

Thursday, August 8, 2024

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Bear retreat lifts market, but worries stay

P1

Stress shows up in unsecured loans, just as RBI feared

P1

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BRAINBEES SOLUTIONS LIMITED



(Please scan this QR code to view the Red Herring Prospectus)

Our Company was incorporated on May 17, 2010 as a private limited company under the Companies Act 1956, with the name "Brainbees Solutions Private Limited" at Pune, Maharashtra, India pursuant to a certificate of incorporation issued by the Registrar of Companies, Maharashtra at Pune (the "RoC"). Upon the conversion of our Company to a public limited company pursuant to a resolution passed by our Board on August 31, 2023 and a special resolution passed by our Shareholders at the extra-ordinary general meeting on September 5, 2023, the name of our Company was changed to "Brainbees Solutions Limited". A fresh certificate of incorporation dated November 2, 2023 was issued by the RoC consequent to our Company's conversion into a public limited company. For details of changes in the registered office of our Company, see "History and Certain Corporate Matters - Changes in the registered office" on page 311 of the Red Herring Prospectus dated July 30, 2024 and to be read with the Corrigendum to the RHP dated July 31, 2024, ("RHP" or "Red Herring Prospectus") filed with the RoC.

Corporate Identity Number: U51100PN2010PLC136340  
Registered and Corporate Office: Rajashree Business Park, Survey No. 336, Next to Sahasr Hall, Tadiwala Road, Pune - 411 001, Maharashtra, India, Tel: (+91) 84829 89157  
Contact Person: Neelam Jethani, Company Secretary and Compliance Officer, E-mail: companysecretary@firstcry.com, Website: www.firstcry.com

OUR COMPANY DOES NOT HAVE AN IDENTIFIABLE PROMOTER

INITIAL PUBLIC OFFERING OF UP TO [•] EQUITY SHARES OF FACE VALUE OF ₹2 EACH (THE "EQUITY SHARES") OF BRAINBEES SOLUTIONS LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹[•] PER EQUITY SHARE (THE "OFFER PRICE") AGGREGATING TO ₹[•] MILLION (THE "OFFER") COMPRISING A FRESH ISSUE OF [•] EQUITY SHARES OF FACE VALUE ₹2 EACH AGGREGATING UP TO ₹16,666.66 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 54,359,733 EQUITY SHARES OF FACE VALUE ₹2 EACH AGGREGATING TO ₹[•] MILLION (THE "OFFER FOR SALE").

THE OFFER INCLUDES A RESERVATION OF UP TO [•] EQUITY SHARES OF FACE VALUE OF ₹2 EACH, AGGREGATING UP TO ₹30.00 MILLION (CONSTITUTING UP TO [•] % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL, FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES ("EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE [•] % AND [•] % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

DETAILS OF THE 10 LARGEST SELLING SHAREHOLDERS, OFFER FOR SALE AND THE WEIGHTED AVERAGE COST OF ACQUISITION

Name of Selling Shareholder	Type	Number of equity shares offered	Weighted average cost of acquisition per Equity Share <sup>(1)</sup> (in ₹)	Name of Selling Shareholder	Type	Number of equity shares offered	Weighted average cost of acquisition per Equity Share <sup>(1)</sup> (in ₹)
SVF Frog (Cayman) Ltd	Corporate Selling Shareholder	20,318,050	154.40	Apricot Investments Limited	Corporate Selling Shareholder	2,523,280	280.87
Mahindra & Mahindra Limited	Corporate Selling Shareholder	2,806,174	77.96	Satyadharma Investments and Trading Company Private Limited	Corporate Selling Shareholder	197,777	196.38
PI Opportunities Fund-1	Corporate Selling Shareholder	8,601,292	280.87	Schroders Capital Private Equity Asia Mauritius II Limited	Corporate Selling Shareholder	3,802,210	145.26
TPG Growth V SF Markets Pte. Ltd.	Corporate Selling Shareholder	3,899,525	280.87	Sage Investment Trust	Corporate Selling Shareholder	52,516	280.87
NewQuest Asia Investments III Limited	Corporate Selling Shareholder	4,141,043	133.69	Pratithi Investment Trust	Corporate Selling Shareholder	224,712	312.48

<sup>(1)</sup>As certified by Bansal & Co LLP Chartered Accountants, bearing firm registration number 001113N/N5000779, by way of their certificate dated July 30, 2024. For a complete list of all Selling Shareholders and their weighted average cost of acquisition per Equity Share on a fully diluted basis, see "Summary of the Offer Document - Weighted average cost of acquisition of equity shares by the Selling Shareholders" on page 81 of the RHP.

