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**DRAFT RED HERRING PROSPECTUS**

**Dated:** June 21, 2024

(Please read section 26 and 32 of the Companies Act, 2013)

(This Draft Red Herring Prospectus will be updated upon filing with the RoC)

100% Book Built Issue



**OSEL DEVICES LIMITED**

Corporate Identification Number: U72200DL2006PLC152027

REGISTERED OFFICE	TELEPHONE	CORPORATE OFFICE	TELEPHONE	CONTACT PERSON, WEBSITE, EMAIL AND FACSIMILE
Office No.- 712, Naurang House K.G. Marg, Connaught Place, Central Delhi, New Delhi- 110 001, Delhi, India	<b>Tel:</b> +91 116 666 7621	Signature Tower, 1st Floor Plot No 3, Sector Knowledge Park-III, Sector 34, Gautam Buddha Nagar, Noida – 201 307, Uttar Pradesh, India	<b>Tel:</b> +91 120 635 1600	<b>Contact Person:</b> Sandeep Kumar <b>Website:</b> www.oseldevices.com <b>E-mail:</b> info@oseldevices.com

**PROMOTERS OF OUR COMPANY: RAJENDRA RAVI SHANKER MISHRA AND JYOTSNA JAWAHAR**

**DETAILS OF THE ISSUE**

TYPE	FRESH ISSUE SIZE	OFS SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹)	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	Upto 45,00,000 Equity Shares aggregating Up to ₹ [•] lakhs	NIL	Upto 45,00,000 Equity Shares aggregating Up to ₹ [•] lakhs	This issue is being made in terms of Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended.

**DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THIS IS A FRESH ISSUE OF EQUITY SHARES**

**RISK IN RELATION TO THE FIRST ISSUE**

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of each Equity Share is ₹ 10/-. The Floor Price, Cap Price and Issue Price as determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building process, as stated under “Basis for Issue Price” on page 92 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue 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 Draft Red Herring Prospectus. Specific attention of the investors is invited of the section titled “Risk Factors” beginning on Page No. 26 of this Draft Red Herring Prospectus.

**ISSUER’S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and this Issue, which is material in the context of this Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

**LISTING**

The Equity Shares offered through this Draft Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited (“NSE”) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an ‘in-principle’ approval letter dated [•] from NSE for using its name in this offer document for listing our shares on the Emerge Platform of National Stock Exchange of India Limited. For the purpose of this Issue, the Designated Stock Exchange will be NSE.

**BOOK RUNNING LEAD MANAGER**

NAME AND LOGO	CONTACT PERSON	EMAIL & TELEPHONE
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**Horizon Management Private Limited**

Mr. Manav Goenka

**Telephone:** +91 33 4600 0607  
**Email ID:** smeipo@horizon.net.co

**REGISTRAR TO THE ISSUE**

**NAME AND LOGO**

**CONTACT PERSON**

**EMAIL & TELEPHONE**



**MAS SERVICES LIMITED**

Mr. N. C. Pal

**Telephone:** +91 112 638 7281/83, 114 132 0335  
**Email:** ipo@masserv.com

**BID/ ISSUE PERIOD**

**ANCHOR PORTION ISSUE OPENS/CLOSES ON: [●]\*** | **BID/ISSUE OPENS ON: [●]** | **BID/ISSUE CLOSES ON: [●]\*\***

*\*The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.*

*\*\*Our Company may in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations*

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

**ÖSEL<sup>®</sup>**  
**OSEL DEVICES LIMITED**

Osel Devices Limited (the “Company” or the “Issuer”) was incorporated on August 14, 2006 as a private limited company under the name and style of ‘Innovative Infratech Solutions Private Limited’, under the Companies Act, 1956, pursuant to a certificate of incorporation dated August 14, 2006 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, in order to rectify the transposition error in the name of our Company, pursuant to a resolution passed by our Board of Directors in its meeting held on November 6, 2013, and by the Shareholders in their Extraordinary General Meeting held on November 8, 2013, the name of our Company was changed to ‘Innovative Infratech Solutions Private Limited’ and a fresh certificate of incorporation dated November 22, 2013 was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, pursuant to a resolution passed by our Board of Directors in its meeting held on November 13, 2023, and by the Shareholders in their extraordinary general meeting held on December 15, 2023, in order to reflect the main business activity of the Company and for better branding, the name of our Company was changed to ‘Osel Devices Private Limited’ and a fresh certificate of incorporation dated January 16, 2024 was issued by the Registrar of Companies, Delhi and Haryana at Delhi. Further, our Company was converted into a public limited company pursuant to a resolution passed by our Board of Directors in its meeting held on March 15, 2024, and by the Shareholders in an extraordinary general meeting held on March 22, 2024 and consequently the name of our Company was changed to ‘Osel Devices Limited’ and a fresh certificate of incorporation dated May 2, 2024 was issued by the Registrar of Companies, Central Processing Centre. For details of change in Registered Office of our Company, please refer to the chapter titled “History and Certain Corporate Matters” on page 160 of this Draft Red Herring Prospectus.

**Registered Office:** Office No.- 712, Naurang House K.G. Marg, Connaught Place, Central Delhi, New Delhi- 110 001, Delhi, India; **Telephone:** +91 116 666 7621; **Facsimile:** N.A.

**Corporate Office (Address where the books of accounts of our Company are maintained):** Signature Tower, 1<sup>st</sup> Floor Plot No 3, Sector Knowledge Park-III, Sector 34, Gautam Buddha Nagar, Noida – 201 307, Uttar Pradesh, India; **Telephone:** +91 120 635 1600; **Facsimile:** N.A.

**E-mail:** info@oseldevices.com; **Website:** www.oseldevices.com; **Contact Person:** Sandeep Kumar, Company Secretary & Compliance Officer; **Corporate Identity Number:** U72200DL2006PLC152027

**PROMOTERS OF OUR COMPANY: RAJENDRA RAVI SHANKER MISHRA AND JYOTSNA JAWAHAR**

**DETAILS OF THE ISSUE**

**INITIAL PUBLIC OFFER OF UPTO 45,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (“EQUITY SHARES”) OF OUR COMPANY AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹ [●] LACS (“PUBLIC ISSUE”) OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LACS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LACS IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN [●] EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND [●] EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, HINDI BEING THE REGIONAL LANGUAGE OF DELHI WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED (“NSE”) FOR THE PURPOSES OF UPLOADING ON ITS WEBSITE IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE “SEBI ICDR REGULATIONS”).**

In case of any revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Issue 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/Issue Period for a minimum of one Working Day, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank as applicable.

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 229 (2) of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations, wherein not more than [●]% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers (“QIBs”) (the “QIB Portion”), provided that our Company may, in consultation with the Book Running Lead Manager, may allocate up to [●]% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (“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 Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than [●]% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than [●]% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders are required to participate in the Issue by mandatorily utilizing the Application Supported by Blocked Amount (“ASBA”) process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks (“SCSBs”) or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see “Issue Procedure” on page 266 of this Draft Red Herring Prospectus.

All potential investors shall participate in the Issue through an Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to “Issue Procedure” on page 266 of this Draft Red Herring Prospectus. A copy of Red Herring Prospectus will be delivered to the Registrar of Companies for filing in accordance with Section 32 of the Companies Act, 2013.

**ELIGIBLE INVESTORS**

For details in relation to Eligible Investors, please refer to section titled “Issue Procedure” beginning on Page No. 266 of this Draft Red Herring Prospectus.

**RISK IN RELATION TO THE FIRST ISSUE**

This being the first issue of the Issuer, there has been no formal market for the securities of the Issuer. The face value of the equity shares is Rs. 10/- The issue price/floor price/price band should not be taken to be indicative of the market price of the specified securities after the specified securities are listed. No assurance can be given regarding an active or sustained trading in the equity shares of the Issuer nor regarding the price at which the equity shares will be traded after listing.

**GENERAL RISKS**

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue 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 Draft Red Herring Prospectus. Specific attention of the investors is invited of the section titled “Risk Factors” beginning on Page No. 26 of this Draft Red Herring Prospectus.

**ISSUER’S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of this Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

**LISTING**

The Equity Shares offered through this Draft Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited (“NSE”) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an ‘in-principle’ approval letter dated [●] from NSE for using its name in this offer document for listing our shares on NSE. For the purpose of this Issue, the Designated Stock Exchange will be NSE.

**BOOK RUNNING LEAD MANAGER**



**Horizon Management Private Limited**  
 19 R N Mukherjee Road, Main Building, 2<sup>nd</sup> Floor,  
 Kolkata- 700 001, West Bengal, India.  
**Telephone:** +91 33 4600 0607  
**Facsimile:** +91 33 4600 0607  
**E-mail:** smeipo@horizon.net.co  
**Website:** www.horizonmanagement.in  
**Investor grievance:** investor.relations@horizon.net.co  
**SEBI Registration Number:** INM000012926  
**Contact Person:** Manav Goenka

**REGISTRAR TO THE ISSUE**



**MAS Services Limited**  
 T-34, 2nd Floor, Okhla Industrial Area,  
 Phase-II New Delhi- 110 020  
**Telephone:** +91 112 638 7281/83, 114 132 0335  
**Facsimile:** +91 112 638 7384  
**E-mail:** ipo@masserv.com  
**Website:** www.masserv.com  
**Investor grievance:** investor@masserv.com  
**SEBI Registration Number:** INR000000049  
**Contact Person:** N. C. Pal

**ISSUE PROGRAMME**

**ANCHOR PORTION ISSUE OPENS/CLOSES ON:** [●]      **BID/ISSUE OPENS ON:** [●]      **BID/ISSUE CLOSES ON\*\*:** [●]

<sup>\*</sup>The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

<sup>\*\*</sup>Our Company may in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations

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

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PURSUANT TO SCHEDULE VI OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF  
CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018)***

## TABLE OF CONTENTS

<b>SECTION I – GENERAL</b> .....	<b>6</b>
DEFINITIONS AND ABBREVIATIONS .....	6
CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION .....	16
FORWARD - LOOKING STATEMENTS.....	18
<b>SECTION II – ISSUE DOCUMENT SUMMARY</b> .....	<b>19</b>
<b>SECTION III – RISK FACTORS</b> .....	<b>26</b>
<b>SECTION IV - INTRODUCTION</b> .....	<b>56</b>
THE ISSUE .....	56
SUMMARY OF FINANCIAL INFORMATION .....	57
GENERAL INFORMATION .....	61
CAPITAL STRUCTURE.....	72
OBJECTS OF THE ISSUE .....	82
BASIS FOR ISSUE PRICE.....	92
STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS.....	99
<b>SECTION V – ABOUT THE COMPANY</b> .....	<b>102</b>
INDUSTRY OVERVIEW.....	102
OUR BUSINESS.....	124
KEY INDUSTRIAL REGULATIONS AND POLICIES .....	152
HISTORY AND CERTAIN CORPORATE MATTERS .....	160
OUR MANAGEMENT.....	164
OUR PROMOTERS AND PROMOTER GROUP.....	181
OUR GROUP COMPANIES .....	185
DIVIDEND POLICY .....	187
<b>SECTION VI – FINANCIAL INFORMATION</b> .....	<b>188</b>
RESTATE FINANCIAL INFORMATION .....	188
OTHER FINANCIAL INFORMATION .....	222
FINANCIAL INDEBTEDNESS .....	223
MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS .....	227
CAPITALISATION STATEMENT .....	237
<b>SECTION VII – LEGAL AND OTHER INFORMATION</b> .....	<b>238</b>
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS .....	238
GOVERNMENT AND OTHER STATUTORY APPROVALS .....	242
OTHER REGULATORY AND STATUTORY DISCLOSURES .....	247
<b>SECTION VIII – ISSUE INFORMATION</b> .....	<b>256</b>
TERMS OF THE ISSUE.....	256
ISSUE STRUCTURE.....	263
ISSUE PROCEDURE .....	266
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES.....	294
<b>SECTION IX – DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION</b> .....	<b>296</b>
<b>SECTION X - OTHER INFORMATION</b> .....	<b>311</b>
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION .....	311
DECLARATION.....	313

## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the same meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time 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 meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under.*

#### GENERAL AND COMPANY RELATED TERMS

<b>Term</b>	<b>Description</b>
“Company”, “our Company”, “the Company”, “the Issuer”, or “Osel”	Osel Devices Limited, a company incorporated under the Companies Act, 1956, having its Registered Office at Office No.- 712, Naurang House K.G. Marg, Connaught Place, Central Delhi, New Delhi- 110 001, Delhi, India.
Our Promoters	Rajendra Ravi Shanker Mishra and Jyotsna Jawahar. For further details, please see the section entitled “ <i>Our Promoters and Promoter Group</i> ” on page 181 of this Draft Red Herring Prospectus.
Promoter Group	Companies, individuals and entities (other than companies) as defined under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled “ <i>Our Promoters and Promoter’s Group</i> ”.

#### COMPANY RELATED TERMS

<b>Term</b>	<b>Description</b>
Articles / Articles of Association/AOA	Articles of Association of our Company.
Audit Committee	The Audit Committee of the Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013. For details refer section titled “ <i>Our Management</i> ” on page 164 of this Draft Red Herring Prospectus.
Auditor / Statutory Auditor/ Peer Review Auditor	Statutory and peer review auditor of our Company, namely, <b>M/s Kumar Samantaray &amp; Associates</b> , Chartered Accountants
Bankers to the Company	Banker to our Company, namely Indian Bank and Bank of Baroda.
Board of Directors /Board/BOD	The Board of Directors of the Company unless otherwise specified.
Companies Act	The Companies Act, 1956/2013 as amended from time to time.
CIN	Corporate Identification Number of our Company i.e. U72200DL2006PLC152027
Chief Financial Officer (CFO)	The Chief Financial Officer of our Company, being <b>Jyotsna Jawahar</b>
Company Secretary and Compliance Officer (CS)	The Company Secretary and Compliance Officer of our Company, being <b>Sandeep Kumar</b>
Corporate Office	The Corporate Office of our Company is situated at Signature Tower, 1 <sup>st</sup> Floor Plot No 3, Sector Knowledge Park-III, Sector 34, Gautam Buddha Nagar, Noida – 201 307, Uttar Pradesh, India.
Depositories Act	The Depositories Act, 1996, as amended from time to time
DIN	Director Identification Number
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10/- each unless otherwise specified in the context thereof
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company
Executive Director/ ED	Executive Director
Group Companies	Companies with which there have been related party transactions, during the last three financial years, as covered under the applicable accounting standards and other companies as considered material by the Board in accordance with the Materiality Policy.
Independent Director	A non-executive & Independent Director as per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	INE0RMF01018
Key Managerial Personnel /Key Managerial Employees	The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the section titled “ <i>Our Management</i> ” on page 164 of this Draft Red Herring Prospectus.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on June 18, 2024, in accordance with the requirements of the SEBI ICDR Regulations.
Managing Director / MD	The Managing Director of our Company, namely Rajendra Ravi Shanker Mishra

<b>Term</b>	<b>Description</b>
MOA/ Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time
Non-Residents	A person resident outside India, as defined under FEMA
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Board of Directors constituted in accordance with Companies Act, 2013. For details refer section titled “Our Management” on page 164 of this Draft Red Herring Prospectus.
NRIs / Non Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management Act, 1999
Registered Office	The registered office of our Company, which is situated at Office No.- 712, Naurang House K.G. Marg, Connaught Place, Central Delhi, New Delhi- 110 001, Delhi, India
Restated Financial Information/ Restated Financial Statements/	The Restated Financial Information of our Company, which comprises the Restated Statement of Assets and liabilities as on December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the nine month period ended December 31, 2023 and the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021, the Financial Statement of Significant Accounting Policies and other explanatory information annexed to this report, along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 32 of the Companies Act, 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.
ROC / Registrar of Companies	Registrar of Companies, Delhi and Haryana at Delhi, having its office at 4 <sup>th</sup> Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110019, Delhi, India
Senior Management	Senior management of our Company determined in accordance with Regulation 2(1)(bbbbb) of the SEBI ICDR Regulations. For details, see “Our Management” on page 164 of this Draft Red Herring Prospectus.
Shareholders	Shareholders of our Company, from time to time.
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For details refer section titled “Our Management” on page 164 of this Draft Red Herring Prospectus.
Whole-time Director / WTD	Whole-Time Directors of our company, namely, Jyotsna Jawahar and Mukesh Kumar Sinha

## **ISSUE RELATED TERMS**

<b>Terms</b>	<b>Description</b>
Abridged Prospectus	Abridged Prospectus means a memorandum containing such salient features of a Prospectus as may be specified by SEBI in this behalf
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges
Allotment/Allot/Allotted	Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Issue pursuant to successful Bidders.
Allottee(s)	The successful applicant to whom the Equity Shares are being / have been issued
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.
Anchor Investor Allocation Price	Rs. [●]/- per equity share i.e. the price at which Equity Shares were made available for allocation to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which was decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/ Issue Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which was considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Anchor Investor Bid/ Issue Period	[●], being one working day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors was submitted and allocation to the Anchor Investors was completed.
Anchor Investor Issue Price	Rs. [●]/- per equity share being the final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Portion	Up to [●]% of the QIB Portion consisting of [●] Equity Shares which were allocated by our Company, in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations.
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorizing a SCSB to block the application amount in the ASBA Account maintained with the SCSB.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
ASBA Bid	A Bid made by ASBA Bidder
Bankers to the Issue	Banker to the Issue, Public Issue Bank, Refund Bank and Sponsor Bank, being [●]

Terms	Description
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in paragraph titled “ <i>Basis of allotment</i> ” under chapter titled “ <i>Issue Procedure</i> ” starting from page no. 266 of this Draft Red Herring Prospectus.
Bid	An indication to make an Issue during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Draft Red Herring Prospectus.
Bid cum Application Form	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Draft Red Herring Prospectus.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid/ Issue Period	<p>The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders.</p> <p>Our Company in consultation with the Book Running Lead Manager may consider closing the Bid/Issue Period for the QIB Portion One Working Day prior to the Bid/Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, in accordance with the SEBI ICDR Regulations.</p> <p>In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of one Working Day, subject to the Bid/ Issue Period not exceeding 10 Working Days.</p>
Bid/Issue Closing Date	<p>Except in relation to 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) and [●] editions of [●] (a widely circulated Hindi national daily newspaper, Hindi being the regional language of Delhi, where our Registered Office is located).</p> <p>Our Company in consultation with the BRLM, may, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations</p>
Bid/Issue Opening Date	Except in relation to 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) and [●] editions of [●] (a widely circulated Hindi national daily newspaper, Hindi being the regional language of Delhi, where our Registered Office is located).
Bidder/ Investor	Any prospective investor who makes a bid for Equity Shares in terms of Red Herring Prospectus.
Bidding Centers	Centers at which the Designated Intermediaries shall accept the Bid cum Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bidding Centers	Centers at which the Designated Intermediaries shall accept the Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Issue, in this case being <b>Horizon Management Private Limited</b> , SEBI Registered Category I Merchant Banker.
Broker Centers	Broker centers notified by the Stock Exchanges where investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price will not be finalized and above which no Bids will be accepted.
Cut-Off Price	The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Bidders are entitled to Bid at the Cut off Price. QIBs (including Anchor Investor) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price.
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, name of the applicant father/husband, investor status, and occupation and Bank Account details.



