of any reconstruction or consolidation of the Company or any capital reorganization, reclassification or other change of outstanding Shares or if the Company declares a distribution (other than dividend for cash) on its Equity Shares or the Company authorizes the granting to the holders of its Equity Shares rights or warrants to subscribe for or purchase any Equity Shares of any class or of any other rights or warrants; or upon occurrence of any other similar transaction (each, a "**Transaction**"):

(i) then the Company shall mail to each holder of Series B2 CCPS at such holder's address as it appears on the books of the Company, as promptly as possible but in any event at least 20 (Twenty) days prior to the applicable date hereinafter specified, a Notice stating the date on which a record is to be taken for the purpose of such dividend, distribution or granting of rights or warrants or, if a record is not to be taken, the date as of which the holders of Equity Shares of record to be entitled to such dividend, distribution or granting of rights or warrants are to be determined. Notwithstanding the foregoing, in the case of any event to which this Article is applicable, the Company shall also deliver the certificate described in Article 15.2.3(ii) below to each holder of Series B2 CCPS at least 10 (ten) Business Days' prior to

effecting such reorganization or reclassification as aforesaid.

(ii) the Company shall execute and deliver to each holder of Series B2 CCPS at least 7 (Seven) Business Days prior to effecting such Transaction a certificate, signed by (i) the chief executive officer of the Company and (ii) the chief financial officer of the Company, stating that the holder of each Series B2 CCPS shall have the right to receive in such Transaction, in exchange for each such Equity Share or Series B2 CCPS, a security identical to (and not less favourable than) each such Equity Share or Series B2 CCPS and no less favourable than any security offered to any Shareholder for or in relation to that Transaction, and provision shall be made therefor in the agreement, if any, relating to such Transaction.

15.2.4. **Mode of Giving Effect to Valuation Protection.** In the event of the provisions of Article 15.2.2(a) become applicable, then the holders of Series B2 CCPS, shall have the option to require the Company to (a) adjust the conversion ratio or conversion price of the Series B2 CCPS, (b) Transfer Shares held by the Founders to the holders of Series B2 CCPS at lowest price permissible under Applicable Law; (c) buy back of Shares held by Founder, Angel Investors and the Other Shareholders; (d) reduce the sale proceeds receivable by the Founders; (e) issue of additional Shares to the holders of Series B2 CCPS at the lowest permissible price; or (f) take such measures as may be necessary to give effect to the this Article 15.2.

15.2.5. **Compliance with and Effectiveness of this Article.**

(a) **Waiver**. If a Shareholder is entitled under any contract, requirement of Applicable Law or otherwise to participate in relation to any issue of Shares to the holders of Series B2 CCPS under this Article 15.2, then such Shareholder hereby waives all such rights and, to the extent it cannot waive such rights it agrees not to exercise them.

(b) **Ensuring Economic Effect**. If for any reason any part of Article 15.2 is not fully effected as a result of any change in Applicable Law (including a change in Applicable Law that affects the price at which the holders of Series B2 CCPS may sell or be issued Shares) then each Shareholder and the Company shall each use its best efforts to take all such actions (by corporate, director or shareholder action) as may be necessary to provide to each holder of Series B2 CCPS the same economic benefits as are contemplated by this Article 15.2.

(c) **Change in Applicable Law**. If there is a change in any Applicable Law that makes it possible to implement any part of this Article 15.2 so as to confer the economic benefits on the holders of Series B2 CCPS that are contemplated by Article 15.2 in a more effective manner then each Shareholder and the Company shall co-operate and use its best efforts to implement this Article 15.2 in that more effective manner.

(d) **Material Breach of this Article**. If a Shareholder breaches a provision of Article 15.2 or acts or omits to act in a particular manner and as a result of such breach, act or omission, a holder of Series B2 CCPS is unable to be issued the number and percentage of Equity Shares or Equity Shares at a price contemplated by this Article 15.2 then that Shareholder is deemed to have committed a material breach of these Articles.

(e) **Currency Exchange**. If in calculating a price or any other amount under Article 15.2 the relevant variables for that calculation are expressed in different currencies then all such variables for the purposes of that calculation shall be converted to INR.

## XVI. BOARD, MANAGEMENT AND RELATED MATTERS

16.1 **Composition and Size of the Board**. The Board of the Company shall consist of not more than 5 (Five) members.

16.2 **Directors**. The composition of the Board of the Company shall be determined as follows:

16.2.1 SAIF shall have a right to nominate and maintain 2 (Two) Directors to the Board of the Company (each a "**SAIF Director**" and collectively "**SAIF Directors**") and shall be entitled to appoint such SAIF Directors and remove such SAIF Directors by Notice to the Company. Provided that, at the time of a future round of investment into the Company, approved by SAIF in accordance

with Article 16.11, wherein the Company issues Dilution Instruments at a price higher than the issue price per Series B2 CCPS, SAIF will release one of its Board seats in favour of the incoming investor, only if there is no increase in the size of the Board upon the entry of the incoming investor.

16.2.2 The Founders shall have a right to nominate and maintain 2 (Two) Directors to the Board of the Company (each a "**Founder Director**" and collectively the "**Founder Directors**") so long as both of them are in the employment of the Company. Notwithstanding the aforesaid, the right of the Founders to nominate Founder Directors to the Board, as provided under this Article 16.2.2 shall be subject to the Founders collectively holding 10% (Ten percent) of the total paid up share capital of the Company on an As If Converted Basis and at least one of the Founders continuing to remain in the employment of the Company.

Subject to the Founders collectively holding 10% (Ten percent) of the total paid up share capital of the Company on an As If Converted Basis, if none of the Founders continue to remain in employment with the Company, the Founders shall be entitled to nominate only 1 (One) nominee to the Board as the Founder Director. However, the Founders may nominate 2 (two) persons to Board as Founder Directors with SAIF Consent.

It is clarified that when a Founder is employed with the Company, the Founder Directors shall always be elected from the Founders continuing to be in employment with the Company.

16.2.3 The Founders and SAIF shall together be entitled to appoint an independent director to the Board ("**Independent Director**"). The Founders and SAIF shall also be entitled to remove and / or substitute such Independent Director at any time.

16.2.4 The chairman of the Board shall be appointed by the Board, and the chairman shall not have a second or a casting vote.

16.2.5 The Company shall immediately and no later than 21 (Twenty One) Business Days following receipt of a Notice from SAIF, the Founders or jointly by SAIF and the Founders (as the case may be) for appointment of the SAIF Director(s), Founder Director(s) or Independent Director(s) respectively, complete all corporate and regulatory formalities regarding such appointment, removal or substitution.

16.3 **Committees of the Board**. The Board may set up such committees as the Board may deem fit from time to time. SAIF shall be entitled to nominate one of the SAIF Directors as a member of all such committees.

16.4 **Observer.** Irrespective of whether SAIF exercises the right to nominate directors to the Board, as provided under Article 16.2.1 above, SAIF shall be entitled to appoint 1 (One) observer to the Board ("**Observer**"). The Observer shall have the right to receive all Notices, documents and information provided to the Board members and be entitled to attend and speak at all meetings of the Board or committees thereof. The Observer shall not be considered for quorum, and the Observer shall not be entitled to vote with respect to any resolution proposed to be passed at a Board meeting.