We sell Mothers', Babies' and Kids' products through our online platform in India, United Arab Emirates and Kingdom of Saudi Arabia, and also through company-owned stores, franchisee-owned stores and general trade retail distribution in India.

The Offer is being made through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations  
QIB Portion: Not less than 75% of the Net Offer | Non-Institutional Portion: Not more than 15% of the Net Offer | Retail Portion: Not more than 10% of the Net Offer  
Employee Reservation Portion: Up to [•] Equity Shares aggregating up to ₹ 30.00 Million

PRICE BAND: ₹ 440 TO ₹ 465 PER EQUITY SHARE OF FACE VALUE OF ₹2 EACH.

THE FLOOR PRICE AND THE CAP PRICE ARE 220 TIMES AND 232.50 TIMES THE FACE VALUE OF THE EQUITY SHARES RESPECTIVELY.

BIDS CAN BE MADE FOR A MINIMUM OF 32 EQUITY SHARES AND IN MULTIPLES OF 32 EQUITY SHARES THEREAFTER.

A DISCOUNT OF ₹ 44 PER EQUITY SHARE IS BEING OFFERED TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION.

In accordance with the recommendation of the Independent Directors of our Company, pursuant to their resolution dated July 31, 2024, the above provided price band is justified based on quantitative factors/KPIs disclosed in the 'Basis for Offer Price' section of the RHP vis-a-vis the weighted average cost of acquisition ("WACA") of primary and secondary transaction(s), as applicable, disclosed in 'Basis for Offer Price' section on page 222 of the RHP.

In making an investment decision and purchase in the Offer, potential investors must only rely on the information included in the RHP and the terms of the Offer, including the merits and risks involved and not rely on any other external sources of information about the Offer available in any manner.

In relation to Price Band, potential investors should only refer to this price band advertisement for the Offer and should not rely on any media articles/ reports in relation to the valuation of our Company as these are not endorsed, published or confirmed either by our Company or by the BRLMs.

RISKS TO INVESTORS

For details refer to section titled "Risk Factors" on page 83 of the RHP

Financials Risk:

- Negative Cash Flows:** We have had negative net cash flows in the past. The following table sets forth our cash flow for the periods indicated as per our Restated Consolidated Financial Statements:

(₹ in million)

Particulars	For the year ended March 31,		
	2024	2023	2022
Net cash used in operating activities	(420.73)	(3,989.89)	(1,317.26)
Net cash (used) in/generated from investing activities	629.44	3,040.89	(4,905.81)
Net cash (used) in/generated from financing activities	814.74	(506.18)	6,443.76
Net increase/(decrease) in cash and cash equivalents	1,023.45	(1,455.18)	220.69

- Losses incurred in past periods:** We have incurred loss of ₹(3,215.07) million, ₹(4,860.56) million and ₹(786.85) million for the Financial Year 2024, 2023 and 2022 respectively. If we continue to incur losses, our business and the value of the Equity Shares could be adversely affected.
- Risk related to the objects of the offer:** We face various inter-related risks concerning usage, receipt and deployment of the Offer Proceeds in relation to the objects of the Offer, some of which are outline below:
  - We are yet to identify the exact locations or properties for the setting up our new modern stores and warehouses in India and the Kingdom of Saudi Arabia, for which we intend to utilize the amount from Net Proceeds;
  - A portion of the Net Proceeds will be invested in our Subsidiaries, Globalbees Brands, Digital Age and Firstcry Trading Company, which have incurred losses and certain newly established businesses. We cannot assure you that our investments will enhance their profitability or yield intended results.
  - The Net Proceeds will be deployed over a long period of time and any delay may impact our operations and profitability.
- Market Risk:** The Offer Price of our Equity Shares, our pre-Offer market capitalization to revenue from operations for FY 2024 and our price-to-earnings (P/E) ratio at Offer price may not be indicative of the market price of our Equity Shares after the Offer.