Terms	Description
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated Intermediaries/Collecting Agent	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue.
Designated CDP Locations	Such locations of the CDPs where bidder can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated Date	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Draft Red Herring Prospectus, after finalization 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 Issue.
Designated RTA Locations	Such locations of the RTAs where bidder can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form from the ASBA bidder and a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/</a> Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	<b>Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”)</b>
DP ID	Depository Participant’s Identity Number
Draft Red Herring Prospectus	Draft Red Herring Prospectus dated June 21, 2024, filed with NSE Emerge in accordance with Section 32 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Draft Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Escrow Account	The account(s) to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/direct credit/ NEFT/ RTGS in respect of the Bid Amount when submitting a Bid.
First/ Sole bidder	The bidder whose name appears first in the Bid cum Application Form or RevisionForm.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Issue Price will be finalized and below which no Bids will be accepted.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, Notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI.
GIR Number	General Index Registry Number
Issue	This issue of Upto 45,00,000 Equity Shares of face value of ₹10 per Equity Share for an Issue Price of ₹ [●] per Equity Share, aggregating up to ₹ [●] Lakhs.
Issue Agreement	Agreement dated June 20, 2024, entered amongst our Company and the Book Running Lead Manager, pursuant to which certain arrangements have been agreed to in relation to the Issue.
Issue Closing	Our Issue shall close on [●].
Issue document	Includes this Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus to be filed with Registrar of Companies.
Issue Opening	Our Issue shall open on [●].
Issue Period	The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their Bidding application.

<b>Terms</b>	<b>Description</b>
Issue Price	The price at which the Equity Shares are being issued by our Company through this Draft Red Herring Prospectus, being ₹ [●] /- (including share premium of ₹ [●] /- per Equity Share).
Issue Proceeds	Proceeds to be raised by our Company through this Fresh Issue, for further details please refer chapter titled “ <i>Objects of the Issue</i> ” page 82 of this Draft Red Herring Prospectus.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the NSE.
Market Maker	The Market Maker to the Issue, in this case being [●].
Market Maker Reservation Portion	The reserved portion of [●] Equity Shares of ₹ 10 each at an Issue price of ₹ [●] each aggregating to ₹ [●] Lakhs to be subscribed by Market Maker in this Issue.
Market Making Agreement	The Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Mutual Fund Portion	5% of the Net QIB Portion, (other than anchor allocation), which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Net Issue	The Issue excluding the Market Maker Reservation Portion of [●] Equity Shares of Face Value of ₹ 10.00 each fully paid for cash at a price of ₹ [●] Equity Share aggregating ₹ [●] Lakhs by our Company.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors
Net Proceeds	The proceeds from the Issue less the Issue related expenses applicable to the Issue.
Non-Institutional Applicant / Investors	All Applicants, including FPIs which are individuals, corporate bodies and family offices, that are not QIBs or RIs and who have Application for Equity Shares for an amount of more than ₹2.00 Lakhs (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Issue being not less than [●]% of the Net Issue 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 Issue Price or through such other method of allocation as may be introduced under applicable law
NPCI	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●]. The Price Band will be decided by our Company in consultation with the BRLM and advertised in [●] editions of [●] (a widely circulated English national daily newspaper) and [●] editions of [●] (a widely circulated Hindi national daily newspaper, Hindi being the regional language of Delhi, where our Registered Office is located), at least two working days prior to the Bid / Issue Opening Date.
Pricing Date	The date on which our Company, in consultation with the BRLM, will finalize the Issue Price.
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 Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Issue Account Agreement	Agreement to be entered into by our Company, the Registrar to the Issue, the Book Running Lead Manager, and the Public Issue Bank/Banker to the Issue for collection of the Application Amounts.
Public Issue Account	Account to be opened with the Banker to the Issue to receive monies from the SCSBs from the bank account of the ASBA bidder, on the Designated Date.
Public Issue Account Bank	The bank with whom the Public Issue Account shall be opened for collection of Bid Amounts from the Escrow Account and ASBA Accounts on the Designated Date, in this case being [●]
Qualified Institutional Buyers /QIBs	The qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
QIB Category/ QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) being not more than [●]% of the Net Issue, consisting of [●] Equity Shares which were made available for allocation to QIBs (including Anchor Investors) on a proportionate basis, (in which allocation to Anchor Investor were made available on a discretionary basis, as determined by our Company in consultation with the BRLM), subject to valid Bids being received at or above the Issue Price.
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 Issued and the size of the Issue, including any addenda or corrigenda thereto.
Refund Bank(s) /Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being [●].
Refund Account	The ‘no-lien’ and ‘non-interest bearing’ account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made.
Registered Broker	Individuals or companies registered with SEBI as “Trading Members”(except Syndicate/ Sub-Syndicate Members) who hold valid membership of either NSE or National Stock Exchange of India Limited having right to trade in stocks listed on Stock Exchanges ,through which investors can buy or sell securities listed on stock exchanges, a list of which is available on <a href="https://www.nseindia.com/">https://www.nseindia.com/</a>
Registrar / Registrar to	Registrar to the Issue being MAS Services Limited.

Terms	Description
theIssue/ RTA	
Registrar Agreement	The registrar agreement dated June 20, 2024 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
Retail Individual Investors/(RII)	Individual investors (including HUFs applying through their Karta and Eligible NRI Bidders) who applies or bids for the Equity Shares of a value of not more than ₹ 2,00,000.
Retail Portions	Portion of the Issue being not less than [●]% of the Net Issue consisting of [●] Equity Shares which shall be available for allocation to RIBs (subject to valid Bids being received at or above the Issue Price), which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion, and the remaining Equity Shares to be Allotted on a proportionate basis
Revision Form	The form used by the bidders to modify the quantity of Equity Shares or the bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)
SCSB	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and Issues the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;int mId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;int mId=35</a>
SME Platform of NSE	The SME platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares issued under Chapter IX of the SEBI ICDR Regulations.
Sponsor Bank	The Banker to the Issue registered with SEBI and 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 Retail Individual Bidders into the UPI and carry out other responsibilities, in terms of the UPI Circulars.
Sub Syndicate Member	The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Members, to collect ASBA Forms and Revision Forms.
Syndicate Agreement	The agreement dated [●] entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Issue
Syndicate Member(s)	Syndicate members as defined under Regulation 2(1) (hhh) of the SEBI ICDR Regulations, namely [●].
Transaction Registration Slip/TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the bidders, as proof of registration of the bid.
Underwriter	[●]
Underwriting Agreement	The Agreement dated [●] entered into between the Underwriter and our Company
UPI	Unified payment Interface, which is an instant payment mechanism, developed by NPCI.
UPI Circular	Circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 issued by SEBI as amended or modified by SEBI from time to time, including circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the Retail Individual Bidder by way of a notification on the Mobile App and by way of a SMS directing the Retail Individual Bidder to such Mobile App) to the Retail Individual Bidder initiated by the Sponsor Bank to authorize blocking of funds on the Mobile App equivalent to Bid Amount and Subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by a RII to make a Bid in the Issue in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transactions.
Wilful Defaulter and Fraudulent Borrower	A wilful defaulter(s) and fraudulent borrower(s) as defined under SEBI ICDR Regulations.
Working Days	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on NSE, working day means all trading days of NSE, excluding Sundays and bank holidays, as per circulars issued by SEBI

## **CONVENTIONAL AND GENERAL TERMS / ABBREVIATIONS**

<b>Term</b>	<b>Description</b>
“₹” or “Rs.” or “Rupees” or “INR”	Indian Rupee
“Consolidated FDI Policy” or “FDI Policy”	Consolidated Foreign Direct Investment Policy notified by DPIIT through notification issued by DPIIT, effective from October 15, 2020
“Financial Year” or “Fiscal Year” or “FY”	Period of 12 months ending March 31 of that particular year
“OCBs” or “Overseas Corporate Body”	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
A/c	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
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 II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CBDT	Central Board of Direct Taxes, Government of India
CDSL	Central Depository Services (India) Limited
Central Government	Central Government of India
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
Companies Act 1956	Erstwhile Companies Act, 1956 along with the relevant rules made thereunder
Companies Act, 2013 / Companies Act	Companies Act, 2013 along with rules made thereunder
CS	Company Secretary
CSR	Corporate Social Responsibility
Depositories Act	The Depositories Act, 1996
Depository(ies)	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DP ID	Depository Participant’s Identification Number
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
ECB	External Commercial Borrowings
ECB Master Directions	Master Direction – External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019 issued by the RBI
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPF Act	Employees’ Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI Act	Employees’ State Insurance Act, 1948
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Regulations	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year/Fiscal	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FIR	First information report
FPIs	Foreign portfolio investors as defined and registered under the SEBI FPI Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations
GDP	Gross Domestic Product
GoI / Government	The Government of India
GST	Goods and Services Tax
HUF(s)	Hindu Undivided Family(ies)

<b>Term</b>	<b>Description</b>
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act / IT Act	Income Tax Act, 1961
Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended
Indian GAAP	Generally Accepted Accounting Principles in India
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended from time to time
ISIN	International Securities Identification Number
IT	Information Technology
MCA	The Ministry of Corporate Affairs, GoI
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended
Mn / mn	Million
MOF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
MSME	Micro, Small, and Medium Enterprises
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value per Equity Share at a particular date computed based on total equity divided by number of Equity Shares
Net Worth	Net worth as defined under Regulation 2(1)(hh) of the SEBI ICDR Regulations, i.e., the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off as per the restated balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation
NR	Non-resident or person(s) resident outside India, as defined under the FE
NRE	Non- residential external
NRE Account	Non- residential external account
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
NRO	Non- resident ordinary
NRO Account	Non-resident ordinary account
NSE	National Stock Exchange of India Limited
NSDL	National Securities Depository Limited
NTA	Net Tangible Assets
OCI	Overseas Citizen of India
ODI	Off-shore Derivate Instruments
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
R&D	Research and Development
RBI	The Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SAT	Securities Appellate Tribunal
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, as amended
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000

<b>Term</b>	<b>Description</b>
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, since repealed and replaced by the SEBI (AIF) Regulations
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a state in India
State Government	The Government of a State of India
Stock Exchange	Unless the context requires otherwise, refers to, the National Stock Exchange of India Limited
TDS	Tax Deducted at Source
Trademarks Act	Trademarks Act, 1999, as amended
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
US\$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be
w.e.f.	With effect from
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31

### **INDUSTRY RELATED TERMS**

<b>Term</b>	<b>Description</b>
AAJ	Antodaya Ann Yojna
ABDM	Ayushman Bharat Digital Mission
ACC	Advanced Chemistry Cell
AI	Artificial Intelligence
AIDef	AI in Defence'
AMD	Advanced Micro Devices
BGs	Bank Guarantees
BOT	Build-Operate-Transfer
BSNL	Bharat Sanchar Nigam Limited
CAD	Current Account Deficit
CAZRI	Central Arid Zone Research Institute
CEPA	Comprehensive Partnership Agreement
CGST	Central Goods and Services Tax
COVID-19	CoronaVirus Disease of 2019
CGSS	Credit Guarantee Scheme for Start-ups
CPI	Consumer Price Index
DII	Domestic Institutional Investors
DPA	Deendayal Port Authority
DPIIT	Department for Promotion of Industry and Internal Trade
EMC	Electronics Manufacturing Cluster
ETPs	Effluent Treatment Plant
ESDM	The Electronics System Design & Manufacturing
FDI	Foreign Direct Investment
FII	Foreign Institutional Investors
FPIs	Foreign Portfolio Investors
FRE	First Revised Estimates
FTAs	Free Trade Agreements
FY	Financial Year
FYP	Five Year Plan
GDP	Gross Domestic Product
GST	Goods and Services Tax
HFI	High-Frequency Indicators
ICAR	Indian Council of Agricultural Research
IDRCL	India Debt Resolution Co. Ltd
IIP	Index of Industrial Production
IISR	Indian Institute of Spices Research
ILO	International Labor Organization

<b>Term</b>	<b>Description</b>
IMF	International Monetary Funds
IndAus ECTA	India-Australia Economic Cooperation and Trade Agreement
LCD	Liquid Crystal Display
LED	Light Emitting Diode
LMT	Lakh Metric Tonnes
MeitY	Ministry of Electronics and Information Technology
MFP	Mega Food Parks
ML	Machine Learning
MoSPI	Ministry of Statistics & Programme Implementation
NABARD	National Bank for Agriculture and Rural Development
NaBFID	National Bank for Financing Infrastructure and Development
NARCL	National Asset Reconstruction Company Ltd
NCDs	Noncommunicable Diseases
NHM	National Health Mission
NIELIT	National Institute of Electronics and IT
NMHP	National Mental Health Programme
NOHP	National Oral Health Programme
NOTTO	National Organ Tissue and Transplant Organization
NPCB	National Programme for Control of Blindness
NPCBVI	National Programme for Control of Blindness and Visual Impairment
NPCDCS	The National Programme for the Prevention and Control of Cancer, Diabetes, Cardiovascular Diseases, and Stroke
NPE	National Policy on Electronics
NPHCE	National Programme for Healthcare of Elderly
NPPC	National Programme for Palliative Care
NPPCD	National Programme for The Prevention & Control of Deafness
NPPCF	National Programme for Prevention and Control of Fluorosis
NPPMBI	National Programme for Prevention & Management of Burn Injuries
NTCP	National Tobacco Control Programme
OEMs	Original Equipment Manufacturer
OPDs	Outpatient Department
PE-VC	Privat Equity and Venture Capital
PHH	Primary Household
PLI	Production Linked Incentive Scheme
PMI	Purchasing Managers' Index
PMGKAY	Pradhan Mantri Garib Kalyan Ann Yojana
PM-DevINE	Prime Minister's Development Initiative for North-East Region
PPP	Public-Private Partnership
SDLs	State Development Loans
SEZ	Special Economic Zone
SGST	State Goods and Services Tax
SPI	Strengthening of Pharmaceutical Industry
TTDF	Telecom Technology Development Fund
UK	United Kingdom
US	United States
USOF	Universal Service Obligation Fund
USD/ US\$	US Dollar
VLSI	Very Large-Scale Integration
YoY	Year-Over-Year

Notwithstanding the foregoing, terms in “*Description of Equity Shares and Terms of Articles of Association*”, “*Statement of Possible Tax Benefits*”, “*Industry Overview*”, “*Key Industrial Regulations and Policies*”, “*Financial Information*”, “*Outstanding Litigation and Material Developments*” and “*Issue Procedure*” on pages 296, 99, 102, 152, 188, 238 and 266, respectively of this Draft Red Herring Prospectus, will have the meaning ascribed to such terms in these respective sections.

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

### **Certain Conventions**

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

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

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

### **Financial Data**

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Red Herring Prospectus has been derived from our Restated Financial Information. For further information, please see the section titled “*Financial Information*” on Page No. 188 of this Draft Red Herring Prospectus.

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 twelve (12) month period ended on March 31 of that year.

The Restated Financial Information of our Company, which comprises the Restated Statement of Assets and liabilities as on December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the nine months period ended December 31, 2023 and the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021, the Financial Statement of Significant Accounting Policies and other explanatory information annexed to this report, along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 32 of the Companies Act, 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.

There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS, the Indian GAAP 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.

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on Page Nos. 26, 124 and 227 respectively, of this Draft Red Herring Prospectus, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the Restated Financial Statements of our Company, prepared in accordance with GAAP, and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

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 the percentage figures have been rounded off to two decimal places including percentage figures in “*Risk Factors*”, “*Industry Overview*” and “*Our Business*” on Page Nos. 26, 102 and 124 respectively, this Draft Red Herring Prospectus.

### **Currency and Units of Presentation**

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India; and
- “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America.

Our Company has presented all numerical information in is Draft Red Herring Prospectus in “lacs” units or in whole numbers where the numbers have been too small to represent in lacs. One lac represents 1,00,000 and one million represents 10,00,000.



## **Exchange rates**

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

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

Currency	Exchange rate as on (in ₹)			
	December 31, 2023 <sup>^</sup>	March 31, 2023	March 31, 2022	March 31, 2021
1 USD	83.19	82.22	75.91	73.53

<sup>^</sup>The reference rate has been taken as at January 1, 2024 as December 31, 2023 was a Sunday.

(Source: [www.rbi.org.in](http://www.rbi.org.in) and [www.fbi.org.in](http://www.fbi.org.in) )

## **Industry and Market Data**

Unless stated otherwise, the industry and market data and forecasts used throughout this Draft Red Herring Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable. The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI ICDR Regulations, "Basis for Issue Price" on Page No. 92 of this Draft Red Herring Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the BRLM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "Risk Factors" on Page No. 26 of this Draft Red Herring Prospectus.

## **FORWARD - LOOKING STATEMENTS**

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. These forward-looking statements, whether made by us or a third party, are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

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

- Our commercial success is largely dependent upon our ability to develop and design innovative products suitable for the requirements of our customers. Our inability to effectively utilize and manage our ability to develop and design innovative products would impact our business, revenue and profitability.
- Our Company is reliant on the demand from the healthcare industry for a significant portion of our revenue. Any downturn in the healthcare industry or an inability to increase or effectively manage our sales could have an adverse impact on our Company’s business and results of operations.
- The commercial success of our products depends to a large extent on the success of the products of our end use customers. If the demand for the end use products in which our products are used as a raw materials declines, it could have a material adverse effect on our business, financial condition and results of operations.
- We depend on a few customers of our products, for a significant portion of our revenue, and any decrease in revenues or sales from any one of our key customers may adversely affect our business and results of operations.
- We generate our major portion of sales from our operations in certain geographical regions. Any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on Page Nos. 26, 124 and 227, respectively, of this Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

Forward-looking statements reflect current views as on the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Promoters, the Syndicate 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, the Promoters and the Book Running Lead Manager will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange for the Issue.