16.5 **SAIF Alternate Directors.**

16.5.1. SAIF shall be entitled to appoint, remove and substitute an alternate Director to each of the SAIF Directors (each a "**SAIF Alternate Director**" and together "**SAIF Alternate Directors**") from time to time and to act as an alternate Director(s) to the SAIF Director(s) during the absence of the SAIF Director(s) from the state in which the meetings of the Board are ordinarily held. The Board shall ensure that the Person nominated by SAIF is appointed as the SAIF Alternate Director immediately upon Notification by SAIF. The Company shall within 21 (Twenty One) days of Notification in this regard complete all corporate and regulatory formalities regarding the appointment, removal or substitution of a SAIF Alternate Director.

16.5.2. SAIF Alternate Director(s) shall be considered for the constitution of quorum and shall be entitled to attend and vote at such meetings in place of the SAIF Director and generally perform all functions of the SAIF Director in his absence. Upon the appointment of a SAIF Alternate

Director, all Notices and other materials that are circulated to the Directors shall be circulated to the SAIF Director and SAIF Alternate Director.

16.6 **Non-Executive Status and Indemnification.**

16.6.1. SAIF Directors and/or the SAIF Alternate Directors shall be non-executive Directors of the Company. Accordingly, notwithstanding anything to the contrary in these Articles, the Company shall indemnify and hold the SAIF Directors and the SAIF Alternate Directors harmless from all claims and liabilities to the maximum extent permitted under Applicable Law. The SAIF Directors and/ or the SAIF Alternate Directors shall not retire by rotation and shall not be required to hold any qualification shares.

16.6.2. The Company shall appoint 1 (One) of the Founder Directors as the compliance officer ("**Compliance Officer**"). The Compliance Officer shall be the officer in charge and shall be responsible to the Company for the conduct of its affairs, ensuring compliance by the Company of the Applicable Law and shall be considered as the officer in default for the purposes of the Act. The Company shall complete all filings in this regard.

16.7 **Board Meetings.**

16.7.1 The Company shall issue a prior written Notice of at least 7 (Seven) Business Days of the meeting of the Board to the SAIF Directors, unless SAIF agrees otherwise.

16.7.2 Each Notice of a Board meeting of the Company shall contain, *inter alia*, an agenda specifying in reasonable detail the matters to be discussed and shall be accompanied by all necessary written information and documents. Subject to Article 16.11 and Article 19.10, with the consent of the majority of the Board which majority shall necessarily include at least 1 (one) SAIF Director or the SAIF Alternate Director, as the case may be, the Board may consider any matter not circulated in the agenda.

16.7.3 All expenses incurred by all the SAIF Directors or the SAIF Alternate Directors and / or the Observer to attend the Board meetings shall be borne by the Company.

16.8 **Quorum**. The quorum for all meetings of the Board shall always include at least 1 (One) SAIF Director or SAIF Alternate Director, as the case may be, and 1 (One) Founder Director at the beginning of, and throughout, the meeting. If the quorum is not present within half an hour of the scheduled time of the meeting, the meeting shall stand adjourned to the same day, location and time on the following week. If such day is not a Business Day, the meeting shall be held on the next Business Day. Any 2 (Two) Directors present at such adjourned meeting shall constitute the quorum for such meeting, provided that the provisions of Article 16.11 shall be complied with, if an Investor Protection Matter is taken up for discussion at such adjourned meeting and provisions of Article 19.10 is complied with if an alteration to the Articles is taken up for discussion at such adjourned meeting.

16.9 **Resolutions**. Subject to Article 16.11 and Article 19.10, a decision shall be said to have been made and/or a resolution passed at a Board meeting only if such resolution is passed at a validly constituted meeting and such decision and/or the resolution is approved by a majority of the Directors present (physically or through any other means permissible by Applicable Law) and voting at such Board meeting.

16.10 **Circular Resolutions**. Subject to Applicable Law, no resolution shall be deemed to have been duly passed by a Board or a committee thereof by circulation or written consent, unless the resolution has been circulated in draft, together with the information and documents required to make a fully-informed good faith decision with respect to such resolution, if any, to all the Directors, or to all members of the relevant committee, as the case may be, at their usual address. Provided that no business concerning any of the Investor Protection Matters shall be approved except as specified in Article 16.11 and Article 19.10. Notice relating to circular resolutions shall be circulated to all Directors, whether located in India or not at such time. However, an Investor Protection Matter shall not be taken up for discussion or voted upon unless SAIF Consent has been obtained for including such matter on the agenda of the circular resolution.

16.11 **Investor Protection Matters**. Notwithstanding anything contained in these Articles, in the event any Investor Protection Matter is proposed to be discussed at a Board or Shareholder meeting, the same must be included in the agenda of the meeting which is circulated prior to such meeting. Notwithstanding anything contained in these Articles, any decision of the Company, any resolution of the Board or a committee thereof and any resolution of the Shareholders relating to an Investor Protection Matter, shall require the prior written consent of SAIF ("**SAIF Consent**"), as long as SAIF holds at least 5% (Five percent) of the paid-up capital of the Company on a Fully Diluted Basis ("**SAIF Consent**"). In the event SAIF Consent has not been obtained and an Investor Protection Matter is taken up at a Board Meeting, such matter shall not be resolved except with prior written consent of the SAIF Director. If the SAIF Director in its discretion determines that it is required of him to restrain from voting on a resolution on account of any conflict of interest or otherwise, it may be required that the Board calls for a shareholder meeting to discuss the relevant matter/resolution. In the event any decision and/or resolution is affected without complying with the provisions of this Article, (a) such decision or resolution shall not be valid or binding on any Person including the Company; and (b) the Company shall not take any action pursuant to such decision or resolution unless SAIF consent is obtained for the same. The Company and the Founders shall provide all necessary information and material to SAIF to enable it to make a decision relating to the Investor Protection Matters. If SAIF Consent has been obtained for an Investor Protection Matter in accordance with the provision of Article 16.11, then subject to Applicable Law, such matter may be resolved by circular resolution, at a meeting of the Board or the Shareholders, as applicable

16.12 **Shareholders' Meetings**. The provisions of Sections 96 to 109 of the Act shall apply in respect of a general meeting (including extra-ordinary general meeting) of the Company, subject to the following modifications.

16.12.1 A general meeting of the Shareholders shall be convened by serving at least 21 (Twenty One) calendar days' Notice to all the Shareholders, with an explanatory statement containing all relevant information relating to the agenda for the general meeting; provided that a general meeting may be convened by a shorter Notice than 21 (Twenty One) days with SAIF consent, subject to Applicable Law.

16.12.2 The quorum for a meeting of the Shareholders shall include SAIF or a nominee of SAIF being present at the beginning of, and throughout, the meeting.

16.12.3 If a valid quorum is not present for any meeting of the Shareholders, the meeting shall automatically stand adjourned to the same day and time and at the same venue in the following week. If such a day is not a Business Day, the meeting shall be held on the next Business Day. If at such adjourned meeting also, no valid quorum is present, then the Shareholders present at such adjourned meeting (not being less than the number required under the Act) shall be deemed to constitute a valid quorum and the Company may proceed to discuss and decide on the matters on the agenda and any decisions so taken shall be binding on all the Shareholders. Provided that (a) no business or items not being part of the agenda of the original meeting shall be dealt with in such adjourned meeting; and (b) no business concerning any of the Investor Protection Matters shall be approved except as specified in Article 16.11.