Period	Ratio vis-à-vis Floor Price of ₹ 440	Ratio vis-à-vis Cap Price of ₹ 465
	(In multiples, unless otherwise specified)	(In multiples, unless otherwise specified)
Market capitalization to Revenue from operations (for FY 2024)	3.28	3.47
Price-to-earnings ratio	N.A	N.A

Notes:

- Market capitalization = Number of shares outstanding as on date of RHP \* Floor price or Cap price, as applicable
- Since the Company has incurred loss in the Financial Year 2024, the basic and diluted EPS is negative and hence, the Price to Earnings ratio is not ascertainable

Business and Operational Risks:

- Risk relating to retaining existing customer and acquiring new customers:** If we fail to acquire new customers or experience a decline in engagement with our existing customers, we may not be able to increase our revenues or achieve profitability. Our GMV generated from our Annual Unique Transacting Customers ("AUTC") for Financial Years 2024, 2023 and 2022 was ₹91,211.28 million ₹72,576.34 million and ₹57,994.63 million respectively. The tables below sets forth the details of our advertising and sales promotion expenses as a percentage of our revenue from operations and our GMV generated from our new customers and existing customers as a percentage of GMV from AUTC:

Period	For the year ended March 31,		
	2024	2023	2022
Percentage of revenue from operations (%)			
Advertising and sales promotion expenses*	7.44%	7.39%	11.19%

\*Includes payments made to third-party websites, search engines and social media influencers.

Period	For the year ended March 31,		
	2024	2023	2022
Percentage of GMV from Annual Unique Transacting Customers (%)			
GMV from new customers	27.77%	27.02%	29.76%
GMV from existing customers	72.23%	72.98%	70.24%

- Risk relating to third-party brands and SKUs:** If we fail to retain our relationships with third-party brands, or attract new relationships, our business, results of operations, financial condition and cash flows will be adversely affected. Set forth below is the number of brands added on our FirstCry platform (in India, UAE and KSA), brands associated with us on our FirstCry platform, and SKUs offered by us on our platform:

Particulars	As at/for the financial year ended March 31,		
	2024	2023	2022
Brands added on our FirstCry platform (in India, UAE and KSA)	1,125	2,250	2,235
Brands associated with us on our FirstCry platform	7,580	7,035	6,287
SKUs offered (in million)	1.65	1.29	1.27

- Dependency on the online commerce industry in India:** Our business depends on the growth of the online commerce industry in India and our ability to effectively respond to changing customer behavior on digital platforms. Details of our GMV from Online business in India as a percentage to total GMV in India is provided hereunder:

Particulars	For the year ended March 31,		
	2024	2023	2022
GMV from Online business in India (as % of total GMV in India)	76.91%	77.36%	81.58%

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• **Other Risks:**

- Our Company will not receive any proceeds from the Offer for Sale amounting to ₹23,918.28 million (calculated at floor price).
- The five Book Running Lead Managers associated with the Offer have handled 55 public issues in the past three Financial Years, out of which 12 issues closed below the issue price on the listing date:

Name of the BRLMs	Total Public Issues	Issues closed below the IPO Price on listing date
Kotak Mahindra Capital Company Limited*	15	3
Morgan Stanley India Company Private Limited*	1	-
BoFA Securities India Limited*	-	-
JM Financial Limited*	29	8
Aventus Capital Private Limited*	-	-
Common Issues of above BRLMs	10	1
<b>Total</b>	<b>55</b>	<b>12</b>

\*Issues handled where there were no common BRLMs.