## **SECTION II - ISSUE DOCUMENT SUMMARY**

The following is a general summary of the terms of the Issue. 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 entitled “*Risk Factors*”, “*Industry Overview*”, “*Outstanding Litigation and Material Developments*”, “*Our Promoters and Promoter Group*”, “*Financial Information*”, “*Objects of the Issue*”, “*Our Business*”, “*Issue Procedure*” and “*Description of Equity Shares and Terms of Articles of Association*” beginning on Page Nos. 26, 102, 238, 181, 188, 82, 124, 266 and 296, respectively of this Draft Red Herring Prospectus.

### **1. Summary of Industry in which the Company is operating**

More than three years after the global economy suffered the largest shock of the past 75 years, the wounds are still healing, amid widening growth divergences across regions. After a strong initial rebound from the depths of the COVID-19 pandemic, the pace of recovery has moderated. Several forces are holding back the recovery. Some reflect the long-term consequences of the pandemic, Russia’s war in Ukraine, and increasing geoeconomic fragmentation. Others are more cyclical, including the effects of monetary policy tightening necessary to reduce inflation, withdrawal of fiscal support amid high debt, and extreme weather events. Despite signs of economic resilience earlier this year and progress in reducing headline inflation, economic activity is still generally falling short of pre-pandemic (January 2020) projections, especially in emerging market and developing economies.

For further details, please refer to the chapter titled “*Industry Overview*” beginning on Page No. 102 of this Draft Red Herring Prospectus.

### **2. Summary of Business**

Osel is driven by a passion for innovation and a commitment to excellence. As a one of the leading provider of cutting-edge technology solutions, Osel specializes in creating transformative products that empower individuals, businesses, and communities to thrive in a rapidly evolving digital world. Our Company manufactures a comprehensive range of LED display systems and the latest hearing aids, including all major components, at our ultra-modern plant. Ösel’s state-of-the-art manufacturing plant in Greater Noida was inaugurated by Ex-Union Minister Shri Pratap Sarangi.

We manufacture comprehensive range of LED display systems. We are equipped with software and hardware capabilities. Our LED display systems are enabled with content management system which allows it to connect to phone or computer and display on screen. Equipped with the latest technology and adhering to rigorous quality control standards, we produce a wide range of high-performance components and systems. This vertical integration ensures consistency and excellence in every product we deliver. The LED display systems manufactured by us have been used by corporate for commercial usage such as advertising media, billboards, corporate meeting rooms, presentations, display promotions, command control centre and front sign boards.

We also manufacture latest hearing aids commonly known as assisted healthcare devices. Our hearing aids are designed to support individuals with disabilities, elderly person and chronic patients, who are having low hearing level, in performing everyday activities more effectively to enhance quality of life. Our major customer for hearing aid is Artificial Limbs Manufacturing Corporation of India. We manufacture Digital Programable and Non-Programmable Hearing Aids.

Our Company has manufacturing and assembling setup in Greater Nodia at Signature Tower, 1st Floor Plot No 3, Sector Knowledge Park-III, Sector 34, Gautam Buddha Nagar, Noida – 201 307, Uttar Pradesh, India.

We use the latest equipments installed to design, manufacture and assemble our LED display systems from raw materials processing, preparation of sub-assembling, component fitment, testing, inspection and quality control. Similarly, we use the latest machineries installed to design, manufacture and assemble our hearing aids from raw materials processing, printed circuit board assembling (PCB), testing, programming, sub-assembling and soldering, final device assembling and quality control.

For further details, please refer to chapter titled “*Our Business*” beginning on Page No. 124 of this Draft Red Herring Prospectus.

### **3. Promoters**

The Promoters of our Company are Rajendra Ravi Shanker Mishra and Jyotsna Jawahar. For further details, please refer to the chapter titled “Our Promoters and Promoter Group” beginning on Page No. 181 of this Draft Red Herring Prospectus.

#### 4. Details of the Issue

Our Company is proposing the public issue of upto 45,00,000 Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ [●]/- per Equity Share including a share premium of ₹ [●]/- per Equity Share aggregating up to ₹ [●] lakhs, of which [●] Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ [●]/- per Equity Share including a share premium of ₹ [●]/- per Equity Share aggregating to ₹ [●] lakhs will be reserved for subscription by Market Maker to the Issue (the “**Market Maker Reservation Portion**”). The Issue less the Market Maker Reservation Portion i.e. Net issue of [●] Equity Shares of face value of ₹ 10/- each at a price of ₹ [●]/- per Equity Share including a share premium of ₹ [●]/- per Equity Share aggregating to ₹ [●] lakhs is herein after referred to as the “**Net Issue**”. The Issue and the Net Issue will constitute [●] % and [●]%, respectively, of the post issue paid up Equity Share capital of our Company. The face value of the Equity Shares is ₹ 10/- each.

The price band will be decided by our company in consultation with the book running lead manager (“**BRLM**”) and will be advertised in [●] editions of [●] (a widely circulated English national daily newspaper) and [●] editions of [●] (a widely circulated Hindi national daily newspaper, Hindi being the regional language of Delhi, where our Registered Office is located), each with wide circulation, at least 2 (two) working days prior to the bid/ issue opening date with the relevant financial ratios calculated at the Floor Price and the Cap Price and shall be made available to the Emerge platform of National Stock Exchange of India Limited (“**NSE Emerge**”, referred to as the “**Stock Exchange**”) for the purpose of uploading on their website for further details kindly refer to chapter titled “*Terms of the issue*” beginning on page 256 of this Draft Red Herring Prospectus.

#### 5. Objects of the Issue

The details of the proceeds of the Issue are set out in the following table:

(₹ in lakhs)

Sr. No.	Particulars	Estimate amount
1.	Gross Proceeds from the Issue	[●]
2.	(Less) Issue related expenses	[●]
	<b>Total</b>	<b>[●]</b>

\* To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

#### 6. Utilization of Net Issue Proceeds

The details of the utilisation of Net Proceeds of the Issue are set out in the following table:

(₹ in lakhs)

Sr. No.	Particulars	Estimated amount
1.	Prepayment or repayment of all or a portion of certain loans availed by our Company	Upto 600.00
2.	Funding of working capital requirements of our Company	Upto 4,400.00
3.	General corporate purposes <sup>(1)(2)</sup>	[●]

<sup>(1)</sup>To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC.

<sup>(2)</sup>The amount to be utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

For further details, please see chapter titled “*Objects of the Issue*” beginning on Page No. 82 of this Draft Red Herring Prospectus.

#### 7. Aggregate Pre Issue Shareholding of Promoters and Promoter Group

Following are the details of the pre-Issue shareholding of Promoters:

Sr. No.	Name of the Shareholders	Pre-Issue		Post – Issue*	
		Number of Equity Shares	% of Pre-Issue Equity Share Capital	Number of Equity Shares	% of Post-Issue Equity Share Capital
<b>Promoters</b>					

Sr. No.	Name of the Shareholders	Pre-Issue		Post – Issue*	
		Number of Equity Shares	% of Pre-Issue Equity Share Capital	Number of Equity Shares	% of Post-Issue Equity Share Capital
1.	Rajendra Ravi Shanker Mishra	1,15,37,828	98.50%	1,15,37,828	[•]
2.	Jyotsna Jawahar	62	0.00%	62	[•]
<b>Total</b>		<b>1,15,37,890</b>	<b>98.50%</b>	<b>1,15,37,890</b>	<b>[•]</b>

\* to be updated in the Prospectus

As on date of this Draft Red Herring Prospectus, the members of our Promoter Group do not hold any shareholding in our Company.

For further details, please refer to the chapter titled “*Capital Structure*” beginning on Page No. 72 of this Draft Red Herring Prospectus.

## 8. Summary of Financial Information

Following are the details as per the Restated Financial Information as at and for the nine month period ended December 31, 2023 and as at and for the Financial Years ended on March 31, 2023, March 31, 2022 and March 31, 2021:

(₹ in lacs, except share data)

S. No.	Particulars	Nine month period ended December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1.	Share Capital	186.10	186.10	186.10	136.10
2.	Net Worth	2,115.52	1,229.00	763.00	500.69
3.	Revenue from operations	10,606.56	8,188.68	6,524.53	5,744.10
4.	Profit after Tax	886.52	466.00	212.31	136.01
5.	Earnings per Share	7.68	4.04	1.84	1.23
6.	Net Asset Value per equity share	18.33	10.65	6.61	4.54
7.	Total borrowings	3,248.88	1,782.29	862.87	985.27

For further details, please refer to the section titled “*Financial Information*” beginning on Page No. 188 of this Draft Red Herring Prospectus.

## 9. Auditor qualifications which have not been given effect to in the Restated Financial Information

The Restated Financial Information do not contain any qualifications by the Statutory Auditors.

## 10. Summary of Outstanding Litigation

A summary of the pending tax proceedings and other material litigations involving our Company, our Promoters, our Directors and our Group Companies is provided below:

### a) Litigations involving our Company

#### i) *Cases filed against our Company:*

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	5	7.03
Indirect Tax matters	1	34.71
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil

#### ii) *Cases filed by our Company:*

Nature of Litigation	Number of matters outstanding	Amount involved (₹ in lakhs)
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil

<b>Nature of Litigation</b>	<b>Number of matters outstanding</b>	<b>Amount involved (₹ in lakhs)</b>
Material civil litigations	Nil	Nil

**b) Litigations involving our Directors**

*i) Cases filed against our Directors:*

<b>Nature of Litigation</b>	<b>Number of matters outstanding</b>	<b>Amount involved (₹ in lakhs)</b>
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil

*ii) Cases filed by our Directors:*

<b>Nature of Litigation</b>	<b>Number of matters outstanding</b>	<b>Amount involved (₹ in lakhs)</b>
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Material civil litigations	Nil	Nil

**c) Litigations involving our Promoters**

*i) Cases filed against our Promoters:*

<b>Nature of Litigation</b>	<b>Number of matters outstanding</b>	<b>Amount involved (₹ in lakhs)</b>
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil

*ii) Cases filed by our Promoters:*

<b>Nature of Litigation</b>	<b>Number of matters outstanding</b>	<b>Amount involved (₹ in lakhs)</b>
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Material civil litigations	Nil	Nil

**d) Litigations involving our Group Companies**

*i) Cases filed against our Group Companies:*

<b>Nature of Litigation</b>	<b>Number of matters outstanding</b>	<b>Amount involved (₹ in lakhs)</b>
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Actions taken by regulatory authorities	Nil	Nil
Material civil litigations	Nil	Nil

*ii) Cases filed by our Group Companies:*

<b>Nature of Litigation</b>	<b>Number of matters outstanding</b>	<b>Amount involved (₹ in lakhs)</b>
Criminal matters	Nil	Nil
Direct Tax matters	Nil	Nil
Indirect Tax matters	Nil	Nil
Material civil litigations	Nil	Nil

For further details, please refer to the chapter titled “*Outstanding Litigations and Material Developments*” beginning on Page No. 238 of this Draft Red Herring Prospectus.

## 11. Risk Factors

Please refer to the section titled “Risk Factors” beginning on Page No. 26 of this Draft Red Herring Prospectus.

## 12. Summary of Contingent Liabilities

As per the Restated Financial Information as at and for the nine months period ended December 31, 2023 and as at and for the Financial Years ended on March 31, 2023, 2022 and 2021, following is the detail of contingent liabilities of our Company:

Particulars	For the year ended			
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
TDS Demand	7.03	7.03	5.52	2.32
DVAT Demand 2012-13 to 2017-18	34.71	34.71	34.71	34.71

(₹ in lakhs)

For further details, kindly refer “Restated Financial Information –Note 27 – Related Party Disclosures pursuant to Accounting Standard - 18” from the chapter titled “Restated Financial Information” on Page No. 188 of this Draft Red Herring Prospectus.

## 13. Summary of Related Party Transactions

As per the Restated Financial Information as at and for the nine months period ended December 31, 2023 and as at and for the Financial Years ended on March 31, 2023, 2022 and 2021, following are the details of the related party transactions of our Company:

### 1. Names of the related parties with whom transaction were carried out during the years and description of relationship:

- a) Entities owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise:
1. Limitless Mobility Solutions Pvt Ltd
  2. Osel Technology Pvt Ltd
  3. Osel Technology Inc
- b) Key Managerial Personnels:
1. Rajendra Ravi Shanker Mishra, Managing Director
  2. Jyotsna Jawahar, Whole Time Director
  3. Jyotsna Jawahar, CFO (appointed as on 17.01.2024)
  4. Mukesh Kumar Sinha, Whole Time Director (appointed as on 01.12.2023)
  5. Sandeep Kumar, Company Secretary (appointed as on 17.01.2024)
  6. Saurav Upadhyay, Director (appointed as on 16.01.2024)
  7. Hitu Gambhir Mahajan, Director (appointed as on 16.01.2024)
  8. Sreerama Murthy Garuda, Director (appointed as on 16.01.2024)

### 2. Transaction with Key Management Personnel/Directors

Sr. No.	Nature of Transaction	As at			
		31 December 2023	31 March 2023	31 March 2022	31 March 2021
1	<b>Remuneration</b> Rajendra Ravi Shanker Mishra	45.00	24.00	10.00	10.00
2	<b>Purchase</b> Osel Technology Pvt Ltd	2491.08	415.62	-	-

3	<b>Sales</b>				
	Limitless Mobility Solutions Pvt Ltd	-	-	90.15	193.34
4	<b>Loan/Advances Taken</b>				
	Limitless Mobility Solutions Pvt Ltd	-	-	-	407.24
	Rajendra Ravi Shanker Mishra	26.87	83.58	-	-
5	<b>Business Advances Given</b>				
	Limitless Mobility Solutions Pvt Ltd	137.85	-	41.35	-
	Osel Technology Inc	71.84	-	-	-
6	<b>Loan/Advances Repaid</b>				
	Limitless Mobility Solutions Pvt Ltd	-	-	145.00	-
	Rajendra Ravi Shanker Mishra	10.62	9.44	-	-
7	<b>Repayment of Advances given</b>				
	Limitless Mobility Solutions Pvt Ltd	-	6.96	-	-
8	<b>Amount Received from Debtors</b>				
	Limitless Mobility Solutions Pvt Ltd	-	90.15	-	-

### 3. Balances Outstanding at the end of the Year

Sr. No.	Particulars	31 December 2023	As at 31 March 2023	31 March 2022	31 March 2021
1	<b>Creditors</b>				
	Osel Technology Pvt Ltd	1766.78	406.12	-	-
2	<b>Debtors</b>				
	Limitless Mobility Solutions Pvt Ltd	-	-	90.15	-
3	<b>Advances received</b>				
	Limitless Mobility Solutions Pvt Ltd	-	-	-	145.00
4	<b>Advances given</b>				
	Limitless Mobility Solutions Pvt Ltd	172.23	34.39	41.35	-
	Osel Technology Inc	71.81	-	-	-
5	<b>Loan Taken from Director</b>				
	Rajendra Ravi Shanker Mishra	90.37	74.13	-	-

For further details, kindly refer “Restated Financial Information –Note 27 – Related Party Disclosures pursuant to Accounting Standard - 18” from the chapter titled “Restated Financial Information” on Page No. 188 of this Draft Red Herring Prospectus.

### 14. Financials Arrangements

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



**15. Weighted Average Price of the Equity Shares acquired by our Promoters in the last one year preceding the date of this Draft Red Herring Prospectus**

The details of the weighted average price of the Equity Shares acquired by our Promoters in the last one year preceding the date of this Draft Red Herring Prospectus is as follows:

Name of Promoter	No. of shares acquired in last one year from the date of this Draft Red Herring Prospectus	Weighted Average Price (in ₹)
Rajendra Ravi Shanker Mishra	96,76,888	NIL*
Jyotsna Jawahar	52	NIL*

\* Acquired through Bonus Issue

**16. Average Cost of Acquisition of Equity Shares for Promoters**

The average cost of acquisition of Equity Shares for the Promoters is as follows:

Name of Promoter	No. of shares held	Average Cost of Acquisition (in ₹)
Rajendra Ravi Shanker Mishra	1,15,37,828	1.61
Jyotsna Jawahar	62	1.61

**17. Pre-IPO Placement**

Our Company has not undertaken a pre-IPO placement.

**18. Issue of equity shares made in last one year for consideration other than cash**

Except as stated below, our Company has not issued shares for consideration other than cash during last one year:

Date of allotment	Number of equity shares allotted	Face Value	Issue Price	Nature of allotment	Benefit accrued to our Company	Source out of which bonus shares issued
February 24, 2024	96,77,200	10	Consideration other than cash	Bonus issue in the ratio of fifty two (52) new equity share for every ten (10) Equity Share held on February 20, 2024 authorized by our Board, pursuant to a resolution passed at its meeting held on February 20, 2024 and by our shareholders pursuant to a resolution passed at the EGM held on February 20 2024. <sup>(1)</sup>	Nil	General Reserves Account

<sup>(1)</sup>For details in respect of the allottees, please refer to "Capital Structure - Share Capital History of our Company - Equity Share Capital" on page 73.

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

There has not been a split or consolidation of Equity Shares in the last one year.