16.12.4 The chairperson, if any, of the Board shall preside as chairperson at every general meeting of the Company. If there is no such chairperson, or if he is not present within 15 (Fifteen) minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the Directors present shall elect one of their members to be chairperson of the meeting. If at any meeting no Director is willing to act as chairperson or if no Director is present within 15 (Fifteen) minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be chairperson of the meeting.

16.13 **Exercise of Rights**. The Founders and the Company shall take such action as may be necessary (including exercising their votes at Shareholders' meetings, Board meetings or any committees thereof) to give effect to the provisions of, and to comply with their obligations under these Articles.

## XVII. INVESTOR PROTECTION MATTERS

17.1 Subject to Article 16.11, the following actions ("**Investor Protection Matters**") of the Company shall

require SAIF Consent.

17.1.1. Any change in the authorized, subscribed, issued or paid up capital including issuing of Dilution Instruments, alteration of rights attached to any shares, creation of new classes of shares or reclassification of shares and redemption or repurchase or buy back of any share.

17.1.2. Any amendments to the Company's memorandum including but not limited to changing the Company's name, main objects, legal status (i.e., private limited or public limited).

17.1.3. Commencement of any new business and cessation or closing down any existing business or business vertical.

17.1.4. Entering into or amending the terms of any Related Party transactions including transactions with the shareholders, directors, Founders and their respective Affiliates / Relatives.

17.1.5. Entering into any joint ventures, strategic partnerships, financial partnerships, profit sharing arrangements or any transaction granting exclusive rights of any nature to any Person.

17.1.6. Creating or dissolving any Subsidiaries, branch or other office whether in India or abroad.

17.1.7. Appointment and removal of employees who satisfy any of the following criteria: (i) whose cost to the Company is above INR 20,00,000/- (Rupees Twenty Lakh only) per annum; (ii) who directly reports to the Board or to the Company's chief executive officer / managing director other than secretarial staff; (iii) to whom more than 0.25% employee stock options of the Company are proposed to be issued; (iv) Key Managerial Personnel, as defined under the Act; (v) Compliance Officer; and (vi) head of any division or vertical.

17.1.8. Any acquisition of or lien, charge, pledge, right to acquire, lease, sub-lease, license on Assets, Indebtedness other than in the Ordinary Course of Business; a Transfer of (i) all or substantially all of the Assets; (ii) sale or modification of any of the Proprietary Rights; and (iii) sale of Assets or liabilities of the value greater than INR 20,00,000/- (Rupees Twenty Lakhs only).

17.1.9. Winding up or a merger, restructurings, arrangements, amalgamations, consolidations and divestments of or by the Company.

17.1.10. Acquisition of an entity or business (by way of purchase of shares, business transfer, slump sale, asset purchase or any other mode of acquiring a business).

17.1.11. Adoption and deviations to the Company's business plans and annual budgets.

17.1.12. Declaration of any dividends or distribution of profits or commissions to Shareholders, employees, or Directors of the Company.

17.1.13. Adoption of, amendments to and deviating from or grant or issue of share vesting plan, any stock option plan, stock appreciation plan, phantom plan or other similar plan by whatever name called or any issuance or grant of any phantom stock options.

17.1.14. Appointment and removal of statutory and internal auditors and changes in the Financial Year and accounting policies (other than as necessitated by law or these Articles).

17.1.15. An agreement to undertake the above-mentioned actions.

## XVIII. INFORMATION AND INSPECTION RIGHTS

18.1 **Reports and Information**. As long as SAIF holds any Shares in the Company, SAIF and/or any Person nominated by them shall be entitled to receive, from the Company the following information regarding the Company:

18.1.1. the audited annual financial statements, including profit and loss accounts, balance sheet and cash flow statements within 60 (Sixty) days from the end of the relevant Financial Year.**;**

18.1.2. minutes of the meeting of the Board, Shareholders and any of its committees within 10 (Ten) days of the meeting;

18.1.3. monthly income statements within 15 (Fifteen) days of end of each calendar month;

18.1.4. unaudited monthly financial statements, including cash flow statements within 30 (Thirty) days of end of each calendar month;

18.1.5. unaudited quarterly financial statements, including cash flow statements within 30 (Thirty) days of the end of each financial quarter;

18.1.6. in the quarterly Board meetings, the Company shall provide an update on statutory compliances including provident fund, employee state insurance corporation, service tax, tax deduction at source (TDS), excise payments and all foreign investment related compliances. SAIF may periodically request for any other compliance updates;

18.1.7. quarterly bank account statements of the Company within 10 (Ten) days of the end of each calendar quarter. The Company shall get all its bank accounts internet enabled and provide access to full bank statements of the Company (both physical statements and through internet) to the internal auditors and statutory auditors of the Company. A physical copy of the bank account statement should be provided to the Investor at every quarter within 21 (Twenty One) days of the end of each calendar quarter;

18.1.8. annual operating budget and annual business plan at least 15 (Fifteen) days prior to the beginning of the Financial Year and the quarterly operating budget for the Company 1 (One) month prior to the beginning of each of the quarters to which the budget relates; and

18.1.9. all other relevant information including business plans, capital expenditure budgets and management reporting information.

18.2 **Information Rights post Public Offer**. After completion of a Public Offer, SAIF will be entitled to such information rights as are available under Applicable Law to (i) a Shareholder of the Company and (ii) a Director of the Company (as long as a nominee of SAIF is on the Board).

18.3 **Inspection Rights**. In addition to the information and materials to be provided under this Article XVIII, the Company shall permit SAIF and its representative, at all times during normal business hours to visit and inspect to its satisfaction, the offices of the Company. SAIF will be required to issue a prior Notice of at least 3 (Three) days. SAIF or its authorized representative will be entitled to inspect the Company's material contracts and financial accounts and documents as well as conduct internal audits, as SAIF may deem fit at its sole discretion. The Company and Founders shall render co-operation and provide such other authorization as may be required. SAIF shall also have a right to consult with and receive information, documents and material about the business and operation of the Company that SAIF considers material, from the Company, its employees, vendors, consultants, counsel (internal or external) and internal and external auditors of the Company. The Company and / or the Founders shall, where required, facilitate such consultation including by issuing appropriate instructions to the persons referred to above. The costs in relation to such inspections/audits shall be borne by the Company.

18.4 **Information Rights of Series A4 Investors and Series B2 Investors**. As long as a Series A4 and/or Series B2 Investor holds Shares, such Series A4 and/or Series B2 Investor (as the case may be) shall be entitled to receive with respect to the Company the final annual audited financial statements within 60 (Sixty) days of the relevant financial year end, together with notes thereto in accordance with Indian GAAP and any reports by auditors or Directors in respect of such statements. The Company shall also provide such other information as maybe necessary for such Series A4 and or Sereis B2 Investor to comply with laws and audit requirements applicable to it.

## XIX. ADDITIONAL COVENANTS

19.1 **ESOPs.**

19.1.1. Any stock options to employees of the Company shall be issued in accordance with the ESOP Plan.

19.1.2. All employees of the Company who shall purchase, or receive options to purchase Shares under the ESOP Plan shall be required to execute such documents providing for vesting of the option shares, in the manner stated in the ESOP Plan

19.2 **Non-Pledging of Shares held by the Investor**. Investors shall not be required to pledge their shareholding in the Company or invest any additional amount in the Company or offer any guarantee or collateral security in respect of any borrowing by the Company.