**BID/OFFER PERIOD**

1. UPI mandate and time end date shall be at 5:00 pm on the Bid/Offer Closing Date.

An indicative timetable in respect of the Offer is set out below:

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("IST"))
Bid/Offer Closing Date*	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For RILs, other than QIBs, Non-Institutional Investors and Eligible Employees Bidding in the Employee Reservation Portion.	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications of QIBs and Non-Institutional Investors)	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification/ Revision/cancellation of Bids	
Upward Revision of Bids by QIBs and Non-Institutional Investors categories*	Only between 10.00 a.m. on the Bid/Offer Opening Date and up to 4.00 p.m. IST on Bid/Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RILs and Eligible Employees Bidding in the Employee Reservation Portion	Only between 10.00 a.m. on the Bid/Offer Opening Date and up to 5.00 p.m. IST on Bid/Offer Closing Date

\*UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.

#QIBs and Non-Institutional Investors can neither revise their bids downwards nor cancel/ withdraw their Bids.

**Bid / Offer Period**

Event	Indicative Date
Bid/Offer Opened On	Tuesday, August 6, 2024
Bid/Offer Closes On <sup>1</sup>	Thursday, August 8, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about Friday, August 9, 2024
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account	On or about Monday, August 12, 2024
Credit of Equity Shares to depository accounts of allottees	On or about Monday, August 12, 2024
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Tuesday, August 13, 2024

<sup>1</sup>UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.

**ASBA<sup>#</sup>**

Simple, Safe, Smart way of Application!!!

<sup>#</sup> Applications supported by blocked amount (ASBA) is a better way of applying to issuers by simply blocking the fund in the bank account. For further details, check section on ASBA.

**Mandatory in public issues. No cheque will be accepted.**

**UPI**

UPI Now available in ASBA for Retail Individual Investors and Non-Institutional Investor applying for amount upto ₹ 5,00,000/-, applying through Registered Brokers, OPs and RTAs. UPI Bidder also have the option to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account. Investors are required to ensure that the bank account used for bidding is linked to their PAN. Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBOI notification dated February 13, 2020, issued by the Central Board of Direct Taxes and the subsequent press releases, including press releases dated June 25, 2021 and September 17, 2021 and CBOI circular no. 7 of 2022, dated March 30, 2022 read with press release dated March 28, 2022 and any subsequent press releases in this regard.

ASBA has to be availed by all the investors except anchor investors. UPI may be availed by (i) Retail Individual Investors in the Retail Portion, (ii) Non-Institutional Investors with an application size of up to ₹ 500,000 in the Non-Institutional Portion. For details on the ASBA and UPI process, please refer to the details given in ASBA form and abridged prospectus and also please refer to the section "Offer Procedure" on page 603 of the RHP. The process is also available on the website of Association of Investment Bankers of India ("AIBI") and Stock Exchanges and in the General Information Document. ASBA bid-cum-application forms can be downloaded from the website of the Stock Exchanges and can be obtained from the list of banks that is displayed on the website of SEBI at [www.sebi.gov.in/web/website/OtherAction.do?doAction=download&pan=yes&id=35](http://www.sebi.gov.in/web/website/OtherAction.do?doAction=download&pan=yes&id=35) and [www.sebi.gov.in/web/website/OtherAction.do?doAction=download&pan=yes&id=43](http://www.sebi.gov.in/web/website/OtherAction.do?doAction=download&pan=yes&id=43), respectively as updated from time to time. For the list of UPI apps and banks live on IPO, please refer to the link: [www.sebi.gov.in](http://www.sebi.gov.in). UPI Bidders Bidding using the UPI mechanism may apply through the SCSBs and mobile applications whose names appear on the website of SEBI, as updated from time to time. HDCF Bank Limited and Kotak Mahindra Bank Limited have been appointed as Sponsor Banks for the Offer, in accordance with the requirements of the SEBI Circular dated November 1, 2018 as amended. For Offer related queries, please contact the BRLMs on their respective email IDs as mentioned below. For UPI related queries, investors can contact NPCI at the toll free number: 1800 1201 740 and mail to: [upi@npci.org.in](mailto:upi@npci.org.in).