**20. Exemption from complying with any provisions of securities laws, if any, granted by SEBI**

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

### **SECTION III – RISK FACTORS**

*An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. The risks described below are not the only ones relevant to us, our Equity Shares, the industry or the segment in which we operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may arise or may become material in the future and may also impair our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and as prospective investors, you may lose all or part of your investment. You should consult your tax, financial and legal advisors about particular consequences to you of an investment in this Issue. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.*

*To obtain a complete understanding, you should read this section in conjunction with the sections “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 102, 124 and 227 of this Draft Red Herring Prospectus, respectively. The industry-related information disclosed in this section that is not otherwise publicly available is derived from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.*

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

*Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context requires otherwise, the financial information of our Company has been derived from the Restated Financial Information.*

#### **Materiality:**

*The Risk Factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality of Risk Factors:*

- *Some events may not be material individually but may be found material collectively;*
- *Some events may have material impact qualitatively instead of quantitatively; and*
- *Some events may not be material at present but may have a material impact in future.*

*The financial and other related implications of risks concerned, whether quantifiable have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence, the same has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.*

*In this Draft Red Herring Prospectus, any discrepancies in any table between total and sums of the amount listed are due to rounding off.*

*In this section, unless the context requires otherwise, any reference to “we”, “us” or “our” refers to Osel Devices Limited.*

*The risk factors are classified as under for the sake of better clarity and increased understanding.*

#### **INTERNAL RISK FACTORS**

## **BUSINESS RELATED RISKS**

- 1. Our commercial success is largely dependent upon our ability to develop and design innovative products suitable for the requirements of our customers. Our inability to effectively utilize and manage our ability to develop and design innovative products would impact our business, revenue and profitability.***

We are engaged in manufacturing LED display and Hearing Aids. We manufacture LED display for diverse customers engaged in various industries. Further, our hearing aids are manufactured for Artificial Limbs Manufacturing Corporation of India. To ensure that we supply quality products which meet the applicable standards, we have set up a Research and Development facility (“**R&D facility**”), which consists of our quality assurance and quality control teams who check and conduct various tests in our ‘in-house laboratory’ on the raw materials and our products at various stages starting from receiving of raw materials to the finished products manufactured by us. Our ability to develop innovative products suitable for the requirement of our customers is highly dependent on effective functioning of our R&D Facility. Since, we cater to manufacturers of various industries we need to continuously design and develop LED products which are suitable for the requirements and end usage of our customers in each industry. Furthermore, we intend to expand our customer base and product portfolio by catering to diverse industries domestically and internationally. In order to continuously improve our existing product portfolio and develop innovative and diverse applications in various industries, our R&D Facility would have to innovate and design LED products and hearing aid suitable for the specific requirements of each of our customers. We might have to invest a large amount of our resources and funds in our R&D Facility to ensure that we continue to provide diverse application of our products to our customers and are able to meet their customized demands of our products. We might have to allocate a major portion of the revenue or profits earned by our Company towards upgradation and efficient functioning of our laboratories in our R&D Facility and hiring qualified personnel, which may skew the resource allocation from other business activities, and possibly impacting our revenues and profitability.

In the event we are unable to effectively manage our R&D Facility or fail to integrate all the units and divisions in our business model, we might not be able to satisfy all the requirements of our customers which may impact our customer base and our ability to retain and efficiently serve our customers. The inability of our R&D Facility to develop innovative and multifarious LED displays for various industries could impede the growth of our product portfolio and our ability to function in diverse industries, thereby impacting our business operations and diverse customer base. Further, there is a constant change ongoing in the hearing aid industry, wherein hidden hearing aids and other technologically advanced products are developed and sold in the market. In the event, our R&D Facility is unable to keep up with these changes and upgrade our products and offering, we may not remain relevant in the industry, and our competitors may offer better solutions to our customers. If we fail to continue to provide integrated and complete LED and hearing aid offerings, we might have to outsource services from third parties to carry out functions of our business model and provide appropriate services and products to our customers, which could result in increased costs in manufacturing our products, consequently forcing us to shift the burden of these costs to our customers, thereby affecting our cost competitiveness and financial condition. Therefore, the commercial success of our business is highly dependent on our ability to develop and design innovative products with diverse applications in various industries and provide an end to end display and hearing experience to our customers. Our failure to successfully develop and design innovative products for new industries or find new applications for our existing products could adversely affect our business, prospects, results of operations and financial condition.

- 2. Our Company is reliant on the demand from the healthcare industry for a significant portion of our revenue. Any downturn in the healthcare industry or an inability to increase or effectively manage our sales could have an adverse impact on our Company’s business and results of operations.***

We manufacture latest hearing aids commonly known as assisted healthcare devices. Our hearing aid are designed to support individuals with disabilities, elderly person and chronic patients, who are having low hearing level, in performing everyday activities more effectively to enhance quality of life. Our major customer for hearing aid is Artificial Limbs Manufacturing Corporation of India. We manufacture Digital Programmable and Non-Programmable Hearing Aids. Accordingly, our revenue of operations for our hearing aid products is significantly dependent upon the success of the healthcare industry or preventive healthcare industry. Our revenues are highly dependent on our customers from the healthcare industry and the loss of any of our customers from any industry which we cater to may adversely affect our sales and consequently on our business and results of operations.

In the event, our customers substitute our products with that of our competitors due to difference in price or quality of the products, it may have an adverse impact on the demand for our products. Similarly, in the event our competitors who are larger than us or develop alliances to compete against us may be able to improve the efficiency of their

manufacturing process or their distribution or raw materials sourcing process and thereby offer high quality products at lower price and our Company may be unable to adequately react to such developments which may affect our revenues and profitability. Furthermore, our competitors may be able to with-stand industry downturns better than us or provide customers with products at more competitive prices; thereby impacting our revenues and profitability adversely.

3. ***The commercial success of our products depends to a large extent on the success of the products of our end use customers. If the demand for the end use products in which our products are used as a raw materials declines, it could have a material adverse effect on our business, financial condition and results of operations.***

The products manufactured and supplied by us are primarily utilized as LED display solutions for various applications like indoor display for retail, corporate settings, public events, pub & entertainment, marketing *etc.* Our customers are mainly manufacturers functioning in the diverse industries. Our key customers includes well known brands in the entertainment, healthcare, lifestyle and education industries. Further, we also sell our LED display solutions to a large extent to State Government and Central Government bodies. For further details, please refer to the chapter titled “*Our Business*” at page 124 of this Draft Red Herring Prospectus.

The demand of our products is directly proportional to the demand of the products of our customers who use our products to market their products and services. Therefore, the commercial success of our business is highly dependent on the commercial viability, demand and success of the end use products of our customers. Any downturn in the demand of such products could have a direct impact on the demand of our products and our business operations. Any disturbance in the industry in which our customers supply their end use products could adversely impact our business due to our high dependence on our customers. A reduction in the demand, development and production activities in the industries in which the end use products of our customers are supplied to, may correspondingly cause a decline in the demand for our products due to a slump in the business activities of our customers. Alternatively, in the event our customers devise another cost effective method to market and sell their products or if our customers are able to find a cheaper alternative for our products, it could conversely result in a reduction in the demand of our products and have a material adverse effect on our business, financial condition and results of operations.

We cannot assure you that we will be develop and innovate diverse applications of our products in various industries to diversify and bifurcate our business risk in a systematic manner and counter effect the failure of one industry to avoid an impact on our business operations. We also cannot assure you that we will be able to provide cost effective and quality products to our customers, which would deter them from approaching our competitors to substitute our products at lower prices. Our failure to effectively react to these situations or to successfully introduce new products or new applications for our existing products could adversely affect our business, prospects, results of operations and financial condition.

4. ***We depend on a few customers of our products, for a significant portion of our revenue, and any decrease in revenues or sales from any one of our key customers may adversely affect our business and results of operations.***

We are engaged in manufacturing LED display and Hearing Aids. We are dependent upon our relationship with our key customers. As part of our business model, we manufacture products as per the specification of our customers, which helps us improve of our offerings and achieve overall efficiencies. A break up of the revenue earned by our Company from top five and top ten customers during the period ended December 31, 2023, and the preceding three Fiscals ended 2023, 2022 and 2021 are as under:

Particulars	December 31, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount	Amount	Amount	Percentage (%)	Amount	Percentage (%)	Amount	Percentage (%)
Top 10 customers	9,832.68	92.70%	7,687.99	93.89%	6,391.50	97.96%	5,577.13	97.09%
Top 5 customers	8,729.47	82.30%	6,447.18	78.73%	5,743.48	88.03%	5,060.36	88.09%

Our business operations are highly dependent on our customers, which we cater to and the loss of any of our customers from any industry which we cater to may adversely affect our sales and consequently on our business and results of operations.

While we typically have long term relationships with our customers, we have not entered into long terms agreements with our customers and the success of our business is accordingly significantly dependent on us maintaining good relationships with our customers and suppliers. The actual sales by our Company may differ from the estimates of our management due to the absence of long term agreements. The loss of one or more of these significant or key

customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic levels of business and/or negotiate and execute long term contracts on terms that are commercially viable with our significant customers or that we will be able to significantly reduce customer concentration in the future.

Further, neither do we have any exclusive agents, dealers, distributors nor have we entered into any agreements with any of the market intermediaries for selling or marketing our products. If there occurs any change in the market conditions, requirements of our customers, or if we fail to identify and understand evolving industry trends, preferences or fail to meet our customers' demands, it might have a direct impact on our revenue and customer base. The inability to procure new orders on a regular basis or at all may adversely affect our business, revenues, cash flows and operations.

**5. We generate our major portion of sales from our operations in certain geographical regions. Any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.**

We generate major sales from our customers situated at select geographical regions. Such geographical concentration of our business in these regions heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in these regions which may adversely affect our business prospects, financial conditions and results of operations. The table sets forth below revenue earned by our Company by offering services in various states as a percentage of our revenue from operations during the period indicated:

(₹ in lakhs)

State	December 31, 2023		2023		2022		2021	
	Value	%	Value	%	Value	%	Value	%
Delhi	4,536.11	42.77%	4,477.31	54.68%	3,425.50	52.50%	2,465.63	42.92%
Uttar Pradesh	3,483.96	32.85%	3,188.93	38.94%	2,109.30	32.33%	2,877.70	50.10%

Existing and potential competitors to our businesses in these states may increase their focus on these states. The concentration of our operations heightens our exposure to adverse developments related to competition, as well as economic, political, demographic and other changes, which may adversely affect our business prospects, financial conditions and results of operations. While we strive to geographically diversify our product portfolio and reduce our concentration risk, we cannot assure you that adverse developments associated with the region will not impact on our business. If we are unable to mitigate the concentration risk, we may not be able to develop our business as planned and our business, financial condition and results of operation could be adversely affected.

This concentration of business subjects us to various risks, including but not limited to:

- (i) vulnerability to change in laws, policies and regulations of the political and economic environment;
- (ii) perception by our potential customers that we are a regional company which hampers us from competing for large and complex projects at the national level; and
- (iii) limitation on our ability to implement the strategy to cluster projects in the states where we intend to conduct business.

Further, any significant interruption to our operations directly or indirectly as a result of any severe weather or other natural disasters could materially and severely affect our business, financial condition and results of operations. Similar adverse consequences could follow if war, or war-like situation were to prevail or terrorist attacks, etc. In such instance, we may have to completely halt our operations which may severely impact our business operations. Any such disruption for any reason could result in significant increase of costs and delays in execution of orders.

Factors such as competition, culture, regulatory regimes, business practices and customs, industry needs, transportation, in other markets where we may expand our operations may differ from those in such regions, and our experience in these regions may not be applicable to other markets. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national players, but also local players who might have an established local presence, are more familiar with local regulations, business practices and industry needs, have stronger relationships with local distributors, dealers, relevant government authorities, suppliers or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into areas outside our present geographical regions may adversely affect our business prospects, financial conditions and results of operations. While our management believes that our Company has requisite expertise and vision to grow and mark its presence in other markets going forward, investors should consider our business and prospects in light of the risks, losses and challenges that we may face and should not rely on our results of operations for any prior periods as an indication of our future

performance. While such instances have not materially occurred in the past, however future occurrence of any such instances could impact our earnings, financial condition and results of operation.

**6. Our Company had negative cash flows in the past years, details of which are given below. Sustained negative cash flow could impact our growth and business.**

We have experienced negative cash flows in the past which have been set out below:

Particulars	For the period ended December 31, 2023	For the year ended March 31,		
		2023	2022	2021
Net Cash from Operating Activities	301.33	(1,068.19)	256.66	(333.25)
Net Cash from Investing Activities	(1,270.96)	(166.34)	2.50	20.05
Net Cash used in Financing Activities	1,209.11	805.89	(182.43)	502.40

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans, and make new investments without raising finance from external resources. Such negative cash flows lead to a net decrease in cash and cash equivalents. Any negative cash flow in future could adversely affect our operations and financial conditions and the trading price of our Equity Shares. For further details, please refer “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 188 and 227, respectively.

**7. We have a limited operating history in respect of our products, which may make it difficult for investors to evaluate our business and prospects.**

In the year 2019, our Company had started manufacturing, marketing and selling of LED Displays and hearing aids. The table below sets forth a break-up of the segment wise revenue earned by our Company during the period ended December 31, 2023, and the preceding three Fiscals ended 2023, 2022 and 2021:

Segments	December 31, 2023		March 31, 2023		March 31, 2022		March 31, 2021	
	(₹ in lakhs)	As a % of total Revenue	(₹ in lakhs)	As a % of total Revenue	(₹ in lakhs)	As a % of total Revenue	(₹ in lakhs)	As a % of total Revenue
Revenue from Hearing Aids	6,383.25	60.18%	6,339.03	77.41%	2,699.24	41.37%	4,167.75	72.55%
Revenue from LED Display	4,223.31	39.82%	1,849.65	22.59%	3,825.29	58.63%	1,576.65	27.45%
<b>Total</b>	<b>10,606.56</b>	<b>100.00%</b>	<b>8,188.68</b>	<b>100.00%</b>	<b>6,524.53</b>	<b>100.00%</b>	<b>5,744.40</b>	<b>100.00%</b>

We have a limited operating history of manufacturing and selling of LED Displays and hearing aids. Due to our limited operating history, the investors may not be able to evaluate our business, future prospects and viability. Further, on account of our operating history, we may not have sufficient experience to address the risks relating to providing the aforementioned services. Additionally, at an early stage, we may not be able identify risks involved in such operations and therefore could fail to achieve timely fulfillment of orders and the quality requirements of our services. While, we have sufficient orders for execution in our service segment, we cannot assure you that we shall be able to execute the orders in a timely manner, without raising any product/service liability claims. Additionally, we may face challenges in planning and forecasting accurately as a result of our limited historical data and inexperience in implementing and evaluating our business strategies. Our inability to successfully address these risks, difficulties and challenges as a result of our inexperience and limited operating history may have a negative impact on our ability to implement our strategic initiatives, which may have an adverse effect on our business, prospects, financial condition and results of operations.

**8. A part of the Issue proceeds will be utilized by our Company for repayment or prepayment of loans availed by our Company.**

One of the Objects of this Issue is to repay or pre pay the Secured loans amounting to ₹ 600.00 lakhs availed by our Company from Indian Bank Limited. These loans have been utilized by our Company towards purchase of property for the new office and manufacturing facility of the Company which is under construction. Out of the Issue proceeds, we intend to utilize ₹ 600.00 lakhs for repayment or pre-payment of loans availed by our Company. Therefore,

utilization of a portion of the Net Proceeds would not result in creation of any tangible assets for our Company. For further details, please see the chapter titled “*Objects of the Issue*” beginning on page 82 of this Draft Red Herring Prospectus.

**9. We import majority of our raw materials from China. Any inability to pass on increased price of the key raw materials, used for manufacturing our products may affect our profitability.**

The details of the raw materials required for manufacturing our products along with the source of such raw materials have been provided below:

S. No.	Raw Material	Source
<b>LED Display System</b>		
1.	LED Module	The module required for our manufacturing our products are sourced from China. This is not domestically manufactured.
2.	RGB SMD 3 in 1 LED	The RGB SMD 3 in 1 LED required for our manufacturing our products are sourced from China. This is not domestically manufactured.
3.	Alloy Die Cast Cabinet	The Alloy Die Cast Cabinet required for our manufacturing our products are sourced from domestic market from Delhi NCR region and imported from China.
4.	Switch Mode Power Supply	The Switch Mode Power Supply required for our manufacturing our products are sourced from China. This is not domestically manufactured.
5.	Controller / Driver	The Controller / Driver required for our manufacturing our products are sourced from China. This is not domestically manufactured.
<b>Hearing Aids</b>		
1.	Balanced Armature Receiver	The Balanced Armature Receiver required for our manufacturing our products are sourced from China. This is not domestically manufactured.
2.	MEMS Microphone	The MEMS Microphone required for our manufacturing our products are sourced from China. This is not domestically manufactured.
3.	DSP Amplifier assembly	The DSP Amplifier assembly required for our manufacturing our products are sourced from China. This is not domestically manufactured.
4.	T-Coil	The T-Coil required for our manufacturing our products are sourced from China. This is not domestically manufactured.
5.	Zinc air Batteries	The T-Coil required for our manufacturing our products are sourced from China. This is not domestically manufactured.
6.	Housing Kit	The Housing Kit required for our manufacturing our products are sourced from domestic market from Delhi NCR region and imported from China.

We import majority of our products from China from various suppliers, therefore we are dependent upon smooth trade relations between India and China. In view of the ongoing clashes between both the countries, if any of the countries decide to restrict or all together halt the trade, our products would be adversely impacted. Further, in the event any policy is adopted which increases the import duty on the goods purchased from China, our raw materials may become costlier and less economic for us. In addition to above, the availability and price of our raw materials may be subject to a number of factors beyond our control, including economic factors, seasonal factors, environmental factors and changes in government policies and regulations, including those relating to the LED and hearing aid industry in general.

We have not entered into long term contracts with our suppliers and prices for raw materials are normally based on the quotes we receive from various suppliers. Since we have no formal arrangements with our suppliers, they are not contractually obligated to supply their products to us at reasonable prices and may choose to sell their products to our competitors. Non-availability or inadequate quantity of raw material could also impact the cost of polymers required by us for manufacturing our finished products.

We do not have an understanding or formal agreements executed with our customers, wherein we have mutually agreed to pass on any increase in the cost of raw materials to our customers. In the event, we are unable to account the increased cost of raw materials in the cost of our products, our financial condition and result of operations would be severely impacted. We cannot assure you that we will always be able to meet our raw material requirements at prices acceptable to us, or at all, or that we will be able to pass on any increase in the cost of raw materials to our customers. Our inability to pass on the increased costs of raw materials to our customers in future, may affect our profitability.