19.3 **Investor not "promoters"**. The Investors are not "promoters" or part of the "promoter group" of the Company. The Company shall not under any circumstances declare, publish or disclose the Investors in any document related to a Public Offer, accounts or any public disclosures as "founders" or part of the "promoter group" of the Company. The Company and Founders shall take all necessary steps to ensure that the Investors shall not be considered as promoters or part of the promoter group of the Company in any Public Offer related filing made by the Company or the Founders.

19.4 **Vote of Members.**

19.4.1. **Number of votes**. Subject to any rights or restrictions for the time being attached to any class or classes of shares:

(i) on a show of hands every member present in person or by proxy or (being a corporation) by a duly authorised representative shall have one vote; and

(ii) on a poll, every member present in person or by proxy or (being a corporation) by a duly authorised representative shall have one vote for each share of which he is the holder.

19.4.2. **Voting.** The Shareholders shall vote all of their Shares, give or withhold any consents or approvals requested of them, and generally exercise their best efforts on a *bona fide* basis to cause the Company to perform and comply with their obligations under these Articles, subject to compliance with Applicable Laws. The rights of SAIF with respect to the decisions to be taken in relation to the Investor Protection Matters are intrinsic to the subscription and allotment of the SAIF Securities which matters directly affect the rights attached to the SAIF Securities. In the event that SAIF is unable to exercise such voting rights on account of the restrictions under Applicable Law, no decision shall be taken with respect to the Investor Protection Matters without SAIF Consent in accordance with Articles 16.11 and 19.10, as the case may be.

19.4.3. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarial certified copy of that power or authority, shall be deposited at the registered office of the Company or faxed to the Company not less than two hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy or power of attorney shall not be treated as valid.

19.4.4. Joint **Holders.** In the case of joint holders, the vote of the first holder who tenders a vote, whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the name stand in the register of members.

19.5 **Restricted Transfers.** The Founders shall ensure to cause the Company not to record any Transfer or agreement or arrangement on its books or register and shall cause not to recognize or register any equitable or other claim to, or any interest in Shares which has been Transferred in any manner other than as permitted under these Articles. Failure to ensure the Transfer of Shares are in accordance with the terms of these Articles shall be deemed to be a breach of these Articles by the Founders.

19.6 **Related Party Transactions.** The Company shall not enter into, and shall not permit any of its Subsidiaries to enter into any transaction with any Related Party without SAIF Consent. The Founders shall conduct the whole of the business through the Company or its Subsidiaries and will not transact

the business through any Related Party without SAIF Consent.

19.7 **Foreign Corrupt Practices.** The Company shall not, and shall not permit any of its Subsidiaries or its Affiliates or any of its or their respective directors, officers, managers, employees, independent contractors, representatives or agents, to promise, authorize or make any payment to, or otherwise contribute any item of value to, directly or indirectly, any third party including any Non U.S. Official (as defined in the FCPA), in each case, in violation of the Foreign Corrupt Practices Act, 1977 ("**FCPA**"), the U.K. Bribery Act, 2010 ("**UKBA**"), Prevention of Corruption Act, 1988 ("**PCA**") or any other applicable anti-bribery or anti- corruption law. The Company shall and shall cause each of its Subsidiaries and Affiliates to cease all of its/their activities, as well as remedy any actions taken by the Company, its Subsidiary or Affiliates, or any of their respective directors, officers, managers, employees, independent contractors, representative or agents in violation of the FCPA, the UKBA or the PCA or any other applicable anti-bribery or anti-corruption law. The Company shall and shall cause each of its Subsidiaries and Affiliates to maintain systems of internal controls (including, but not limited to, accounting systems, purchasing systems and billing systems) to ensure compliance with the FCPA, the UKBA or the PCA or any other applicable anti-bribery or anti- corruption law.

19.8 **Passive Foreign Investment Company.**

19.8.1. The Company shall use commercially reasonable efforts to avoid being a "passive foreign investment company" within the meaning of Section 1297 of the Internal Revenue Code of 1986, as amended (or any successor thereto). In connection with a "Qualified Electing Fund" election made by SAIF and/or Qualifying Investors pursuant to Section 1295 of the Internal Revenue Code of 1986, as amended, or a "Protective Statement" filed by any of SAIF's and/or Qualifying Investors' Partners pursuant to Treasury Regulation Section 1.1295-3, as amended (or any successor thereto), the Company shall provide annual financial information to SAIF and/or Qualifying Investors in the form prescribed (or in such other form as may be required to reflect changes in applicable law) as soon as reasonably practicable following the end of each taxable year of the Company (but in no event later than 60 (Sixty) days following the end of each such taxable year), and shall provide SAIF and/or Qualifying Investors with access to such other Company information as may be required for purposes of filing United States federal income tax returns of SAIF's and/or a Qualifying Investor's Partners in connection with such "Qualified Electing Fund" election or "Protective Statement". In the event that SAIF's and/or a Qualifying Investor's Partner who has made a "Qualified Electing Fund" election must include in its gross income for a particular taxable year its *pro rata* share of the Company's earnings and profits pursuant to Section 1293 of the United States Internal Code of 1986, as amended (or any successor thereto), the Company shall, subject to Applicable Law, make a dividend distribution to SAIF and/or Qualifying Investors (no later than 60 (Sixty) days following the end of the SAIF's and/or Qualifying Investors' taxable year or, if later, 60 (Sixty) days after the Company is informed by SAIF and/or Qualifying Investors that its/their Partner has been required to recognize such an income inclusion) in an amount equal to 50% (Fifty per cent) of the amount that would be included by SAIF and/or Qualifying Investors if SAIF and/or Qualifying Investors were a "United States person" as such term is defined in Section 7701(a)(30) of the U.S. Internal Revenue Code and had SAIF and/or Qualifying Investors made a valid and timely "Qualified Electing Fund" election which was applicable to such taxable year.

19.8.2. The Company shall take such actions, including making an election to be treated as a corporation or refraining from making an election to be treated as a partnership, as may be required to ensure that at all times the Company is treated as corporation for United States federal income tax purposes.

19.8.3. The Company shall make due inquiry with its tax advisors (and shall co-operate with SAIF's and/or Qualifying Investors' tax advisors with respect to such inquiry) on at least an annual basis regarding whether SAIF's and/or Qualifying Investors' or any SAIF's and/or Qualifying Investors' Partners' direct or indirect interest in the Company is subject to the reporting requirements of either or both of Sections 6038 and 6038B of the Code (and the Company shall duly inform SAIF and/or Qualifying Investors of the results of such determination), and in the event that the SAIF's and/or Qualifying Investors' or any of SAIF's and/or Qualifying Investors' Partners' direct or indirect interest in Company is determined by the Company's tax advisors or SAIF's and/or Qualifying Investors' Partners' tax advisors to be subject to the reporting requirements of either or both of Sections 6038 and 6038B, the Company shall, upon a request from the SAIF and/or Qualifying Investors, provide such information to SAIF and/or Qualifying Investors as may be necessary to

fulfil SAIF's and a Qualifying Investors' or SAIF's and/or Qualifying Investors' Partner obligations thereunder.

19.8.4. For purposes of this Article 19.8, (a) the term "SAIF's Partners" and/or "Qualifying Investors' Partners" shall mean each of SAIF's partners and/or Qualifying Investors' Partner and any direct or indirect equity owners of such partners; and (b) "Company" shall mean the Company and any of its Subsidaires.