**THE EQUITY SHARES OF OUR COMPANY WILL GET LISTED ON MAIN BOARD PLATFORM OF BSE AND NSE**

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

The 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 SEBI ICDR Regulations. The Offer is being made through the Book Building Process, in compliance with Regulation 6(2) of the SEBI ICDR Regulations, wherein at least 75% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Category"), provided that our Company in consultation with the BRLMs, may allocate up to 60% of the QIB Category to Anchor Investors, on a discretionary basis (the "Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid bids being received from domestic Mutual Funds at or above the price at which Equity Shares are allocated to Anchor Investors. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Category (excluding the Anchor Investor Portion) ("Net QIB Category"). Further, 5% of the Net QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the Net QIB Category shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid bids being received at or above the Offer Price. If at least 75% of the Offer cannot be Allotted to QIBs, then the entire application money will be refunded forthwith. Further, not more than 15% of the Offer shall be available for allocation to non-institutional investors ("Non-institutional Investors" or "NIs") (the "Non-institutional Category") of which one-third of the Non-institutional Category shall be available for allocation to Bidders with an application size of more than ₹200,000 and up to ₹1,00,00,000 and two-thirds of the Non-institutional Category shall be available for allocation to Bidders with an application size of more than ₹1,00,00,000 and under-subscription in either of these two sub-categories of Non-institutional Category may be allocated to Bidders in the other sub-category of Non-institutional Category in accordance with the SEBI ICDR Regulations, subject to valid bids being received at or above the Offer Price. The allocation to each Non-institutional Investor shall not be less than the minimum application size, subject to availability of Equity Shares in the Non-institutional Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XII of the SEBI ICDR Regulations. Further, not more than 10% of the Offer shall be available for allocation to retail individual investors ("Retail Individual Investors" or "RIIs") (the "Retail Category") in accordance with the SEBI ICDR Regulations, subject to valid bids being received at or above the Offer Price. Further, Equity Shares will be allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid bids received from them at or above the Offer Price. All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer through the Application Supported by Blocked Amount ("ASBA") process, and shall provide details of their respective bank account (including UPI ID for UPI Bidders (defined hereinafter)) in which the Bid Amount will be blocked by the SCSBs or the Sponsor Bank(s), as the case may be. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, specific attention is invited to "Offer Procedure" on page 603 of the RHP.

**Bidders/Applicants should ensure that DP ID, PAN, Client ID and UPI ID (for UPI Bidders bidding through the UPI Mechanism) are correctly filled in the Bid cum Application Form. The DP ID, PAN and Client ID provided in the Bid cum Application Form should match with the DP ID, PAN, Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. Bidders/Applicants should note that on the basis of the PAN, DP ID, Client ID and UPI ID (for UPI Bidders bidding through the UPI Mechanism) as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorised the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving Allotment Advice or unblocking of ASBA Account or for other correspondence(s) related to the Offer. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay**

- Weighted average cost of acquisition of all shares transacted in the three years, 18 months and one year preceding the date of the Red Herring Prospectus:

Period preceding the date of Red Herring Prospectus	Weighted average cost of acquisition (in ₹)	Cap Price is 'x' times the weighted average cost of acquisition	Range of acquisition price: lowest price – highest price (in ₹)**
Last one year	407.42	1.14	243.72 - 524.15
Last 18 months	407.42	1.14	243.72 - 524.15
Last three years	237.09	1.96	2.00 - 524.15

\*\* As certified by Bansal & Co LLP, Chartered Accountants, bearing firm registration number 001113N/N500079, by way of their certificate dated July 30, 2024.

- Since the Company has incurred loss in the Financial Year 2024, the basic and diluted EPS is negative and hence, the Price to Earnings ratio is not ascertainable.
- Weighted Average Return on Net Worth for Financial Year ended 2024, 2023 and 2022 is (8.92)%.

**BID/OFFER CLOSES TODAY<sup>(1)</sup>**

resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with CBOI notification dated February 13, 2020 and press release dated June 25, 2021, read with press release dated September 17, 2021 and CBOI circular no. 7 of 2022, dated March 30, 2022 read with press release dated March 28, 2022 and any subsequent press releases in this regard.

**Contents of the Memorandum of Association of our Company as regards its objects:** For information on the main objects of our Company, please see the section "History and Certain Corporate Matters" on page 311 of the RHP. The Memorandum of Association of our Company is a material document for inspection in relation to the Offer. For further details, please see the section titled "Material Contracts and Documents for Inspection" on page 650 of the RHP.