- 10. *We highly depend on our key raw material and a few key suppliers who help us procure the same. Our Company has not entered into long-term agreements with its suppliers for supply of raw materials. In the event we are unable to procure adequate amounts of raw materials, at competitive prices our business, results of operations and financial condition may be adversely affected.***

We are engaged in manufacturing LED display and Hearing Aids. We are highly dependent on few raw materials which form primary component of our manufacturing process. Thus, if we experience significant increase in demand, or need to replace an existing supplier, we cannot assure you that we will be able to meet such demand or find suitable substitutes, in a timely manner and at reasonable costs, or at all. Further, majority of our supplier are in China, therefore on account of a language barrier and the restriction on travel imposed between the countries, we may not be able to replace our suppliers in a timely manner.

We depend on a number of suppliers for procurement of raw materials required for manufacturing our products. In Our Company maintains a list of registered and unregistered suppliers from whom we procure the materials on order basis as per our internal demand projections. We have not entered into long term contracts with our suppliers and prices for raw materials are normally based on the quotes we receive from various suppliers. Since we have no formal arrangements with our suppliers, they are not contractually obligated to supply their products to us and may choose to sell their products to our competitors. Non-availability or inadequate quantity of raw material or use of substandard quality of the raw materials in the manufacture of our products, could have a material adverse effect on our business. Further, any discontinuation of production by these suppliers or a failure of these suppliers to adhere to the delivery schedule or the required quality and quantity could hamper our manufacturing schedule. There can be no assurance that strong demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of raw materials to us. Further, we cannot assure you that our suppliers will continue to be associated with us on reasonable terms, or at all. Since our suppliers are not contractually bound to deal with us exclusively, we may face the risk of our competitors offering better terms to such suppliers, which may cause them to cater to our competitors alongside us.

Further, the amount of raw materials procured and the price, at which we procure such materials, may fluctuate from time to time. In addition, the availability and price of our raw materials may be subject to a number of factors beyond our control, including economic factors, seasonal factors, environmental factors and changes in government policies and regulations, including those relating to the LED and hearing aid industry in general. We cannot assure you that we will always be able to meet our raw material requirements at prices acceptable to us, or at all, or that we will be able to pass on any increase in the cost of raw materials to our customers. Further, we also cannot assure you with a reasonable certainty that the raw materials that we would procure in the future will not be defective. In the absence of formal agreements, should we receive any defective raw materials, we may not be in a position to recover any advance payments made or claim compensation from our suppliers consequently increasing the manufacturing costs and/or reducing the realization of our finished products. Any inability on our part to procure sufficient quantities of raw materials, on commercially acceptable terms, may lead to a decline in our sales volumes and profit margins which could adversely affect our business, results of operations and financial condition.

- 11. *Our Group Company is engaged in a similar line of business as our Company and may compete with us.***

Our Group Companies, OSL Technologies Private Limited and Limitless Mobility Solutions Private Limited, are engaged in the same business as our Company, and may have common pursuits with our Company. We cannot assure you that there will be no conflict of interest in allocating business opportunities between us and our Group Company going forward. While, there is currently no active conflict between our Group Company and our Company, however we cannot assure you that there will not be any conflict of interest in allocating business opportunities between us and our Group Company going forward. We have not entered into any non-compete agreement with our Group Company, and there can be no assurance that our Group Company will not compete with our existing business or that we will be able to suitably resolve any such conflict without an adverse effect on our business and financial performance.

- 12. *We also provide our products to various public sector units and undertakings which exposes us to risks inherent in doing business with them and may adversely affect our business, results of operations and financial condition.***

We sell our LED products and hearing aids majorly to public sector units or enterprises, such as, Artificial Limbs Manufacturing Corporation of India, Akashwani Bhavan, National Aluminium Company Limited. Our word orders and payments may be subject to delays that may arise on account of a change in the Central and/or State Governments, changes in policies impacting the public at large, scaling back of Government policies or initiatives, changes in



governmental or external budgetary allocation, or insufficiency of funds, withdrawal of sanction by multi-lateral agencies any of which can materially and adversely affect our business, financial condition and results of operations.

Further, payments from PSUs in India may be subject to several delays due to regulatory scrutiny and long procedural formalities, including any audit by the Comptroller and Auditor General of India. If payments under our work orders with PSUs are delayed, our working capital requirements would be adversely affected, resulting in additional finance costs and increase in our realization cycle. Any delay in payments from the central, state and local governmental authorities in India may adversely affect our financial condition and results of operations.

**13. We typically do not have firm commitment with our customers. If our customers choose not to source their requirements from us, there may be a material adverse effect on our business, financial condition, cash flows and results of operations.**

While we have long term relationships with our customers, we typically do not enter into long term agreements with our customers and the success of our business is accordingly significantly dependent on us maintaining good relationships with our customers. We generally rely on purchase orders issued by our customers from time to time that set out the price of our offerings. Pursuant to the purchase order, our customers provide us the quantities of units of the products. Further, we also bid for certain of our orders in relation to our work orders with our public sector customers on a tender basis. Work orders on a tender basis are typically awarded to us based on following a competitive bidding process, work orders executed with our customers which govern the bidding process and other terms and conditions prescribed by our customers. While track record, experience of execution and service quality are important considerations in awarding work orders, there can be no assurance that we would be able to meet such criteria. Additionally, in the event we are unable to execute work orders in accordance with the requirements of our customers, the terms and conditions of the bidding process, entitle our customers to take adverse actions against us, including but not limited to imposing penalties and blacklisting us from participating in the bidding process. Further, once prospective bidders satisfy the bidding requirements of the tender, the work order is usually awarded on the basis of price competitiveness of the bid. We cannot assure you that submission of a bid would result in work orders being awarded to us.

Due to the absence of long term agreements with our customers, the actual sales by our Company may differ from the estimates of our management. The loss of one or more of these significant or key customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic levels of business and/or negotiate and execute long term contracts on terms that are commercially viable with our significant customers or that we will be able to significantly reduce customer concentration in the future. In the absence of formal agreements, if our customers arbitrarily terminate work orders or fail to make payment towards the services offered by us, we may not be in a position to claim compensation. We cannot assure you that such customers shall fulfil their obligations under such agreements entirely, or at all, shall not breach certain terms of their arrangements with us, including with respect to payment obligations or shall not choose to terminate their arrangements with our Company. While there have been no instances in the past, wherein our Company had to initiate legal proceedings against such customers, however we cannot assure you that such instances will not occur in the future and will not adversely affect our business, results of operations and financial condition.

**14. There have been instances of delays in payment of statutory dues, i.e. GST by the Company. In case of any delay in payment of statutory due in future by our Company, the Regulatory Authorities may impose monetary penalties on us or take certain punitive actions against our Company in relation to the same which may have adverse impact on our business, financial condition and results of operations.**

In the past, there have been certain instances of delays in payment of statutory dues, i.e. GST, by the Company. The details of the delay caused in payment of statutory dues have been provided below:

Delhi

Month	Due Date of filing	Date of Filing Return	Delay Period
March, 2024	20/04/2024	20/05/2024	30
October, 2023	20/11/2023	27/11/2023	7
September, 2023	20/10/2023	21/10/2023	1
August, 2023	20/09/2023	11/10/2023	21
July, 2023	20/08/2023	28/09/2023	39

Noida

Month	Due Date of filing	Date of Filing Return	Delay Period
March, 2024	20/04/2024	11/05/2024	21
January, 2024	20/02/2024	11/03/2024	20
December, 2023	20/01/2024	11/02/2024	22
November, 2023	20/12/2023	09/01/2024	20
October, 2023	20/11/2023	11/12/2023	21
September, 2023	20/10/2023	21/10/2023	1
August, 2023	20/09/2023	28/09/2023	8
July, 2023	20/08/2023	26/09/2023	37

#### Bangalore

April 2024	20/05/2024	21/06/2024	32
March 2024	20/04/2024	20/05/2024	30
November 2023	20/12/2023	21/12/2023	1
October 2023	20/11/2023	21/12/2023	31
August 2023	20/09/2023	11/10/2023	21
July 2023	20/08/2023	11/10/2023	52

The delays in GST payment has occurred due to delay in reconciliation of accounts with customers, delay is bill settlement and receipt of payment. Also, sometimes these delays were also due to administrative and technical issues on the portal during these periods.

Our Company has already made provisions in the financials of the Company for such delay payments. It cannot be assured, that there will not be such instances in the future or our Company will not commit any further delays or defaults in relation to payment of statutory dues. The happening of such event may cause imposition of fine / penalty which may have adverse effect on the results of our operations and financial position.

**15. *There have been instances of delays in filings of certain forms which were required to be filed as per the reporting requirements under the Companies Act, 2013 to RoC.***

In the past, there have been certain instances of delays in filing of certain statutory forms which have been subsequently filed by payment of an additional fee as specified by RoC. No show cause notice in respect to the above has been received by our Company till date and no penalty or fine has been imposed by any regulatory authority in respect to the same. It cannot be assured, that there will not be such instances in the future or our Company will not commit any further delays in relation to its reporting requirements, or any penalty or fine will not be imposed by any regulatory authority in respect to the same. The happening of such event may cause a material effect on our results of operations and financial position.

**16. *Our continued operations are critical to our business and any shutdown of our manufacturing unit may adversely affect our business, results of operations and financial condition.***

Our manufacturing facility is situated in Greater Noida having production capacity of 15,000 square feet of LED display per annum and 4,00,000 units of Hearing Aid per annum. As a result, any local social unrest, natural disaster or breakdown of services and utilities in these areas could have material adverse effect on the business, financial position and results of our operations. Our manufacturing unit is subject to operating risks, such as breakdown or failure of equipment, power supply or processes, performance below expected levels of efficiency, obsolescence, natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities.

In the event, we are forced to shut down our manufacturing unit for a prolonged period; it would adversely affect our earnings, our other results of operations and financial condition as a whole. Spiraling cost of living around our units may push our manpower costs in the upward direction, which may reduce our margin and cost competitiveness. In addition to the above if any of our manufacturing unit suffers losses as a result of any industrial accident, we may be forced to shut down our manufacturing unit which could result in us being unable to meet with our commitments, which will have an adverse effect on our business, results of operation and financial condition. Further, any contravention of or non-compliance with the terms of various regulatory approvals applicable to our manufacturing unit may also require us to cease or limit production until such non-compliance is remedied to the satisfaction of relevant regulatory authorities. We cannot assure you that we will not experience work disruptions in the future resulting from any dispute with our employees or other problems associated with our employees and the labor involved in our manufacturing unit, which may hinder our regular operating activities and lead to disruptions in our

operations, which could adversely affect our business, prospects, financial condition, cash flows and results of operations.

**17. Any failure in our quality control processes may adversely affect our business, results of operations and financial condition. We may face product liability claims and legal proceedings if the quality of our products does not meet our customers' expectations.**

Our products may contain certain quality issues or undetected errors, due to defects in manufacture of products or raw materials which are used in the products. We have implemented quality control processes for our raw materials and finished goods on the basis of internal and international quality standards. To ensure that we supply quality products which meet the applicable standards, we have set up a research and development facility which consists of our quality assurance and quality control teams who check and conduct various tests in our 'in-house laboratory' on the raw materials and our products at various stages starting from receiving of raw materials to the finished products manufactured by us. However, we cannot assure you that our quality control processes or our product will pass the quality tests and inspections conducted by various international and domestic agencies as per their prescribed standards will not fail. Any shortcoming in the raw materials procured by us or in the production of our products due to failure of our quality control procedures, negligence and human error or otherwise, may damage our products and result in deficient products. It is imperative for us to meet the international quality standards set by our international customers and agencies as deviation from the same could cause them to reject our products and can also cause damage to our reputation, market standing and brand value.

In the event the quality of our products is sub-standard or our products suffer from defects and are returned by our customers due to quality complaints, we might be compelled to take back the sub-standard products and reimburse the cost paid by our customers. Such quality lapses could strain our longstanding relationship with our domestic and international customers and our reputation and brand image may suffer, which in turn may adversely affect our business, results of operations and financial condition. Our customers may lose faith in the quality of our products and could in turn refuse to further deal in our products, which may have a severe impact on our revenue and business operations. We also face the risk of legal proceedings and product liability claims being brought against us by our customers for defective products sold. We cannot assure you that we may not experience any material product liability losses in the future or that we may not incur significant costs to defend any such claims. A product liability claim may adversely affect our reputation and brand image, as well as entail significant costs.

**18. Under-utilization of our manufacturing capacities may have an adverse effect on our business, future prospects and future financial performance.**

The success of any capacity investment and expected return on investment on capital expenditure is subject to, among other factors, the ability to procure requisite regulatory approvals in a timely manner; recruit and ensure satisfactory performance of personnel to further grow our business; and the ability to absorb additional infrastructure costs and develop new expertise. Our ability to maintain our profitability depends on our ability to optimize the product mix to support high-margin products and products with consistent long-term demand and the demand and supply balance of our products in the principal and target markets. In particular, the level of our capacity utilization can impact our operating results. Capacity utilization is also affected by our product mix and the demand and supply balance. Our break up of the capacity utilization in our manufacturing unit for the period indicated has been provided below:

Financial Year	Hearing Aid			LED Display System		
	Installed Capacity (in Units PA)	Utilized Capacity (in Units PA)	Percentage of utilization (%)	Installed Capacity (in SQFPA)	Utilized Capacity (in SQFTPA)	Percentage of utilization (%)
2020-21	4,00,000	97,637	24.41	15,000	3,700	24.67
2021-22	4,00,000	42,380	10.60	15,000	4,900	32.67
2022-23	4,00,000	1,14,298	28.57	15,000	6,200	41.33
December 31, 2023	3,00,000	95,186	31.73	11,250	5,025	44.67

For further information, see "Our Business" on page 124 of this Draft Red Herring Prospectus.

These capacity utilization details are not indicative of future capacity utilization rates, which are dependent on various factors, including demand for our products, availability of raw materials, our ability to manage our inventory and improve operational efficiency.

Under-utilization of our manufacturing capacities over extended periods, or significant under-utilization in the short-term, could materially and adversely impact our business, growth prospects and future financial performance. Our capacity utilization levels are dependent on our ability to carry out uninterrupted operations at our manufacturing facilities, the availability of raw materials, industry/ market conditions, as well as by the product requirements of, and procurement practice followed by us. In the event we face prolonged disruptions at our facilities including due to interruptions in the supply of water, electricity or as a result of labour unrest, or are unable to procure sufficient raw materials, we would not be able to achieve full capacity utilization of our current manufacturing facilities, resulting in operational inefficiencies which could have a material adverse effect on our business and financial condition.

**19. Our Company requires significant amount of working capital for a continuing growth. Our inability to meet our working capital requirements may adversely affect our results of operations.**

Our business requires a significant amount of working capital. In the event, we are unable to source the required amount of working capital for addressing an increased demand of our services, we might not be able to efficiently satisfy the demand of our customers. Even if we are able to source the required amount of funds, we cannot assure you that such funds would be sufficient to meet our cost estimates and that any increase in the expenses will not affect the price of our services.

On the basis of the existing working capital requirement of our Company, please see below the details of our working capital requirements in the preceding three years:

(₹ in Lakhs)

S. No.	Particulars	As at March 31, 2022	As at March 31, 2023	As at December 31, 2023	As at March 31, 2024	As at March 31, 2025	As at March 31, 2026
		(Actual-Restated)	(Actual-Restated)	(Actual-Restated)	(Provisional)	(Estimated)	(Projected)
<b>(A)</b>	<b>Current assets</b>						
(a)	Inventories	1,027.31	1,815.21	2,433.52	2,466.21	4,931.51	6,534.25
(b)	Trade receivables	1,130.35	1,283.43	4,248.80	2,484.62	4,109.59	5,445.21
(c)	Other Current Assets	85.44	1,049.44	573.52	282.63	602.00	795.00
	<b>Total current assets (A)</b>	<b>2,243.10</b>	<b>4,148.08</b>	<b>7,255.85</b>	<b>5,233.46</b>	<b>9,643.10</b>	<b>12,774.45</b>
<b>(B)</b>	<b>Current liabilities</b>						
(a)	Trade payables	1,523.27	1,618.13	3,376.55	1,626.59	2,849.32	3,775.34
(b)	Provisions, other current liabilities and current tax liabilities (net)	134.35	236.01	638.62	854.90	1,160.00	1,537.00
	<b>Total current liabilities (B)</b>	<b>1,657.62</b>	<b>1,854.14</b>	<b>4,015.16</b>	<b>2,481.49</b>	<b>4,009.32</b>	<b>5,312.34</b>
<b>(C)</b>	<b>Total working capital requirements (C = A – B)</b>	<b>585.48</b>	<b>2,293.94</b>	<b>3,240.69</b>	<b>2,751.97</b>	<b>5,633.78</b>	<b>7,462.11</b>
<b>(D)</b>	<b>Funding pattern</b>						
(a)	IPO proceeds	-	-	-	-	4,400.00	-
(b)	Borrowings from banks, financial institutions and non-banking financial companies (including bill discounting) and/or internal accruals	585.48	2,293.94	3,240.69	2,751.97	1,233.78	7,462.11
	<b>Total</b>	<b>585.48</b>	<b>2,293.94</b>	<b>3,240.69</b>	<b>2,751.97</b>	<b>5,633.78</b>	<b>7,462.11</b>

Note: Pursuant to the certificate dated June 21, 2024 issued by the Statutory Auditor.

Our Company shall also fund the incremental working capital requirements by availing loan facilities.

Further, one of the objects of this Issue include funding of working capital requirements of our Company, which is based on management estimates and certain assumptions. For more information in relation to such management estimates and assumptions, please see “Objects of the Issue” on page 82. Our working capital requirements may be subject to change due to factors beyond our control including force majeure conditions, an increase in defaults by our customers, non-availability of funding from banks or financial institutions. Accordingly, such working capital requirements may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements.

Any delay in processing our payments by our customers may increase our working capital requirement. Further, if a customer defaults in making payments on the services, on which we have devoted significant resources, it could affect our profitability and liquidity and decrease the capital reserves that are otherwise available for other uses. We may file a claim for compensation of the loss that we incurred pursuant to such defaults but settlement of disputes generally takes time and financial and other resources, and the outcome is often uncertain. In general, we take provisions for bad debts, including those arising from such defaults based primarily on ageing and other factors such as special circumstances relating to special customers. There can be no assurance that such payments will be remitted by our clients to us on a timely basis or that we will be able to effectively manage the level of bad debt arising from defaults. We may also have large cash outflows, including among others, losses resulting from environmental liabilities, litigation costs, adverse political conditions, foreign exchange risks and liability claims.