19.9 **Statutory Auditors and Internal Auditors.** The statutory auditors of the Company shall be appointed from the Big Four Accounting Firms and acceptable to SAIF. At the request of the SAIF, the Company shall provide all information and documents as may be required to justify the treatment of any item in the accounts. The Company shall appoint internal auditors who are approved by SAIF.

19.10 **Alteration of Articles of Association.** Any amendments to the Company's articles of association will require the consent of SAIF. For the purpose of this Article 19.10, the term "SAIF" includes any Person: (a) who holds SAIF Securities and is a member of the Company; (b) prior written consent of who/which is required for carrying out any amendments to the Articles pursuant to a written agreement among such Person, the Company, SAIF and the Founders; and (c) to whom SAIF may Transfer the SAIF Securities held by it in accordance with the provisions of these Articles. It is hereby clarified that any amendment to the terms of Series A4 CCPS, Series B1 CCPS and Series B2 CCPS will require the consent of the Qualifying Investors.

19.11 **Rights and Obligations of the Series A2 Investors**. The rights and obligations of each Series A2 Investor shall always be *pari passu* to the rights and obligations of the other Series A2 Investors. In the event any Series A2 Investor is afforded any superior right(s) than the other Series A2 Investors, the other Series A2 Investors shall be afforded such superior rights as well. It is clarified that if a Series A2 Investor has additional rights and obligations under these Articles due to additional investment made by such Series A2 Investor in the Company, the provisions of this Article 19.11 shall not, by itself, extend such additional rights and obligations to the other Series A2 Investors.

19.12 **Rights and Obligations of the Series A3 Investors**. The rights and obligations of each Series A3 Investor and shall always be *pari passu* to the rights and obligations of other Series A3 Investor. In the event any Series A3 Investor is afforded any superior right(s) than the other Series A3 Investors, the other Series A3 Investors shall be afforded such superior rights as well. It is clarified that if a Series A3 Investor has additional rights and obligations under these Articles due to additional investment made by such Series A3 Investor in the Company, the provisions of this Article 19.12 shall not, by itself, extend such additional rights and obligations to the other Series A3 Investors.

19.13 **Rights and Obligations of the Series A4 Investors**. The rights and obligations of each Series A4 Investor shall always be *pari passu* to the rights and obligations of other Series A4 Investors. In the event any Series A4 Investor is afforded any superior right(s) than the other Series A4 Investors, the other Series A4 Investors shall be afforded such superior rights as well. If any change to the rights and obligations of a Series A4 Investor are to the detriment or disadvantage of the Series A4 Investors and prejudice the rights of the Series A4 Investors, the Company shall, prior to making such changes, take the prior written consent of the Qualifying Investors with respect to the proposed change. The Qualifying Investors shall not unreasonably withhold consent to such change. No change in rights and obligations of the Qualifying Investors can be made, without seeking prior written consent of the Qualifying Investors. If a Series A4 Investor is also a Qualifying Investor, and has additional rights and obligations under these Articles, the provisions of this Article 19.13 shall not, by itself, extend such additional rights and obligations afforded to the Qualifying Investors to all other Series A4 Investors. As per these Articles, SAIF enjoys rights and obligations over and above the rights and obligations afforded to a Series A4 Investor or a Series B1 Investor (as the case may be) and the provisions of this Article 19.13 shall not, by itself, extend such rights and obligations available to SAIF to the Series A4 Investors or Series B1 Investors (as the case may be).

19.14 **Rights and Obligations of the Series B1 Investors.** The rights and obligations of each Series B1 Investor shall always be *pari passu* to the rights and obligations of the other Series B1 Investors. In the event any Series B1 Investor is afforded any superior right(s) than the other Series B1 Investors, the other Series B1 Investors shall be afforded such superior rights as well. If any change is made to the rights and obligations of a Series B1 Investor which is to the detriment or disadvantage of the Series

B1 Investors and prejudices the rights of the Series B1 Investors, the Company shall, prior to making such changes, take the prior written consent of the Qualifying Investors with respect to the proposed change. The Qualifying Investors shall not unreasonably withhold consent to such change. No change in rights and obligations of the Qualifying Investors can be made, without seeking prior written consent of the Qualifying Investors. If a Series B1 Investor is a Qualifying Investor, and has additional rights and obligations under these Articles, the provisions of this Article 19.14 shall not, by itself, extend such additional rights and obligations available to a Qualifying Investor under these Articles, to all other Series B1 Investors. As per these Articles, SAIF enjoys rights and obligations over and above the rights and obligations afforded to a Series A4 Investor or a Series B1 Investor (as the case may be) and the provisions of this Article 19.14 shall not, by itself, extend such rights and obligations available to SAIF to the Series A4 Investors or Series B1 Investors (as the case may be).

19.15 **Rights and Obligations of the Series B2 Investors.** The rights and obligations of each Series B2 Investor shall always be *pari passu* to the rights and obligations of the other Series B2 Investors. In the event any Series B2 Investor is afforded any superior right(s) than the other Series B2 Investors, the other Series B2 Investors shall be afforded such superior rights as well. If any change is made to the rights and obligations of a Series B2 Investor which is to the detriment or disadvantage of the Series B2 Investors and prejudices the rights of the Series B2 Investors, the Company shall, prior to making such changes, take the prior written consent of the Qualifying Investors with respect to the proposed change. The Qualifying Investors shall not unreasonably withhold consent to such change. No change in rights and obligations of the Qualifying Investors can be made, without seeking prior written consent of the Qualifying Investors. If a Series B2 Investor is a Qualifying Investor, and has additional rights and obligations under these Articles, the provisions of this Article 19.15 shall not, by itself, extend such additional rights and obligations available to a Qualifying Investor under these Articles, to all other Series B2 Investors. As per these Articles, SAIF enjoys rights and obligations over and above the rights and obligations afforded to a Series A4 Investor, Series B1 Investor or a Series B2 Investor (as the case may be) and the provisions of this Article 19.15 shall not, by itself, extend such rights and obligations available to SAIF to the Series A4 Investors, Series B1 Investors or Series B2 Investors (as the case may be).

19.16 **Senior Rights.** Subject to these Articles, no other instruments that are outstanding and/or which may be issued by the Company from time to time shall rank senior to the SAIF Securities in any respect including but not limited to voting rights, dividends and liquidation as set out in Article 13. SAIF shall be entitled to all superior rights or other rights that may be given to any other investor, if any, in the future.

19.17 **Accelerated Exit.** Upon a Material Breach, SAIF may issue a written Notice to the Founders and the Company bringing the Material Breach to their attention. The Founders and the Company shall cure the breach within 30 (Thirty) days from the service of Notice ("**Cure Period**"). In the event the breach is not cured within the specified Cure Period, SAIF shall be entitled to an exit by exercising any of the Exit Rights and the Founders shall be obliged to provide an exit within 90 (Ninety) days from the date of expiry of the Cure Period so as to provide SAIF with a Minimum Return on its Investment Amount.