**Liability of the members of our Company:** Limited by shares

**Amount of share capital of our Company and Capital structure:** As on the date of the RHP, the authorised share capital of the Company is ₹ 1,104,910,000 divided into 552,455,000 Equity Shares of face value ₹ 2 each and ₹ 99,820,000 divided into 49,910,015 Preference Shares of face value of ₹ 2 each, 155,000 Series A CCPS of ₹ 2 each, 886,165 Series B CCPS of ₹ 2 each, 21,856,690 Series C CCPS of ₹ 2 each, 438,103 Series C1 CCPS of ₹ 2 each, 77,000 Series C2 CCPS of ₹ 2 each, 12,217,850 Series D1 CCPS of ₹ 2 each, 14,197,750 Series D2 CCPS of ₹ 2 each, 30,500 Option 1 CCPS of ₹ 2 each and 70,000 Option 2 CCPS of ₹ 2 each. The issued, subscribed and paid-up share capital of the Company is ₹ 986,886,940 divided into 483,349,470 Equity Shares of face value ₹ 2 each. For details, please see the section titled "Capital Structure" on page 159 of the RHP.

**Names of signatories to the Memorandum of Association of our Company and the number of Equity Shares subscribed by them:** The initial signatories to the Memorandum of Association of our Company are Suprem Maheshwari and Sampa Maheshwari who subscribed to 1,000 equity shares of face value of ₹ 10 each and 9,000 equity shares of face value of ₹ 10 each. For details of the share capital history of our Company, please see the section titled "Capital Structure" on page 159 of the RHP.

**Listing:** The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters each dated May 16, 2024. For the purpose of the Offer, NSE is the Designated Stock Exchange. Assigned copy of the Red Herring Prospectus has been filed and the Prospectus shall be filed with the RoC in accordance with Section 26(4) of the Companies Act 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 650 of the RHP.

**Disclaimer Clause of the Securities and Exchange Board of India ("SEBI"):** SEBI only gives its observations on the offer documents and this does not constitute approval of either the Offer or the specified securities or the offer document. The investors are advised to refer to page 582 of the RHP for the full text of the disclaimer clause of SEBI.

**Disclaimer Clause of NSE (Designated Stock Exchange):** It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to page 584 of the RHP for the full text of the Disclaimer Clause of NSE.

**Disclaimer Clause of BSE:** It is to be distinctly understood that the permission given by BSE should not in any way be deemed or construed that the Red Herring Prospectus has been cleared or approved by BSE nor does it certify the correctness or completeness of any of the contents of the Red Herring Prospectus. The investors are advised to refer to page 584 of the Red Herring Prospectus for the full text of the Disclaimer Clause of BSE.

**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 entire 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 offered in the Offer have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 63 of the RHP.