All of these factors may result in increase in the amount of receivables and short-term borrowings. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the other hand, could result in a dilution of your shareholding. Accordingly, continued increases in our working capital requirements may have an adverse effect on our financial condition and results of operations.

**20. *In the event our marketing initiatives do not yield intended results our business and results of operations may be adversely affected.***

We believe that the recognition and reputation of the quality of our products has contributed to the growth of our business. We intend to continue to enhance the outreach of our business model and the quality of our products through the use of targeted marketing and public relations initiatives. In order to maintain and enhance such recognition and reputation, we may be required to invest significant resources towards marketing and brand building exercises, specifically with respect to new products or applications we launch or for geographic markets where we intend to expand our operations. We incur advertising and marketing expenses to increase brand recall and capture additional demand, and in the event they do not yield their intended results, or we are required to incur additional expenditures than anticipated, our business and results of operations might be adversely affected.

**21. *Any delays and/or defaults in customer payments could result in increase of working capital investment and/or reduction of our Company's profits, thereby affecting our operation and financial condition.***

We are exposed to payment delays and/or defaults by our customers. Our financial position and financial performance are dependent on the creditworthiness of our customers. As per our business network model, we supply our products directly to our customers without taking any advance payment or security deposit against the orders placed by them. Such delays in payments may require our Company to make a working capital investment. We cannot assure you that payments from all or any of our customers will be received in a timely manner or to that extent will be received at all. If a customer defaults in making its payments on an order on which our Company has devoted significant resources, or if an order in which our Company has invested significant resources is delayed, cancelled or does not proceed to completion, it could have a material adverse effect on our Company's results of operations and financial condition.

There is no guarantee on the timeliness of all or any part of our customers' payments and whether they will be able to fulfill their obligations, which may arise from their financial difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur, our financial performance and our operating cash flows may be adversely affected.

**22. *Our inability to effectively manage our growth or to successfully implement our business plan and growth strategy could adversely affect our business, results of operations and financial condition.***

We have experienced considerable growth over the past three years and we have expanded our operations and product portfolio. We cannot assure you that our growth strategies will continue to be successful or that we will be able to continue to expand further, or at the same rate. Our inability to execute our growth strategies in a timely manner or within budget estimates or our inability to meet the expectations of our customers and other stakeholders, could have an adverse effect on our business, results of operations and financial condition. Our future prospects will depend on our ability to grow our business and operations. The development of such future business could be affected by many factors, including general, political and economic conditions in India, government policies or strategies in respect of specific industries, prevailing interest rates and price of equipment and raw materials. Further, in order to manage our growth effectively, we must implement, upgrade and improve our operational systems, procedures and internal controls on a timely basis. If we fail to implement these systems, procedures and controls on a timely basis, or if there

are weaknesses in our internal controls that would result in inconsistent internal standard operating procedures, we may not be able to meet our customers' needs, hire and retain new employees or operate our business effectively. Failure to manage growth effectively could adversely affect our business and results of operations.

**23. *Our Company requires significant amount of working capital for a continuing growth. Our inability to meet our working capital requirements may adversely affect our results of operations.***


Our business requires a significant amount of working capital. As per our settled business terms, we require our customers to pay the full amount of the consideration only after they receive the delivery of the order, as a result, significant amounts of our working capital are often required to finance the purchase of raw material and execution of manufacturing processes before payment is received from our customers. Further, we are also required to meet the increasing demand and for achieving the same, adequate stocks are required to be maintained which requires sufficient working capital. In the event, we are unable to source the required amount of working capital for addressing such increased demand of our products, we might not be able to efficiently satisfy the demand of our customers. Even if we are able to source the required amount of funds, we cannot assure you that such funds would be sufficient to meet our cost estimates and that any increase in the expenses will not affect the price of our products.

Further, one of the objects of this Issue include funding of working capital requirements of our Company, which is based on management estimates and certain assumptions. For more information in relation to such management estimates and assumptions, please see “*Objects of the Issue – Funding the working capital requirements of our Company*” on page 85. Our working capital requirements may be subject to change due to factors beyond our control including force majeure conditions, an increase in defaults by our customers, non-availability of funding from banks or financial institutions. Accordingly, such working capital requirements may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements. Our working capital position is therefore also dependent on the financial position of our clients. All of these factors may result in increases in the amount of our receivables and short-term borrowings. Continued increases in working capital requirements may have an adverse effect on our financial condition and results of operations.

Any delay in processing our payments by our customers may increase our working capital requirement. Further, if a customer defaults in making payments for a product on which we have devoted significant resources, it could affect our profitability and liquidity and decrease the capital reserves that are otherwise available for other uses. We may file a claim for compensation of the loss that we incurred pursuant to such defaults but settlement of disputes generally takes time and financial and other resources, and the outcome is often uncertain. In general, we make provisions for bad debts, including those arising from such defaults based primarily age of the debt and other factors such as special circumstances relating to special customers. There can be no assurance that such payments will be remitted by our clients to us on a timely basis or that we will be able to effectively manage the level of bad debt arising from defaults. We may also have large cash outflows, including among others, losses resulting from environmental liabilities, litigation costs, adverse political conditions, foreign exchange risks and liability claims.

All of these factors may result, in increase in the amount of receivables and short-term borrowings. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the other hand, could result in a dilution of your shareholding. Accordingly, continued increases in our working capital requirements may have an adverse effect on our financial condition and results of operations.

**24. *If our Company is unable to protect its intellectual property, or if our Company infringes on the intellectual property rights of others, our business may be adversely affected.***

If we are unable to protect our name and logo  we may be subject to counterfeiting or imitation which would adversely impact our reputation and lead to loss of customer confidence, reduced sales and higher administrative costs. There can be no assurance that third parties will not infringe upon our intellectual property, causing damage to our business prospects, reputation and goodwill. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect its intellectual property, which could adversely affect our business, results of operations and financial condition.

We are also exposed to the risk that other entities may pass off their products as ours by imitating our brand name and attempting to create counterfeit products. We believe that there may be other companies or vendors which operate in the unorganized segment using our brand names. Any such activities may harm the reputation of our brand and sales of our products, which could in turn adversely affect our financial performance. We rely on protections available under Indian law, which may not be adequate to prevent unauthorized use of our intellectual property by third parties. Furthermore, the application of laws governing intellectual property rights in India is uncertain and evolving, and could involve substantial risks to us. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may copy or otherwise infringe on our rights, which may have an adverse effect on our business, results of operations, cash flows and financial condition. Furthermore, our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. For further details, please refer to the chapters titled “*Our Business*” and “*Government and other Statutory Approvals*” on pages 124 and 242, respectively of this Draft Red Herring Prospectus.

- 25. We are dependent on information technology systems in carrying out our business activities and it forms an integral part of our business. Further, if we are unable to adapt to technological changes and successfully implement new technologies or if we face failure of our information technology systems, we may not be able to compete effectively which may result in higher costs and would adversely affect our business and results of operations.**

We are dependent on information technology system in connection with carrying out our business activities and such systems form an integral part of our business. Any failure of our information technology systems could result in business interruptions, including the loss of our customers, loss of reputation and weakening of our competitive position, and could have a material adverse effect on our business, financial condition and results of operations. Additionally, our information technology systems, specifically our software may be vulnerable to computer viruses, piracy, hacking or similar disruptive problems. Computer viruses or problems caused by third parties could lead to disruptions in our business activities. Fixing such problems caused by computer viruses or security breaches may require interruptions, delays or temporary suspension of our business activities, which could adversely affect our operations. Breaches of our information technology systems may result in unauthorized access to confidential information. Such breaches of our information technology systems may require us to incur further expenditure to put in place advanced security systems to prevent any unauthorized access to our networks.

Our future success depends on our ability to respond to technological advancements and emerging standards and practices on a cost-effective and a timely basis. Our failure to successfully adopt such technologies in a cost-effective manner could increase our costs thereby compelling us to bid at lower margins which might lead to loss of bidding opportunities vis-à-vis such competitors. Additionally, the government authorities may require adherence with certain technologies and we cannot assure you that we would be able to implement such technologies in a timely manner or at all. The cost of upgrading or implementing new technologies or upgrading our existing equipment or expanding our capacity could be significant, less cost effective and therefore could negatively impact our profitability, results of operations, financial condition as well as our future prospects.

- 26. Our Company has issued Equity Shares in the last one year at a price which may be lower than the Issue Price.**

We have issued Equity Shares in the preceding one year at a price which may be lower than the Issue Price. The details of the Equity Shares have been provided below:

Date of Allotment	No. of Equity Shares	Face value (₹)	Issue Price (₹)	Nature of consideration	Nature of Allotment
June 18, 2024	1,75,000	10	120.00	Cash	Private Placement

We cannot assure you that any issuance of Equity Shares made by our Company post completion of this Issue will be above the Offer Price or the prevailing market price of our Equity Shares. For further details, please see “*Capital Structure*” on page 72.

- 27. Our manufacturing unit, Registered Officer and Corporate Office are currently located in one geographical area. The loss of, or shutdown of or disruption in operations of our offices and unit will adversely affect our business, financial condition and results of operations.**

Our manufacturing unit, Corporate Office and Registered Officer are located in Greater Noida and New Delhi. Any significant disruption, including social, political or economic factors or natural calamities or civil disruptions, impacting Greater Noida and New Delhi may adversely affect our business operations. Any failure of our systems or any shutdown of any of our manufacturing units and offices for any reason could result in significant increase of costs and delays in execution of orders. We do not have a diversified base of manufacturing operations, and local disturbances which would have a material adverse effect on our business, and consequently on our operations and financial condition. Further, our offices are subject to operating risks, such as performance below expected levels of efficiency, labour disputes, natural disasters, industrial accidents and statutory and regulatory restrictions. Any disruption of operations of our offices could result in delayed delivery of our product, which in turn may lead to disputes and legal proceedings with them on account of any losses suffered by them or any interruption of their business operations due to such delay or defect. While our strategic objectives include geographical expansion across India, in the event that we are unable to make available our products in a prompt manner and within the requisite timelines our business, financial condition and prospects may be adversely affected.

**28. We may be unable to grow our business in additional geographic regions or international markets, which may adversely affect our business prospects and results of operations.**

Our Company seeks to grow its market reach domestically as well as internationally to explore untapped markets and segments; however, we cannot assure you that we will be able to grow our business as planned. Infrastructure and logistical challenges in addition to the advancement of research and development in the LED and hearing aid industry, changing customers' taste and preferences may prevent us from expanding our presence or increasing the penetration of our products. Further, customers may be price conscious and we may be unable to compete effectively with the products of our competitors. If we are unable to grow our business in these new markets effectively, our business prospects, results of operations and financial condition may be adversely affected.

Further, expansion into new international markets is important to our long-term prospects. Competing successfully in international markets requires additional management attention and resources to tailor our services to the unique aspects of each new country. We may face various risks, including legal and regulatory restrictions, increased advertising and brand building expenditure, challenges caused by distance, language and cultural differences, in addition to our limited experience with such markets and currency exchange rate fluctuations. International markets require a very high standard of quality of products and our Company may not be able to match the international standards thereby failing to make a brand presence in the international markets. If we are unable to make long-lasting relations with the major customers in the overseas market or if we are unable to justify the quality of our products to them, it may make it difficult for us to enter into such markets. These and other risks, which we do not foresee at present, could adversely affect any international expansion or growth, which could have an adverse effect on our business, results of operations and financial condition.

**29. We do not own certain premises used by our Company. Disruption of our rights as licensee/ lessee or termination of the agreements with our licensors/ lessors would adversely impact our manufacturing operations and, consequently, our business.**

As on the date of this Draft Red Herring Prospectus, our manufacturing unit, Corporate Office and Registered Officer have been taken on lease by our Company from third parties. The details of our lease agreements have been provided below:

Sr. no.	Details of the Deed/Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
1.	Lease deed dated January 17, 2019 with Wegmans Industries Private Limited	Signature Tower, 1st Floor Plot No 3, Sector Knowledge Park-III, Sector 34, Gautam Buddha Nagar, Noida – 201 307, Uttar Pradesh, India	Rs. 4,89,886 per month exclusive of GST	10 years	Corporate Office
2.	Leave and License agreement dated February 2, 2024 with Mukesh Kumar Bansal	Office No.- 712, Naurang House K.G. Marg, Connaught Place, Central Delhi, New Delhi- 110 001, Delhi, India	Rs. 40,000 per month	11 months	Registered Office

For details, please refer to the chapter titled “Our Business- Land and Property” on page 124 of this Draft Red Herring Prospectus.



There can also be no assurance that our Company will be able to renew the lease agreements or deeds entered into with third parties in a timely manner or at all. Further, there can be no assurance that we will not face any disruption of our rights as a lessee/ licensee and that such lease and license and lease agreements will not be terminated prematurely by the licensor/lessor. Any such non-renewal or early termination or any disruption of our rights as lessee / licensee will adversely affect our business operations.

- 30. *If we are not able to obtain, renew or maintain our statutory and regulatory licenses, registrations and approvals required to operate our business, it may have a material adverse effect on our business, results of operations and financial condition.***

We require certain statutory and regulatory licenses, registrations and approvals to operate our business some of which are granted for a fixed period of time and need to be renewed from time to time. Further, in future, we may also be required to obtain new licenses, registrations and approvals for any proposed operations, including any expansion of existing operations. There can be no assurance that the relevant authorities will renew such licenses, registrations and approvals in a timely manner or at all. Further, these licenses, registrations and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant licenses, approvals and registrations. We may be subject to penalties or suffer a disruption in our business activities, any of which could adversely affect our results of operations. Further, our Company will be responsible for bearing any and all liabilities arising out of this non-compliance. If we are unable to renew, maintain or obtain the required registrations or approvals, it may result in the interruption of our operations and may have a material adverse effect on our revenues and operations. Failure by our Company to renew, maintain or obtain the required licenses or approvals, or cancellation, suspension, or revocation of any of the licenses, approvals and registrations may result in the interruption of our Company's operations and may have a material adverse effect on our business. For further details on the licenses obtained by our Company and licenses for which renewal applications have been made, kindly refer the chapter titled "Government and Other Approvals" beginning on page 242 of this Draft Red Herring Prospectus.

- 31. *We are dependent on third party transportation providers for delivery of raw materials to us from our suppliers and delivery of our finished products to our customers. We have not entered into any formal contracts with our transport providers and any failure on part of such service providers to meet their obligations could adversely affect our business, financial condition and results of operation.***

To ensure smooth functioning of our manufacturing operations, we need to maintain continuous supply and transportation of the raw materials required from the supplier to our manufacturing unit and transportation of our finished products from our unit to our customers, which may be subject to various uncertainties and risks. We are significantly dependent on third party transportation providers for the delivery of raw materials to us and delivery of our finished products to our customers. Uncertainties and risks such as transportation strikes or delay in supply of raw materials and products could have an adverse effect on our supplies and deliveries to and from our customers and suppliers. Additionally, raw materials and products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. A failure to maintain a continuous supply of raw materials or to deliver our products to our distribution intermediaries in a timely, efficient and reliable manner could adversely affect our business, results of operations and financial condition.

Further, we have not entered into any long term agreements with our transporters for any of our manufacturing unit and the costs of transportation are generally based on mutual terms and the prevailing market price. In the absence of such agreements, we cannot assure that the transport agencies would fulfill their obligations or would not commit a breach of the understanding with us. In the event that the finished goods or raw materials suffer damage or are lost during transit, we may not be able to prosecute the agencies due to lack of formal agreements. Further, the transport agencies are not contractually bound to deal with us exclusively, we may face the risk of our competitors offering better terms or prices, which may cause them to cater to our competitors alongside us or on a priority basis, which could adversely affect our business, results of operations and financial condition.

- 32. *If we are unable to identify customer demand accurately and maintain an optimal level of inventory proportionately, our business, results of operations and financial condition may be adversely affected.***

The success of our business depends upon our ability to anticipate and forecast customer demand and trends. Any error in such identification could result in either surplus stock, which we may not be able to sell in a timely manner, or no stock at all, or under stocking, which will affect our ability to meet customer demand. We plan our inventory and estimate our sales based on the forecast, demand and requirements for our products based on past data. An optimal

level of inventory is important to our business as it allows us to respond to customer demand effectively by readily making our products available to our customers. Ensuring continuous availability of our products requires prompt turnaround time and a high level of coordination across raw material procurement, manufacturers, suppliers, warehouse management and departmental coordination. While we aim to avoid under-stocking and over-stocking, our estimates and forecasts may not always be accurate. If we fail to accurately forecast customer demand, we may experience excess inventory levels or a shortage of products available for sale. If we over-stock inventory, our capital requirements may increase and we may incur additional financing costs. Any unsold inventory would have to be sold at a discount, leading to losses. We cannot assure you that we will be able to sell surplus stock in a timely manner, or at all, which in turn may adversely affect our business, results of operations and financial condition. If we under-stock inventory, our ability to meet customer demand may be adversely affected.

- 33. *We have significant power requirements for continuous running of our manufacturing unit. Any disruption to our operations on account of interruption in power supply or any irregular or significant hike in power tariffs may have an effect on our business, results of operations and financial condition.***

Our manufacturing unit has significant electricity requirements and any interruption in the supply of power may temporarily disrupt our operations. All our manufacturing unit receive power supply from local power authorities. Since, we have a significant power consumption, any unexpected or unforeseen increase in the tariff rates can increase the operating cost of our manufacturing unit and thereby cause an increase in the production cost which we may not be able to pass on to our customers. There are limited number of electricity providers in the areas from where we operate due to which in case of a price hike, we may not be able to find a cost-effective substitute, which may negatively affect our business, financial condition, cash flows and results of operations. For further details, please refer to the chapter titled “*Our Business*” on page 124 of this Draft Red Herring Prospectus.

- 34. *We operate in a competitive business environment and our inability to compete effectively may adversely affect our business, results of operations, financial condition and cash flows.***

The LED and hearing aid industry in India is competitive with both organized and unorganized markets. However, we are required to compete both in the domestic and international markets. We may be unable to compete with the prices and products offered by our competitors (local as well as international). We may have to compete with new players in India and abroad who enter the market and are able to offer competing products. Our competitors may have access to greater financial, manufacturing, research and development, design, marketing, distribution and other resources and more experience in obtaining the relevant regulatory approvals. Increasing competition may result in pricing pressures and decreasing profit margins or loss of market share or failure to improve our market position, any of which could substantially harm our business and results of operations. We cannot assure you that we will be able to compete with our existing as well as future competitors as well as the products prices and payment terms offered by them. In addition, our customers may enter into contract manufacturing arrangements with third parties, for products that they are presently purchasing from us. Our failure to successfully face existing and future competition may have an adverse impact on our business, growth and development.