19.18 **Borrowing Powers**. Subject to Article 16.11 and other provisions of these Articles, the Directors may from time to time at their discretion raise, borrow or secure payment of any sum or sums of moneys for the purpose of the Company, on such terms and conditions in respect of payment or repayment as they think fit and in particular by the issue of bonds, perpetual or redeemable debentures or debenture stock or mortgage charged upon the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

19.19 **Cessation of Rights.** Notwithstanding any provision to the contrary contained in these Articles, upon expiry of the Cure Period, the right to appoint Directors available to the Founders under Article 16 shall cease.

## XX. SEAL

20.1 The Board shall provide for the safe custody of the Seal which shall only be used by the authority of the Board or of a Committee of the Board authorised by the Board in that behalf and every instrument to which the Seal shall be affixed shall be in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary

or such other person aforesaid shall sign every such instrument to which the seal of the company is so affixed in their presence signed by a Director and countersigned by the Secretary /or some authorised person.

## XXI. INDEMNITY

21.1 Subject to the provisions of Section 197 of the Act, every Director, Auditors, Manager, Secretary, and other officer or employee of the Company and their heirs, executors and administrators respectively shall be indemnified by the Company against and it shall be the duty of the Directors out of the Funds of the Company to pay all costs, losses and expenses (including travelling expenses) which any such Director, Manager, Officers or employees may, acting reasonably, incur or become liable to by reason of any contract entered into or act or deed done by him or them as such Directors, Auditor, Manager, Secretary, Officer or servant or in any other way in the discharge of his duties and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the Members over all other claims excluding criminal or fraudulent acts.

## XXII. SECRECY

22.1 Subject to the provisions of the Act and Article 22.1 below, no member shall be entitled to require disclosure of any information respecting any details of Company and its subsidiaries or in relation to clients, business affairs of the Company or of any of the Company's subsidiaries and shall not use or disclose such information except with the consent of the Company or its subsidiary or in accordance with the order of the Court or in the case of information relating to the Company or its subsidiaries, except for the advancement of the business of the Company or the relevant subsidiary.

22.2 Every manager, auditor, trustee, member of a committee, officer, servant, agent, accountant, or other person employed in the business of the Company shall, if so required by the Board of Directors, before entering upon the duties, sign a declaration pledging himself to observe strict secrecy respecting all bona-fide transactions of the Company with its customers and the state of accounts with individuals in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do by the Directors or by any general meeting or by the law of the country and except so far as may be necessary in order to comply with any of the provisions in these Articles and the provisions of the Act.

## XXIII. VOTING RIGHTS

24.1 Subject to the Articles and any rights or restrictions for the time being attached to any class or classes of Shares,—

24.1.1. on a show of hands, every member present in person shall have one vote; and

24.1.2. on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.

24.2 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.

24.3 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. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

24.4 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.

24.5 Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

24.6 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.

24.7 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.

Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

## XXIV. PROXY

25.1 The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power of 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.

25.2 An instrument appointing a proxy shall be in the form as prescribed in the rules made under Section 105 of the Act.

25.3 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.

## XXV. ACCOUNTS

26.1 Subject to Article XVIII, 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.

26.2 Except as provided under Article XVIII, no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.

26.3 The Directors shall in all respects comply with the provisions of Sections 128, 134, 137, 206, 207 and 208, of the Act, and Profits and Loss Account, Balance Sheet and Auditors Report and every other document required by law to annexed or attached as the case may be, to the Balance Sheet, to be sent to every member and debenture holder of the Company and every trustee for the holders of the debentures issued by the Company at least 21 (twenty one) days before the date of annual general meeting of the Company at which they are to be laid, subject to the provisions of Section 136 of the Act.

26.4 **Audit of Accounts**. The books of account, the annual balance sheet and profit and loss account of the Company shall be audited and certified every year immediately after the close of the fiscal year in accordance with the requirements of the Act, by the auditors as appointed by the Company in accordance with Article 19.9. The audit report shall contain a report on such matters as may be statutorily required. The scope of the audit may be enlarged as deemed necessary by the Board.

## XXVI. GENERAL AUTHORITY

27.1 Wherever in the Act, it has been provided that a Company shall have any right, privilege or authority or that a Company could carry out any transaction only if the Company is so authorized by its Articles; in every such case, this Article, subject to Article 16.11 and other provisions of these Articles, hereby authorizes and empowers the Company to have such right privilege or authority and to carry out such transactions as have been permitted by the Act without there being any specific regulation in that behalf

herein provided. As illustration of such rights privileges, authorities and transactions, the following are set out with relevant sections:

27.1.1. Section 40: to pay commission on issue of Shares and debentures;

27.1.2. Section 55: to issue Redeemable Preference Shares;

27.1.3. Section 50: to accept unpaid Share Capital although not called up;

27.1.4. Section 51: to pay dividend in proportion to the amount paid up;

27.1.5. Section 66: to reduce the Share Capital of the Company;

27.1.6. Section 161: authorising the Board to appoint alternate Directors etc.

## XXVII. NOTICE

28.1 Any notice required or permitted to be given in accordance with the Act or the Articles herein shall be in writing and may be personally served , sent by email , sent by telex or facsimile transmission (confirmed by prepaid registered post) or by prepaid registered post (courier in the case of an address for service outside India) to the addressee at the address or (as the case may be) the telex or facsimile number of that person set opposite its name in the register of Directors and/or members, as the case may be or at such other address (or telex or facsimile number) as the party to be served may have notified for the purpose.

## XXVIII.DIVIDENDS

29.1 **Transfer to Reserves.** Subject to Article 16.11 and other provisions of these Articles, the Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks proper 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 investment (other than shares of the Company) as the Board may, from time to time, think fit. The Board may also carry forward any profits, which it may think prudent not to divide, without setting them aside as a reserve.

29.2 **Deduction from Dividend.** 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.

29.3 **Dividend Warrants.** Subject to Article 16.11 and other provisions of these Articles, any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

## XXIX. CAPITALISATION OF PROFITS

30.1 **Capitalisation on Recommendation of Directors**. Subject to the provisions of these Articles, the Company in general meeting may, upon the recommendation of the Board, resolve:

30.1.1. that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts, or to the credit of the Profit and Loss Account or otherwise available for distribution; and

30.1.2. that such sum be accordingly set free for distribution in the manner specified in Article 30.2 amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

30.2 The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in Article XXVI either in or towards:

30.2.1. paying up any amount for the time being unpaid on any shares held by such members respectively;

30.2.2. paying up in full, unissued shares, of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or

30.2.3. partly in the way specified in Article 30.2.1 and partly in that specified in Article 30.2.2.

30.3 Subject to the provisions of these Articles, a Share Premium Account and a Capital Redemption Reserve Account may, for the purpose of these Articles, only be applied in the paying up of unissued shares to be issued to the members of the Company as fully paid bonus shares.

30.4 Subject to the provisions of these Articles, the Board shall give effect to the resolution, passed by the Company in pursuance of this Article 30.2.

30.5 **Appropriations and Allotments**. Whenever such a resolution as aforesaid under Article 30.4, shall have been passed, the Board shall:

30.5.1. make appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares, if any; and

30.5.2. generally do all acts and things required to give effect thereto.

30.6 The Board shall have full powers:

30.6.1. to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in the case of shares becoming distributable in fractions; and

30.6.2. to authorise any person to enter, on behalf of all members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining on their existing shares.

30.7 Any agreement, made under such authority shall be effective and binding on all such members.

## XXX. WINDING UP

31.1 Subject to Article 16.11 and other provisions of these Articles, if the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members in accordance with the provisions pertaining to liquidation preference.