BOOK RUNNING LEAD MANAGERS					REGISTRAR TO THE OFFER	COMPANY SECRETARY AND COMPLIANCE OFFICER
						
<b>Kotak Mahindra Capital Company Limited</b> 1 <sup>st</sup> Floor, 27 BKC, Plot No. C-27 'G' Block, Bandra Kurla Complex Bandra (East), Mumbai - 400 051 Maharashtra, India Tel: (+91 22) 4336 0000 E-mail: <a href="mailto:brainbees ipo@kotak.com">brainbees ipo@kotak.com</a> Website: <a href="https://investmentbank.kotak.com">https://investmentbank.kotak.com</a> Investor grievance e-mail: <a href="mailto:investor@kotak.com">investor@kotak.com</a> Contact person: Ganesh Rane SEBI registration no.: INM000008704	<b>Morgan Stanley India Company Private Limited</b> 18F, Tower 2, One World Centre Plot 841, Senapati Bapat Marg Mumbai - 400 013, Maharashtra, India Tel: (+91 22) 6118 1000 E-mail: <a href="mailto:finquiryipo@morganstanley.com">finquiryipo@morganstanley.com</a> Website: <a href="https://morganstanley.com">www.morganstanley.com</a> Investor grievance e-mail: <a href="mailto:investors_india@morganstanley.com">investors_india@morganstanley.com</a> Contact person: Hani Joshi SEBI registration no.: INM000011223	<b>BoFA Securities India Limited</b> Ground Floor, 'A' Wing, One BKC, 'G' Block Bandra Kurla Complex, Bandra (East) Mumbai - 400 051, Maharashtra, India Tel: (+91 22) 6632 8000 E-mail: <a href="mailto:dg.brainbees_ipo@bofa.com">dg.brainbees_ipo@bofa.com</a> Website: <a href="https://business.bofa.com/bofa-india">https://business.bofa.com/bofa-india</a> Investor grievance e-mail: <a href="mailto:dg.india_merchantbanking@bofa.com">dg.india_merchantbanking@bofa.com</a> Contact person: Aparajit Varadham SEBI registration no.: INM000011626	<b>JM Financial Limited</b> 7 <sup>th</sup> Floor, Geergy, Appasaheb Marathe Marg Prabhadevi, Mumbai - 400 025 Maharashtra, India Tel: (+91 22) 6930 3030/ 3262 E-mail: <a href="mailto:finquiryipo@jmf.com">finquiryipo@jmf.com</a> Website: <a href="http://www.jmf.com">www.jmf.com</a> Investor grievance e-mail: <a href="mailto:grievance_bd@jmf.com">grievance_bd@jmf.com</a> Contact person: Prachin Dhuri SEBI registration no.: INM000010361	<b>Aventus Capital Private Limited</b> Platinum Building, 8 <sup>th</sup> Floor 801, Plot No C-59, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra, India Tel: (+91 22) 9948 0050 E-mail: <a href="mailto:finquiryipo@avendus.com">finquiryipo@avendus.com</a> Website: <a href="http://www.avendus.com">http://www.avendus.com</a> Investor grievance e-mail: <a href="mailto:investorgrievance@avendus.com">investorgrievance@avendus.com</a> Contact person: Sarthak Saxena / Shantanu Chitre SEBI registration no.: INM000011021	<b>Link Intime India Private Limited</b> C-101, 1 <sup>st</sup> Floor, 247 Park L.B.S. Marg, Vikhroli (West) Mumbai - 400 063, Maharashtra, India Tel: +91 810 811 4949 E-mail: <a href="mailto:brainbees_ipo@linkintime.co.in">brainbees_ipo@linkintime.co.in</a> Website: <a href="http://linkintime.co.in">www.linkintime.co.in</a> Investor grievance e-mail: <a href="mailto:brainbees_ipo@linkintime.co.in">brainbees_ipo@linkintime.co.in</a> Contact person: Shanti Gopalakrishnan SEBI registration no.: INR000004058	<b>Neelam Juthani</b> Rajashree Business Park, Survey No. 336 Near to Sahrabadi Hall, Tadiwala Road Pune - 411 001, Maharashtra, India Tel: (+91) 94629 89157 E-mail: <a href="mailto:companysecretary@finquiry.com">companysecretary@finquiry.com</a>  Investors may contact the Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances including non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-credit of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, investors may also write to the BRLMs.

**AVAILABILITY OF THE RHP:** Investors are advised to refer to the RHP and the section titled "Risk Factors" on page 63 of the RHP before applying in the Offer. A copy of the RHP is available on website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively, and on the website of the Company at [www.finquiry.com](http://www.finquiry.com) and on the websites of the BRLMs, i.e. Kotak Mahindra Capital Company Limited, Morgan Stanley India Company Private Limited, BoFA Securities India Limited, JM Financial Limited and Aventus Capital Private Limited at <https://business.bofa.com/bofa-india>, [www.jmf.com](http://www.jmf.com) and <http://www.avendus.com>, respectively.

**Availability of the Abridged Prospectus:** A copy of the abridged prospectus shall be available on the website of the Company, the BRLMs and the Registrar to the Offer at [www.finquiry.com](http://www.finquiry.com), <https://investmentbank.kotak.com>, <https://business.bofa.com/bofa-india>, [www.jmf.com](http://www.jmf.com) and <http://www.avendus.com>, respectively.