Further, some of our competitors may be larger than we are and may have greater resources, market presence, geographic reach and the ability to products with better brand recognition than ours. Some of our competitors may be able to procure raw materials at lower costs than us, and consequently be able to sell their products at lower prices. As a result, our competitors may be able to withstand industry downturns better than us or provide customers with products at more competitive prices. Some of our international competitors may be able to capitalize on their overseas experience to compete in the Indian market. Consequently, we cannot assure you that we will be able to compete successfully in the future against our existing or potential competitors or that our business and results of operations will not be adversely affected by increased competition. We cannot assure you that we will be able to maintain our existing market share. Our competitors may significantly increase their marketing expenses to promote their brands and products, which may require us to similarly increase our advertising and marketing expenses and engage in effective pricing strategies, which we may not be able to pass on to our customers which in turn may have an adverse effect on our business, results of operations and financial condition. For further details, please see “*Industry Overview*” on page 102 of this Draft Red Herring Prospectus.

- 35. *Our Promoters, Directors, Senior Management and Key Managerial Personnel have interests in our Company other than reimbursement of expenses incurred or normal remuneration or benefits.***

Our Promoters, Directors, Senior Management and Key Managerial Personnel, may be deemed to be interested in our Company, in addition to the regular remuneration or benefits, reimbursements of expenses, Equity Shares held by them or their relatives, their dividend or bonus entitlement, benefits arising from their directorship in our Company.

Our Promoters, Director, Senior Management and Key Managerial Personnel may also be interested to the extent of any transaction entered into by our Company with any other company or firm in which they are directors or partners. For further details please refer to the paragraphs titled — “*Interest of our Directors*” in the chapter titled — “*Our Management*”, the paragraphs titled — “*Interest of our Promoters and Other Interests and Disclosures*” in the chapter titled — “*Our Promoters and Promoter Group*”, “*Financial Indebtedness*” and “*Restated Financial Information*” on pages 170, 164, 181, 223 and 188, respectively of this Draft Red Herring Prospectus.

There can be no assurance that our Promoters, Directors, Senior Management and Key Managerial Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters and members of our Promoter Group will continue to exercise significant control over our Company, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Directors and our Key Management Personnel 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.

**36. *Our Promoters have extended personal guarantees with respect to loan facilities availed by our Company. Further, one of our Promoters have extended personal properties as collateral for securing the facilities availed by our Company. Revocation of any or all of these personal guarantees or withdrawal of such properties may adversely affect our business operations and financial condition.***

Our Promoters, Rajendra Ravi Shankar Mishra and Jyotsna Jawahar have extended personal guarantees in favour of certain banks with respect to the loan facilities availed by our Company from them. Our Promoter Ravi Shankar Mishra has provided his personal property as collateral for securing the loans availed by our Company. In the event any of these guarantees are revoked, our lenders may require us to furnish alternate guarantees or an additional security or may demand a repayment of the outstanding amounts under the said facilities sanctioned or may even terminate the facilities sanctioned to us. There can be no assurance that our Company will be able to arrange such alternative guarantees in a timely manner or at all. In the event if the personal property of our Promoter is withdrawn, our lenders may require us to furnish alternate properties or may demand a repayment of the outstanding amounts under the said facilities sanctioned or may even terminate the facilities sanctioned to us. There can be no assurance that our Company will be able to arrange such alternative properties in a timely manner or at all. If the properties are withdrawn, the ability of our Company to continue its business operations could be adversely affected. If our lenders enforce these restrictive covenants or exercise their options under the relevant debt financing agreements, our operations and use of assets may be significantly hampered and lenders may demand the payment of the entire outstanding amount and this in turn may also affect our further borrowing abilities thereby adversely affecting our business and operations.

**37. *Our Promoters and members of the Promoter Group have significant control over the Company and have the ability to direct our business and affairs; their interests may conflict with your interests as a shareholder.***

Upon completion of this Issue, our Promoters and members of our Promoter Group will collectively hold [●]% of the Equity share capital of our Company. As a result, our Promoters will have the ability to exercise significant influence over all matters requiring shareholders’ approval. Accordingly, our Promoters will continue to retain significant control, including being able to control the composition of our Board of Directors, determine decisions requiring simple or special majority voting of shareholders, undertaking sale of all or substantially all of our assets, timing and distribution of dividends and termination of appointment of our officers, and our other shareholders may be unable to affect the outcome of such voting. There can be no assurance that our Promoters will exercise their rights as shareholders to the benefit and best interests of our Company. Further, such control could delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company even if it is in our Company’s best interest. The interests of our Promoters could conflict with the interests of our other equity shareholders, and our Promoters could make decisions that materially and adversely affect your investment in the Equity Shares.

**38. *The average cost of acquisition of Equity Shares held by our Promoters could be lower than the Issue Price.***

Our Promoters’ average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price which is proposed to be determined through a Book Building Process. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to the chapter titled “*Capital Structure*” on page 72 of this Draft Red Herring Prospectus.

**39. Our future fund requirements, in the form of further issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the Shareholders depending upon the terms on which they are eventually raised.**

We may require additional capital from time to time depending on our business needs. Any further issue of Equity Shares or convertible securities would dilute the shareholding of the existing Shareholders and such issuance may be done on terms and conditions, which may not be favorable to the then existing Shareholders. If such funds are raised in the form of loans or debt or preference shares, then it may substantially increase our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

**40. We have certain contingent liabilities and our financial condition and profitability may be adversely affected if any of these contingent liabilities materialize.**

As of December 31, 2023, our contingent liabilities and commitments (to the extent not provided for) as disclosed in the notes to our Restated Financial Information aggregated to ₹ 41.74 lacs. The details of our contingent liabilities are as follows:

Particulars	(₹ in lacs) Amount
TDS Demand	7.03
DVAT Demand 2012-13 to 2017-18	34.71
<b>Total</b>	<b>41.74</b>

For further details of contingent liability, see the section titled — “*Financial Information*” on page 188 of this Draft Red Herring Prospectus. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future.

**41. We have in past entered into related party transactions and we may continue to do so in the future.**

As of December 31, 2023, we have entered into several related party transactions with our Promoters, individuals and entities forming a part of our promoter group relating to our operations. In addition, we have in the past also entered into transactions with other related parties. For further details, please refer to the chapter titled — “*Restated Financial Information*” at page 188.

While we believe that all our related party transactions have been conducted on an arm’s length basis, we cannot assure you that we may not have achieved more favorable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future.

**42. Our agreements with lenders for financial arrangements contain restrictive covenants for certain activities and if we are unable to get their approval, it might restrict our scope of activities and impede our growth plans.**

We have entered into agreements for our borrowings with certain lenders. These borrowings include secured fund based and non-fund based facilities. These agreements include restrictive covenants which mandate certain restrictions in terms of our business operations such as change in capital structure, formulation of any scheme of amalgamation or reconstruction, declaring dividends, further expansion of business, granting loans to directors, repaying unsecured loans from third parties, undertake guarantee obligations on behalf of any other borrower, which require our Company to obtain prior approval of the lenders for any of the above activities. We cannot assure you that our lenders will provide us with these approvals in the future. For details of these restrictive covenants, please refer to chapter titled — “*Financial Indebtedness*” on page 223 of this Draft Red Herring Prospectus.

Further, some of our financing arrangements include covenants to maintain our total outside liabilities and total net worth up to a certain limit and certain other liquidity ratios. We cannot assure prospective investors that such covenants will not hinder our business development and growth in the future. A default under one of these financing agreements may also result in cross-defaults under other financing agreements and result in the outstanding amounts under such financing agreements becoming due and payable immediately. Defaults under one or more of our Company’s financing agreements may limit our flexibility in operating our business, which could have an adverse effect on our cash flows, business, results of operations and financial condition.

It may be possible for a lender to assert that we have not complied with all applicable terms under our existing financing documents. Further we cannot assure that we will have adequate funds at all times to repay these credit facilities and may also be subject to demands for the payment of penal interest.

**43. *Our Company has availed certain unsecured loans from our Promoters and third parties, which are recallable in nature.***

As on December 31, 2023, our Company has outstanding current unsecured loans which have been extended by our Promoters and third parties which may be recalled at any time. We cannot assure you that our lenders would not demand repayment of unsecured loans extended to us. In the event, our lenders seek repayment of any these loans, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. If we are unable to arrange for any such financing arrangements, we may not have adequate working capital to carry out the operations or complete our ongoing operations. Therefore, any such demand may adversely affect our business, financial condition and results of operations. For further details, see “*Financial Indebtedness*” on page 223 of this Draft Red Herring Prospectus.

**44. *In addition to our existing indebtedness for our existing operations, we may incur further indebtedness during the course of business. We cannot assure that we would be able to service our existing and/ or additional indebtedness.***

As on December 31, 2023 our Company’s total fund based indebtedness is ₹ 3,248.88 lacs. In addition to the indebtedness for our existing operations, we may incur further indebtedness during the course of our business. We cannot assure you that we will be able to obtain further loans at favorable terms. Increased borrowings, if any, may adversely affect our debt-equity ratio and our ability to borrow at competitive rates. In addition, we cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. There may be situations where we may under-budget our working capital requirements, which may lead to delays in arranging additional working capital requirements, loss of reputation, levy of liquidated damages and can cause an adverse effect on our cash flows.

Any failure to service our indebtedness or otherwise perform our obligations under our financing agreements entered with our lenders or which may be entered into by our Company, could trigger cross default provisions, penalties, acceleration of repayment of amounts due under such facilities which may cause an adverse effect on our business, financial condition and results of operations. For details of our indebtedness, please refer to the chapter titled — “*Financial Indebtedness*” on page 223 of this Draft Red Herring Prospectus.

**45. *We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further, we have not identified any alternate source of financing the ‘Objects of the Issue’. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our capital requirements through our bank finance, unsecured loans, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further, we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the chapter titled “*Objects of the Issue*” beginning on page 82 of this Draft Red Herring Prospectus.

**46. *Our success largely depends upon the knowledge and experience of our Promoters, Directors and our Key Managerial Personnel. Loss of any of our Directors and key managerial personnel or our ability to attract and retain them could adversely affect our business, operations and financial condition.***

The growth and success of our Company’s future significantly depends upon the experience of our Promoters and continued services and the management skills of our Key Managerial Personnel and the guidance of our Promoters and Directors for development of business strategies, monitoring its successful implementation and meeting future challenges. We believe the expertise, experience and continued efforts of our Key Managerial Personnel and their inputs are valuable to for the operations of our Company. Our future success and growth depend largely on our ability to attract, motivate and retain the continued service of our highly skilled management personnel. Our Company has never been faced with a challenge of high rate of attrition of our Key Management Personnel in the past, however, any attrition of our experienced Key Managerial Personnel, would adversely impact our growth strategy. We cannot assure you that we will be successful in recruiting and retaining a sufficient number of personnel with the requisite skills to

replace those Key Managerial Personnel who leave. In the event we are unable to motivate and retain our key managerial personnel and thereby lose the services of our highly skilled Key Managerial Personnel may adversely affect the operations, financial condition and profitability of our Company and thereby hampering and adversely affecting our ability to expand our business. For further details on our Directors and Key Managerial Personnel, please refer to the chapter titled — “Our Management” on page 164 of this Draft Red Herring Prospectus.

**47. Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.**

Our operations are subject to inherent risks and hazards which may adversely impact our profitability, such as breakdown, malfunctions, sub-standard performance or failures of manufacturing equipment, fire, riots, third party liability claims, loss-in-transit for our products, accidents and natural disasters. Presently, we maintain insurance cover, details of which have been provided below:

S. No.	Insurer	Description of Property Insured	Policy No.	Expiry date	Insured Amount (₹ in Lakhs)
1.	Tata AIG General Insurance Company Limited	Medicliam insurance policy for 47 of our Employees	0239767730	August 8, 2024	141.00
2.	Universal Sompo General Insurance Co. Limited	Insurance of finished stock	2124/72775271/00/000	February 2, 2025	2,500.00
3.	Bajaj Allianz General Insurance Company Limited	Fire, burglary insurance for our office at Signature Tower, 1st Floor Plot No 3, Sector Knowledge Park-III, Sector 34, Gautam Buddha Nagar, Noida – 201 307, Uttar Pradesh, India	OG-25-9906-4093-00000008	June 19, 2025	100.00
4.	Bajaj Allianz General Insurance Company Limited	Fire, burglary insurance for office No.- 712, Naurang House K.G. Marg, Connaught Place, Central Delhi, New Delhi- 110 001, Delhi, India	OG-25-9906-4093-00000009	June 19, 2025	20.00
5.	Bajaj Allianz General Insurance Company Limited	Fire, burglary insurance for our office at Plot No. 21, Sector Knowledge Park III, Greater Noida, Dist. G. B. Nagar, Uttar Pradesh	OG-25-9906-4093-00000010	June 19, 2025	25.00

There are many events that could cause significant damages to our operations, or expose us to third-party liabilities, whether or not known to us, for which we may not be insured or adequately insured, which in turn may expose us to certain risks and liabilities. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance had been availed. Further, there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part, or on time. If we were to incur a significant liability for which we were not fully insured, it could adversely affect our results of operations and financial position.

**48. Our Company is subject to foreign exchange control regulations which can pose a risk of currency fluctuations.**

Our Company is involved in various business transactions with international clients and also majorly imports raw materials from China and has to conduct the same in accordance with the rules and regulations prescribed under FEMA. Due to non-receipt of such payments in a timely manner, our Company may fail to adhere to the prescribed timelines and may be required to pay penalty to the appropriate authority or department to regularize the payment. Similarly, due to our sacrosanct reliance on our primary raw materials from China we are exposed to a risk of increase in costs of raw materials due to the currency fluctuations. Further, an economic slowdown in countries to which we export or in China may have a significant adverse impact on our business, financial condition, cash flows and results of operations.

India is also a party to, and is currently negotiating, free trade agreements with several countries and if we export our products to such countries or import raw materials from such countries, any revocation or alteration of those bilateral agreements may also adversely affect our ability to export, and consequently, our business, financial condition, cash flows and results of operations. Additionally, export destination countries may also enter into free trade agreements or regional trade agreements with countries other than India. Such agreements and alteration of existing tax treaties may lead to increased competition or may even place us at a competitive disadvantage compared to manufacturers in other countries and could adversely affect our business, financial condition, cash flows and results of operations. Further, our inability to secure any license, certification, registrations and permits that may become necessary in other jurisdictions to which we export our products, in a timely manner or at all, could result in operational delays or suspensions and/or administrative fines and penalties, which could have a material adverse effect on the overall business, results of operations, cash flows and financial condition.

Further, our international operations (export sales) make us susceptible to the risk of currency fluctuations, which may directly affect our operating results. In case we are unable to adhere to the timelines prescribed under the applicable laws or are unable to mitigate the risk of currency fluctuation, it could adversely affect our business, results of operations, financial conditions and cash flows.

**49. *Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.***

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. Our business is working capital intensive and we are required to obtain consents from certain of our lenders prior to the declaration of dividend as per the terms of the agreements executed with them. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations. Although our Company has declared dividends in the past, however there can be no assurance that our Company will declare dividends in the future also. For further details, please refer to the chapter titled “*Dividend Policy*” and the chapter titled “*Financial Indebtedness*” on pages 187 and 223 respectively, of this Draft Red Herring Prospectus.

**50. *The deployment of funds is entirely at our discretion and as per the details mentioned in the chapter titled “Objects of the Issue”.***

As the issue size shall be less than ₹10,000 lacs, under Regulation 41 of the SEBI ICDR Regulations it is not required that a monitoring agency be appointed by our Company, for overseeing the deployment and utilization of funds raised through this Issue. Therefore, the deployment of the funds towards the Objects of this Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. Our Board of Directors along with the Audit Committee will monitor the utilization of Issue proceeds and shall have the flexibility in applying the proceeds of this Issue. However, the management of our Company shall not have the power to alter the objects of this Issue except with the approval of the Shareholders of the Company given by way of a special resolution in a general meeting, in the manner specified in Section 27 of the Companies Act, 2013. Additionally, the dissenting shareholders being those shareholders who have not agreed to the proposal to vary the objects of this Issue, our Promoters shall provide them with an opportunity to exit at such price, and in such manner and conditions as may be specified by the SEBI, in respect to the same. For further details, please refer to the chapter titled — “*Objects of the Issue*” on page 82 of this Draft Red Herring Prospectus.

**51. *We have not independently verified certain data in this Draft Red Herring Prospectus.***

We have not independently verified data from the Industry and related data contained in this Draft Red Herring Prospectus. Such data may also be produced on a different basis from comparable information compiled with regards to other countries. Therefore, discussions of matters relating to India, its economy or the industries in which we operate that is included herein are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete, inaccurate or unreliable. Due to incorrect or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

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

We are not a 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 listing agreements with the Stock Exchanges and compliances of SEBI (LODR) Regulations which will require us to file audited annual and unaudited half yearly results and limited review 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 which may adversely affect the financial position of the Company.

As a 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 to support the existence of effective disclosure controls and procedures, internal control over financial reporting and additional compliance requirements under the Companies Act, 2013. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management oversight will be required. As a result, management's attention may be diverted from other business concerns, which could adversely affect our business, prospects, financial condition and results of operations. In addition, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge and we cannot assure you that we will be able to do so in a timely manner.

**53. *Delay in raising funds from the IPO could adversely impact the implementation schedule.***

The proposed fund requirement, for purchasing plant and machinery, primarily, as detailed in the chapter titled "*Objects of the Issue*" beginning on page 82 is to be funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We, therefore, cannot assure that we would be able to execute our future plans/strategy within the estimated time frame.

**54. *The Equity Shares have never been publicly traded and the Issue may not result in an active or liquid market for the Equity Shares.***

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. Although we currently intend that the Equity Shares will remain listed on the Stock Exchanges, there is no guarantee of the continued listing of the Equity Shares. Failure to maintain our listing on the Stock Exchanges or other securities markets could adversely affect the market value of the Equity Shares.