31.2 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, in accordance with the provisions pertaining to liquidation preference.

31.3 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 as the liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

## SECTION XI - OTHER INFORMATION

## MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company), which are or may be deemed material will be attached to the copy of the Red Herring Prospectus and the Prospectus which will be filed with the RoC. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Corporate Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid / Offer Closing Date.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

### A. Material contracts for the Offer

1. Offer Agreement dated August 12, 2021 entered into between our Company, the Selling Shareholders and the Book Running Lead Manager.

2. Registrar Agreement dated August 6, 2021, entered into between our Company, the Selling Shareholders and the Registrar to the Offer.

3. Cash Escrow and Sponsor Bank Agreement dated [●] entered into between our Company, the Selling Shareholders, the Registrar to the Offer, the Book Running Lead Manager and the Banker(s) to the Offer.

4. Share Escrow Agreement dated [●] entered into between the Selling Shareholders, our Company and the Share Escrow Agent.

5. Syndicate Agreement dated [●] entered into between our Company, the Selling Shareholders, the Book Running Lead Manager and the Syndicate Members.

6. Underwriting Agreement dated [●] entered into between our Company, the Selling Shareholders, and the Underwriters.

### B. Material documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company as amended from time to time.

2. Certificate of incorporation dated August 11, 2012.

3. Fresh certificate of incorporation consequent upon conversion to public limited company dated July 28, 2021.

4. Resolution of the Board of Directors dated August 2, 2021 in relation to the Offer and other related matters.

5. Resolution of the Board of Directors of our Company dated August 12, 2021 approving this Draft Red Herring Prospectus.

6. Resolutions of the boards of directors, boards of trustees or partners of the Selling Shareholders, as applicable, consenting to participate in the Offer for Sale.

7. Consent letters from the Selling Shareholders in relation to the Offer for Sale.

8. Consent dated August 11, 2021 from F&S to rely on and reproduce part or whole of the report, "*Global Information Services Market*" and include their name in this Draft Red Herring Prospectus.

9. Industry report titled "*Global Information Services Market*" dated August 2021 prepared by F&S.

10. Consent from the Statutory Auditors namely, Price Waterhouse Chartered Accountants LLP, to include their name as an "expert" as defined under the Companies Act, 2013 to the extent and in their capacity as the Statutory Auditors and in respect of the examination report dated August 6, 2021 on our Restated Financial Information.

11. Consent from Saini Pati Shah & Co LLP, Chartered Accountants to include their name as an "expert" as defined under the Companies Act, 2013 in respect of their report dated August 12, 2021 on the 'Statement of possible special tax benefits' in this Draft Red Herring Prospectus.

12. Report issued by the Saini Pati Shah & Co LLP, Chartered Accountants dated August 12, 2021 on the statement of special tax benefits.

13. Copies of annual reports of our Company for the preceding three Fiscals.

14. Consent of our Directors, BRLM, Syndicate Members, our Previous Auditor, the legal counsel to the Company, the legal counsel to the Book Running Lead Manager, international legal counsel to the Book Running Lead Manager, Registrar to the Offer, Banker(s) to the Offer, Banker to our Company, Company Secretary and Compliance Officer, Chief Financial Officer, and our customers, as referred to in their specific capacities.

15. Shareholder's agreement dated December 10, 2020 entered into amongst the Company, the Promoters and the Investors, as amended.

16. Amendment to the Shareholders Agreement dated August 4, 2021 entered into between the Company, the Promoters and the Investors.

17. Tripartite agreement dated April 22, 2021, among our Company, NSDL and the Registrar to the Offer.

18. Tripartite agreement dated April 16, 2021, among our Company, CDSL and the Registrar to the Offer.

19. Due diligence certificate dated August 12, 2021 addressed to SEBI from the Book Running Lead Manager.

20. In-principle listing approvals dated [●] and [●] issued by BSE and NSE, respectively.

21. SEBI observation letter dated [●].

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

_____

**Neha Singh**
*Chairperson and Managing Director*

**Place:** Bengaluru

**Date:** August 12, 2021

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

_____

**Abhishek Goyal**
*Vice Chairman and Executive Director*

**Place:** Bengaluru

**Date:** August 12, 2021

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

_____

**Ravi Chandra Adusumalli**
*Non-Executive Director*

**Place:** Park City, United States of America

**Date:** August 12, 2021

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

_____

**Vivek Kumar Mathur**
*Non-Executive Nominee Director*

**Place:** Gurgaon

**Date:** August 12, 2021

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

_____

**Brij Bhushan**
*Independent Director*

**Place:** Delhi

**Date:** August 12, 2021

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Nishant Verman**
*Independent Director*

**Place:** Bengaluru

**Date:** August 12, 2021

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Payal Goel**
*Independent Director*

**Place:** Chennai

**Date:** August 12, 2021

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

_____

**Rohit Jain**
*Independent Director*

**Place:** Bengaluru

**Date:** August 12, 2021

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**

_____

**Prashant Chandra**
*Chief Financial Officer*

**Place:** Bengaluru

**Date:** August 12, 2021

## DECLARATION

**Neha Singh**, acting as a Promoter Selling Shareholder, hereby certifies that all statements, disclosures and undertakings made or confirmed by her in this Draft Red Herring Prospectus in relation to herself and the Equity Shares being offered by her in the Offer for Sale are true and correct. Neha Singh assumes no responsibility, as a Promoter Selling Shareholder, for any other statements, including any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

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**Neha Singh**

**Place:** Bengaluru

**Date:** August 12, 2021

## DECLARATION

**Abhishek Goyal**, acting as a Promoter Selling Shareholder, hereby certifies that all statements, disclosures and undertakings made or confirmed by him in this Draft Red Herring Prospectus in relation to himself and the Equity Shares being offered by him in the Offer for Sale are true and correct. Abhishek Goyal assumes no responsibility, as a Promoter Selling Shareholder, for any other statements, including any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

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**Abhishek Goyal**

**Place:** Bengaluru

**Date:** August 12, 2021

## DECLARATION

**Binny Bansal**, acting as an Investor Selling Shareholder, hereby certifies that all statements, disclosures and undertakings made or confirmed by him in this Draft Red Herring Prospectus in relation to himself and the Equity Shares being offered by him in the Offer for Sale are true and correct. Binny Bansal assumes no responsibility as an Investor Selling Shareholder, for any other statements, including, any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

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**Binny Bansal**

**Place:** Singapore

**Date:** August 12, 2021

## DECLARATION

**Sachin Bansal**, acting as an Investor Selling Shareholder, hereby certifies that all statements, disclosures and undertakings made or confirmed by him in this Draft Red Herring Prospectus in relation to himself and the Equity Shares being offered by him in the Offer for Sale are true and correct. Sachin Bansal assumes no responsibility as an Investor Selling Shareholder, for any other statements, including, any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

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**Sachin Bansal**

**Place:** Bengaluru

**Date:** August 12, 2021

## DECLARATION

**Sahil Barua**, acting as an Investor Selling Shareholder, hereby certifies that all statements, disclosures and undertakings made or confirmed by him in this Draft Red Herring Prospectus in relation to himself and the Equity Shares being offered by him in the Offer for Sale are true and correct. Sahil Barua assumes no responsibility as an Investor Selling Shareholder, for any other statements, including, any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