**AVAILABILITY OF BID CUM APPLICATION FORMS:** Bid cum Application Forms can be obtained from the Registered Office of **BRAINBEES SOLUTIONS LIMITED**, Tel: (+91) 94629 89157. BRLMs: **Kotak Mahindra Capital Company Limited**, Tel: (+91 22) 4336 0000; **Morgan Stanley India Company Private Limited**, Tel: (+91 22) 6118 1000; **BoFA Securities India Limited**, Tel: (+91 22) 6632 8000; **JM Financial Limited**, Tel: (+91 22) 6930 3030/ 3262 and **Aventus Capital Private Limited**, Tel: (+91 22) 9948 0050. **Syndicate Member: JM Financial Services Limited**, Tel: (+91 22) 6218 5410 and **Spark Institutional Equities Private Limited**, Tel: (+91 22) 6885 4903 and at the selected locations of the Sub-syndicate Members (as given below). SCSBs, Registered Brokers, RTAs and CDPs participating in the Offer: ASBA Forms will also be available on the websites of BSE and NSE and the Designated Branches of SCSBs, the list of which is available at websites of the Stock Exchanges and SEBI. **Sub-Syndicate Members:** Almond Global Securities Ltd, Anand Rathi Share & Stock Brokers Ltd, Aml C. Mehta Investment Intermediaries Ltd, Asia Capital Limited, Bajaj Financial Securities Ltd, Centurion Broking Limited, Centurion Wealth Management Ltd, Dalal & Broacha Stock Broking Private Limited, Eureka Stock & Share Brokers Ltd, Finvizard Technology Pvt Limited, Globe Capital Market Limited, HDCF Securities Limited, IDBI Capital Markets and Securities Ltd, JFL Securities Ltd, Jobanputra Fiscal Services Private Limited, Karikar Chughal Securities P. Ltd, Keynote Capital Limited, KJMC Capital Market Services Limited, KP Securities Limited, Motilal Oswal Financial Services Limited, Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited), Prabhudas Lbadhar P. Ltd, Pravin Radhak Share & Stock Brokers Limited, Religare Broking Ltd, RR Equity Brokers Private Limited, SBIG Securities Limited, Shankens Ltd, BMC Global Securities Ltd, Systematic Shares and Stock Brokers Ltd, Tradebulls Securities Limited and YES Securities (India) Limited.

**Excrow Collection Bank and Refund Bank:** HDCF Bank Limited

**Public Offer Account Bank:** Kotak Mahindra Bank Limited

**Sponsor Banks:** HDCF Bank Limited and Kotak Mahindra Bank Limited

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

Place: Pune  
Date: August 7, 2024

**BRAINBEES SOLUTIONS LIMITED** is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make an initial public offering of its Equity Shares and has filed the RHP with RoC on July 30, 2024. The RHP is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in), as well as on the website of the Stock Exchanges i.e. BSE and NSE at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively, on the website of the Company at [www.finquiry.com](http://www.finquiry.com) and on the websites of the BRLMs, i.e. Kotak Mahindra Capital Company Limited, Morgan Stanley India Company Private Limited, BoFA Securities India Limited, JM Financial Limited and Aventus Capital Private Limited at <https://investmentbank.kotak.com>, <https://business.bofa.com/bofa-india>, <http://www.jmf.com> and <http://www.avendus.com>, respectively. Any potential investors should note that investment in equity shares involves a high degree of risk and for details relating to such risk, see "Risk Factors" on page 63 of the RHP. Potential Bidders should not rely on the RHP filed with SEBI for making any investment decision and instead should place reliance on the RHP.

This announcement does not constitute an invitation or offer of securities for sale in any jurisdiction. The Equity Shares offered in the Offer have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended ("U.S. Securities Act") and 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) within the United States solely to persons who are reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act) pursuant to Section 4(a)(2) of the U.S. Securities Act, and (b) outside the United States in offshore transactions as defined in and 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. There will be no public offering of securities in the United States.

For **BRAINBEES SOLUTIONS LIMITED**  
On behalf of the Board of Directors  
Sd/-  
**Neelam Juthani**  
Company Secretary and Compliance Officer