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**Sahil Barua**

**Place:** Gurgaon

**Date:** August 12, 2021

## DECLARATION

**Deepak Singh**, acting as an Investor Selling Shareholder, hereby certifies that all statements, disclosures and undertakings made or confirmed by him in this Draft Red Herring Prospectus in relation to himself and the Equity Shares being offered by him in the Offer for Sale are true and correct. Deepak Singh assumes no responsibility as an Investor Selling Shareholder, for any other statements, including, any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

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**Deepak Singh**

**Place:** Bengaluru

**Date:** August 12, 2021

## DECLARATION

**Elevation Capital V Limited**, acting as an Investor Selling Shareholder, hereby certifies that all statements, disclosures and undertakings made or confirmed by it in this Draft Red Herring Prospectus in relation to itself and the Equity Shares being offered by it in the Offer for Sale are true and correct. Elevation Capital V Limited assumes no responsibility as an Investor Selling Shareholder, for any other statements, including, any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

**SIGNED FOR AND ON BEHALF OF ELEVATION CAPITAL V LIMITED**

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**Name:** Jihane Muhamodsaroar

**Designation:** Director

**Place:** Ebene, Mauritius

**Date:** August 12, 2021

## DECLARATION

**Trustees, Kolluri Living Trust**, acting as an Investor Selling Shareholder, hereby certifies that all statements, disclosures and undertakings made or confirmed by it in this Draft Red Herring Prospectus in relation to itself and the Equity Shares being offered by it in the Offer for Sale are true and correct. Trustees, Kolluri Living Trust, assumes no responsibility as an Investor Selling Shareholder, for any other statements, including, any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

**SIGNED FOR AND ON BEHALF OF TRUSTEES, KOLLURI LIVING TRUST**

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**Name:** Krishna Swaroop Kolluri

**Designation:** Trustee

**Place:** Saratoga, United States of America

**Date:** August 12, 2021

## DECLARATION

**Milliways Fund LLC**, acting as an Investor Selling Shareholder, hereby certifies that all statements, disclosures and undertakings made or confirmed by it in this Draft Red Herring Prospectus in relation to itself and the Equity Shares being offered by it in the Offer for Sale are true and correct. Milliways Fund LLC assumes no responsibility as an Investor Selling Shareholder, for any other statements, including, any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

**SIGNED FOR AND ON BEHALF OF MILLIWAYS FUND LLC**

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**Name:** Anand Rajaraman

**Designation:** Managing Member

**Place:** Palo Alto, California

**Date:** August 12, 2021

## DECLARATION

**Rathnagirish Mathrubootham**, acting as an Investor Selling Shareholder, hereby certifies that all statements, disclosures and undertakings made or confirmed by him in this Draft Red Herring Prospectus in relation to himself and the Equity Shares being offered by him in the Offer for Sale are true and correct. Rathnagirish Mathrubootham assumes no responsibility as an Investor Selling Shareholder, for any other statements, including, any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

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**Rathnagirish Mathrubootham**

**Place:** Bellevue, USA

**Date:** August 12, 2021

## DECLARATION

**Apoletto Asia Ltd**, acting as an Investor Selling Shareholder, hereby certifies that all statements, disclosures and undertakings made or confirmed by it in this Draft Red Herring Prospectus in relation to itself and the Equity Shares being offered by it in the Offer for Sale are true and correct. Apoletto Asia Ltd assumes no responsibility as an Investor Selling Shareholder, for any other statements, including, any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

**SIGNED FOR AND ON BEHALF OF APOLETTO ASIA LTD**

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**Name:** Soraj Bissoonauth

**Designation:** Director

**Place:** Ebene, Mauritius

**Date:** August 12, 2021

## DECLARATION

**Trustees, NRJN Family Trust**, acting as an Investor Selling Shareholder, hereby certifies that all statements, disclosures and undertakings made or confirmed by it in this Draft Red Herring Prospectus in relation to itself and the Equity Shares being offered by it in the Offer for Sale are true and correct. Trustees, NRJN Family Trust, assumes no responsibility as an Investor Selling Shareholder, for any other statements, including, any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

**SIGNED FOR AND ON BEHALF OF TRUSTEES, NRJN FAMILY TRUST**

_____

For **Entrust Family Office Legal and Trusteeship Services Private Limited**
*Trustee*

**Name:** Rajmohan Krishnan

**Designation:** Director

**Place:** Bengaluru

**Date:** August 12, 2021

## DECLARATION

**Manoj Kumar Gandhi**, acting as an Investor Selling Shareholder, hereby certifies that all statements, disclosures and undertakings made or confirmed by him in this Draft Red Herring Prospectus in relation to himself and the Equity Shares being offered by him in the Offer for Sale are true and correct. Manoj Kumar Gandhi assumes no responsibility as an Investor Selling Shareholder, for any other statements, including, any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

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**Manoj Kumar Gandhi**

**Place:** Jodhpur

**Date:** August 12, 2021

## DECLARATION

**WGG International Limited**, acting as an Investor Selling Shareholder, hereby certifies that all statements, disclosures and undertakings made or confirmed by it in this Draft Red Herring Prospectus in relation to itself and the Equity Shares being offered by it in the Offer for Sale are true and correct. WGG International Limited assumes no responsibility as an Investor Selling Shareholder, for any other statements, including, any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

**SIGNED FOR AND ON BEHALF OF WGG INTERNATIONAL LIMITED**

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**Name:** Jayrao Dhondee

**Designation:** Director

**Place:** Sanne House, Bank Street, TwentyEight, Cybercity, Ebene 72201, Mauritius

**Date:** August 12, 2021

## DECLARATION

**Accel India IV (Mauritius) Limited**, acting as an Investor Selling Shareholder, hereby certifies that all statements, disclosures and undertakings made or confirmed by it in this Draft Red Herring Prospectus in relation to itself and the Equity Shares being offered by it in the Offer for Sale are true and correct. Accel India IV (Mauritius) Limited assumes no responsibility as an Investor Selling Shareholder, for any other statements, including, any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

**SIGNED FOR AND ON BEHALF OF ACCEL INDIA IV (MAURITIUS) LIMITED**

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**Name:** Aslam Koomar

**Designation:** Director

**Place:** Ebene, Mauritius

**Date:** August 12, 2021

## DECLARATION

**SCI Investments V**, acting as an Investor Selling Shareholder, hereby certifies that all statements, disclosures and undertakings made or confirmed by it in this Draft Red Herring Prospectus in relation to itself and the Equity Shares being offered by it in the Offer for Sale are true and correct. SCI Investments V assumes no responsibility as an Investor Selling Shareholder, for any other statements, including, any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

**SIGNED FOR AND ON BEHALF OF SCI INVESTMENTS V**

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**Name:** Dilshaad Rajabalee

**Designation:** Director

**Place:** Sanne House, Bank Street, TwentyEight, Cybercity, Ebene 72201, Mauritius

**Date:** August 12, 2021

## DECLARATION

**Prashant Chandra**, acting as the Other Selling Shareholder, hereby certifies that all statements, disclosures and undertakings made or confirmed by him in this Draft Red Herring Prospectus in relation to himself and the Equity Shares being offered by him in the Offer for Sale are true and correct. Prashant Chandra assumes no responsibility, as the Other Selling Shareholder, for any other statements, including any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

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**Prashant Chandra**

**Place:** Bengaluru

**Date:** August 12, 2021