The Issue Price of the Equity Shares is proposed to be determined through a book building process in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. You may not be able to resell your Equity Shares at a price that is attractive to you.

**55. *There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the SME Platform of National Stock Exchange of India Limited in a timely manner or at all.***

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuance of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the SME Platform of National Stock Exchange of India Limited. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

**56. *There is no existing market for our Equity Shares, and we do not know if one will develop to provide you with adequate liquidity. Further, an active trading market for the Equity Shares may not develop and the price of the Equity Shares may be volatile.***

An active public trading market for the Equity Shares may not develop or, if it develops, may not be maintained after the Issue. Our Company, in consultation with the lead manager, will determine the Issue Price. The Issue Price may



be higher than the trading price of our Equity Shares following this Issue. As a result, investors may not be able to sell their Equity Shares at or above the Issue Price or at the time that they would like to sell. The trading price of the Equity Shares after the Issue may be subject to significant fluctuations in response to factors such as, variations in our results of operations, market conditions specific to the sectors in which we operate economic conditions of India and volatility of the securities markets elsewhere in the world.

**57. Any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in the Draft Red Herring Prospectus would be subject to certain compliance requirements, including prior shareholders' approval.**

Our Company intends to use the Net Proceeds towards funding of working capital requirements and repayment of borrowings. Our Board will have flexibility in temporarily investing the Net Proceeds as well as its inter se allocation across various heads, as disclosed in the section titled "*Objects of the Issue*" on page 82.

In case of any exigencies arising out of business conditions, economic conditions, competition or other factors beyond our control which adversely affect our business, we may require to use the Net Proceeds to meet any other expenditure or fund which expenditure cannot be determined with certainty as on the date of this Draft Red Herring Prospectus. In terms of Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in the Draft Red Herring Prospectus without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances requiring us to undertake variation in the utilisation of the Net Proceeds disclosed in the Draft Red Herring Prospectus, we cannot assure that we will be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations.

Further, our Promoters would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Issue. Additionally, the requirement on Promoters to provide an exit opportunity to such dissenting shareholders may deter the Promoters from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Fresh Issue, if any, or vary the terms of any contract referred to in the Draft Red Herring Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilised portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

**58. You will not be able to sell immediately on the Stock Exchanges any of the Equity Shares you purchase in the Issue.**

The Equity Shares will be listed on the Emerge Platform of National Stock Exchange of India Limited. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. Upon receipt of final approval from the Stock Exchanges, trading in the Equity Shares is to commence within three (3) working days of the date of closure of the Issue or such other time as may be prescribed by SEBI.

We cannot assure that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time period prescribed by law. Further, there can be no assurance that the Equity Shares to be Allotted pursuant to this Issue will be listed on the Stock Exchanges in a timely manner or at all.

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

Our listed Equity Shares will be subject to a daily "circuit breaker" imposed on listed companies by the Stock Exchanges, which does not allow transactions beyond certain volatility in the trading price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on the Equity Shares' circuit breaker will be set by the Stock Exchanges based on historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges are not required to inform our Company of the percentage limit of the circuit breaker, and they may change the limit without our knowledge. This circuit breaker would effectively limit the upward and downward movements in the

trading price of the Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

**60. *The price of the Equity Shares may be volatile, which could result in substantial losses for investors acquiring the Equity Shares in the Issue.***

The market price of the Equity Shares may be volatile and could fluctuate significantly and rapidly in response to, among others, the following factors, some of which are beyond our control:

- volatility in the Indian and global securities market or in the value of the Rupee relative to the U.S. Dollar, the Euro and other foreign currencies;
- our profitability and performance;
- changes in financial analysts' estimates of our performance or recommendations;
- perceptions about our future performance or the performance of Indian companies in general;
- significant developments in India's economic liberalisation and deregulation policies;
- significant developments in India's fiscal and environmental regulations;
- economic developments in India and in other countries; and
- any other political or economic factors.

These fluctuations may be exaggerated if the trading volume of the Equity Shares is low. Volatility in the price of the Equity Shares may be unrelated or disproportionate to our results of operations. It may be difficult to assess our performance against either domestic or international benchmarks.

Indian stock exchanges, including the Stock Exchanges, have experienced substantial fluctuations in the prices of listed securities and problems such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. The governing bodies of Indian stock exchanges have also, from time to time, imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Further, disputes have occurred between listed companies, stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment. If such or similar problems were to continue or recur, they could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares.

**61. *Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoters or members of our Promoter Group may adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company; adversely affect the trading price of the Equity Shares and our ability to raise capital through further issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoters and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

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

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

## **ISSUE SPECIFIC RISKS**

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

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

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

The Issue Price of the Equity Shares will be determined by our Company in consultation with the BRLM through a Book Building Process. This price will be based on numerous factors, as described under “*Basis for Issue Price*” on page 82 of this Draft Red Herring Prospectus and may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that as an investor you will be able to sell their Equity Shares at or above the Issue Price.

**65. *Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoters or members of our Promoter Group may adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company; adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoters and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

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

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

**67. *Sale of Equity Shares by our Promoters or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.***

Any instance of disinvestments of equity shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sale of Equity Shares might occur.

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

Indian legal principles related to corporate procedures, directors’ fiduciary duties and liabilities, and shareholders’ rights may differ from those that would apply to a company in another jurisdiction. Shareholders’ rights including in relation to class actions, under Indian law may not be as extensive as shareholders’ rights under the laws of other

countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

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

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/ Issue Period and withdraw their Bids until Bid/ Issue Closing Date. While our Company is required to complete Allotment pursuant to the Issue within six Working Days from the Bid/Issue Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition may arise between the date of submission of the Bid and Allotment. Our Company 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 Issue or cause the trading price of the Equity Shares to decline on listing.

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

Our listed Equity Shares will be subject to a daily "circuit breaker" imposed on listed companies by the Stock Exchanges, which does not allow transactions beyond certain volatility in the trading price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on the Equity Shares' circuit breaker will be set by the Stock Exchanges based on historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges are not required to inform our Company of the percentage limit of the circuit breaker, and they may change the limit without our knowledge. This circuit breaker would effectively limit the upward and downward movements in the trading price of the Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

**71. *Any issuance or sale of the Equity Shares by any existing shareholder could significantly affect the trading price of the Equity Shares.***

Any future issuance of Equity Shares by us or the disposal of Equity Shares by any of the major shareholders or the perception that such issuance or sales may occur may significantly affect the trading price of the Equity Shares. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of, pledge or otherwise encumber their Equity Shares.

**72. *The Equity Shares issued pursuant to the Issue may not be listed on BSE and NSE in a timely manner, or at all.***

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorising the issuing of Equity Shares to be submitted and there could therefore be a failure or delay in listing the Equity Shares on BSE and NSE. Any failure or delay in obtaining such approval would restrict your ability to dispose of your Equity Shares.

**73. *There is no existing market for our Equity Shares, and we do not know if one will develop to provide you with adequate liquidity. Further, an active trading market for the Equity Shares may not develop and the price of the Equity Shares may be volatile.***

An active public trading market for the Equity Shares may not develop or, if it develops, may not be maintained after the Issue. Our Company, in consultation with the BRLM, will determine the Issue Price. The Issue Price may be higher than the trading price of our Equity Shares following this Issue. As a result, investors may not be able to sell their Equity Shares at or above the Issue Price or at the time that they would like to sell. The trading price of the Equity Shares after the Issue may be subject to significant fluctuations in response to factors such as, variations in our results of operations, market conditions specific to the sectors in which we operate economic conditions of India and volatility of the securities markets elsewhere in the world.

**74. *The price of the Equity Shares may be highly volatile after the Issue.***

The price of the Equity Shares on the Indian stock exchanges may fluctuate after this Issue as a result of several factors, including: volatility in the Indian and global securities market; our operations and performance; performance of our competitors and the perception in the market about investments in the LED and hearing aid industry; adverse media reports on us or the Indian LED and hearing aid industry; changes in the estimates of our performance or recommendations by financial analysts; significant developments in India's economic liberalization and deregulation policies; and significant developments in India's fiscal and environmental regulations. There can be no assurance that the prices at which the Equity Shares are initially traded will correspond to the prices at which the Equity Shares will trade in the market subsequently.

**75. *You will not be able to sell immediately on the Stock Exchanges any of the Equity Shares you purchase in the Issue.***

The Equity Shares will be listed on the BSE and the NSE. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. Upon receipt of final approval from the Stock Exchanges, trading in the Equity Shares is to commence within six (6) working days of the date of closure of the Issue or such other time as may be prescribed by SEBI. We cannot assure that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time period prescribed by law. Further, there can be no assurance that the Equity Shares to be Allotted pursuant to this Issue will be listed on the Stock Exchanges in a timely manner or at all.

**EXTERNAL RISK FACTORS**

**76. *Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business and financial performance.***

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example, the Government of India implemented a comprehensive national goods and services tax ("GST") regime with effect from July 1, 2017, that combined multiple taxes and levies by the Central and State Governments into a unified tax structure. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the amendment of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST. The Government has enacted the GAAR which have come into effect from April 1, 2017.

The Government of India has announced the union budget for Fiscal 2024 and the Ministry of Finance has notified the Finance Act, 2023 ("**Finance Act**"). There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. We cannot predict whether any amendments made pursuant to the Finance Act would have a material adverse effect on our business, financial condition and results of operations. Unfavorable 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. Our Company has not made relevant provisions for the same, as on date. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. Further, the Personal Data Protection Bill, 2019 ("**PDP Bill**") was introduced to propose a legal framework governing the processing of personal data. However, the PDP Bill has been withdrawn on August 3, 2022 and the Ministry of Electronics and Information Technology, Government of India ("**MoEIT**") has submitted a new Digital Personal Data Protection Bill, 2022 before the Parliament.

We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant 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 impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

**77. *Our business is substantially affected by prevailing economic conditions in India.***

We perform all of our activities in India, and the predominant portions of our customers are Indian nationals. As a result, we are highly dependent on prevailing economic conditions in India and our results of operation are

significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, include:

- any increase in Indian interest rates or inflation;
- prevailing income conditions among Indian consumers and Indian corporations;
- changes in India's present tax, trade, fiscal or monetary policies;
- natural disasters, political instability, communal disturbances, riots, civil unrest, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries; and
- prevailing national, regional or global economic conditions, including in India's principal export markets.

In addition to the factors set forth above, our business may be affected by adverse changes specific to the industries in which we operate.

**78. *Foreign investors are subject to foreign investment restrictions under Indian law.***

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection or a tax clearance certificate from the income tax authority. We cannot assure you that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all.

**79. *Any downgrading of India's debt rating by an independent agency may harm our ability to raise financing.***

Any adverse revisions to India's credit ratings international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. 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 our Equity Shares.

**80. *Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

**81. *Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.***

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance of our business. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence and spending. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

**82. *Natural calamities could have a negative impact on the Indian economy and cause our business to suffer.***

India has experienced natural calamities such as earthquakes, tsunami, floods etc. In recent years, the extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

**83. *Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely***

***affect the financial markets, our business, financial condition and the price of our Equity Shares.***

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well as the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

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## SECTION IV - INTRODUCTION

### THE ISSUE

<b>PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>	
<b>Equity Shares Offered through Public Issue<sup>(1)(2)</sup></b>	Upto 45,00,000 Equity Shares aggregating up to ₹ [●] lakhs.
<b>Out of which:</b>	
<b>Issue Reserved for the Market Maker</b>	[●] Equity Shares aggregating up to ₹ [●] Lakhs.
<b>Net Issue to the Public</b>	Upto [●] Equity Shares aggregating up to ₹ [●] Lakhs.
<b>Out of which*</b>	
A. QIB Portion <sup>(4)(5)</sup>	Not more than [●] Equity Shares aggregating up to ₹ [●] lakhs
<b>Of which</b>	
i. Anchor Investor Portion	Upto [●] Equity Shares aggregating up to ₹. [●] lakhs
ii. Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Upto [●] Equity Shares aggregating up to ₹. [●] lakhs
<b>Of which</b>	
(a) Available for allocation to Mutual Funds only (5% of the QIB Portion)	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs
(b) Balance of QIB Portion for all QIBs including Mutual Funds	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs
B. Non-Institutional Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] lakhs
C. Retail Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] lakhs
<b>Pre and Post – Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue</b>	1,17,13,200 Equity Shares of face value of ₹10 each
<b>Equity Shares outstanding after the Issue</b>	Upto [●] Equity Shares of face value ₹10 each
<b>Use of Net Proceeds by our Company</b>	Please see the chapter titled “Objects of the Issue” on page 82 of this Draft Red Herring Prospectus.

\* Subject to finalisation of the Basis of Allotment. Number of shares may need to be adjusted for lot size upon determination of issue price.

#### **Notes:**

- 1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229(2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.
- 2) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on June 18, 2024 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on June 19, 2024.
- 3) In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the Retail Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price.
- 4) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e. not more than [●]% of the Net Issue to QIB and not less than [●]% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than [●]% of the Net Issue shall be available for allocation to Non-institutional bidders.
- 5) Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange, subject to applicable laws.

For details, including grounds for rejection of Bids, refer to “Issue Structure” and “Issue Procedure” on page 263 and 266, respectively. For details of the terms of the Issue, see “Terms of the Issue” on page 256.



## **SUMMARY OF FINANCIAL INFORMATION**

*The following tables provide the summary of financial information of our Company derived from the Restated Financial Information as at and for the nine months period ended December 31, 2023 and as at and for the Financial Years ended March 31, 2023, 2022 and 2021. The Restated Financial Information referred to above is presented under the section titled “Financial Information” beginning on Page No. 188 of this Draft Red Herring Prospectus. The summary of financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and the chapters titled “Financial Information” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on Page Nos. 188 and 227, respectively of this Draft Red Herring Prospectus.*

Restated Statement of Assets and Liabilities

(₹ in lakhs)

PARTICULARS		As at	As at	As at	As at
		31 December 2023	31 March 2023	31 March 2022	31 March 2021
<b>A)</b>	<b>EQUITY AND LIABILITIES</b>				
<b>1.</b>	<b><u>Shareholders' Funds</u></b>				
(a)	Share Capital	186.10	186.10	186.10	136.10
(b)	Reserves and Surplus	1,929.42	1,042.90	576.90	364.59
	<b>Total (A)</b>	<b>2,115.52</b>	<b>1,229.00</b>	<b>763.00</b>	<b>500.69</b>
<b>2</b>	<b>Share Application Money Pending Allotment (B)</b>				
<b>3.</b>	<b><u>Non Current Liabilities</u></b>				
(a)	Long-Term Borrowings	825.21	88.53	151.49	305.22
(b)	Deferred Tax Liabilities (Net)	64.30	36.66	28.68	23.89
(c)	Long Term Provision	13.26	-	-	-
	<b>Total (C)</b>	<b>902.77</b>	<b>125.19</b>	<b>180.17</b>	<b>329.11</b>
<b>4.</b>	<b><u>Current Liabilities</u></b>				
(a)	Short-Term Borrowings	2,423.67	1,693.76	711.38	680.05
(b)	Trade Payables				
	(i) total outstanding dues of micro enterprises and small enterprises; and	-	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	3,376.55	1,618.13	1,523.27	511.77
(c)	Other Current Liabilities	285.19	22.52	52.90	178.05
(d)	Short Term Provisions	352.66	213.49	81.45	56.97
	<b>Total (D)</b>	<b>6,438.07</b>	<b>3,547.90</b>	<b>2,369.00</b>	<b>1,426.84</b>
	<b>Total Equity and Liabilities (A+B+C+D)</b>	<b>9,456.37</b>	<b>4,902.09</b>	<b>3,312.17</b>	<b>2,256.64</b>

**Restated Statement of Profit and Loss:**
*(₹ in lakhs)*

PARTICULARS		For the period ended	For the year ended	For the year ended	For the year ended
		31 December 2023	31 March 2023	31 March 2022	31 March 2021
<b>1</b>	<b>Income</b>				
(a)	Revenue from Operations	10,606.56	8,188.68	6,524.53	5,744.40
(b)	Other Income	7.41	6.90	30.96	24.48
	<b>Total Income</b>	<b>10,613.97</b>	<b>8,195.58</b>	<b>6,555.49</b>	<b>5,768.88</b>
<b>2</b>	<b>Expenditure</b>				
(a)	Cost of Material Consumed	8,847.06	7,288.49	6,081.99	5,110.09
(b)	Purchases of Stock-in-Trade	-	-	-	-
(c)	Changes in Inventories of Finished Goods	(314.54)	(359.34)	(267.07)	(8.33)
(d)	Employee Benefit Expenses	278.95	194.82	80.08	158.14
(e)	Finance Cost	257.49	113.53	110.03	50.16
(f)	Depreciation & Amortization	71.35	58.12	56.15	50.93
(g)	Other Expenses	209.99	203.24	195.76	206.14
	<b>Total Expenditure</b>	<b>9,350.29</b>	<b>7,498.86</b>	<b>6,256.94</b>	<b>5,567.13</b>
<b>3</b>	<b>Profit/(Loss) before Exceptional and Extra Ordinary Item</b>	<b>1,263.68</b>	<b>696.72</b>	<b>298.55</b>	<b>201.75</b>
	Exceptional Items	-	-	-	-
<b>4</b>	<b>Profit/(Loss) Before Tax (2-4)</b>	<b>1,263.68</b>	<b>696.72</b>	<b>298.55</b>	<b>201.75</b>
<b>5</b>	<b>Tax Expense:</b>				
(a)	Tax Expense for Current Year	349.52	222.73	81.45	56.97
(b)	Short/ (Excess)Provision of Tax Earlier Year				
(b)	Deferred Tax	27.64	7.98	4.79	8.77
	<b>Net Current Tax Expenses</b>	<b>377.16</b>	<b>230.71</b>	<b>86.24</b>	<b>65.74</b>
<b>6</b>	<b>Profit/(Loss) for the period from continuing operations (5-6)</b>	<b>886.52</b>	<b>466.00</b>	<b>212.31</b>	<b>136.01</b>
	<b>Earnings Per Share</b>				
	Basic and Diluted [Nominal Value of INR 10 Per Share]	47.64	25.04	11.41	9.99

**Restated Statement of Cash Flows:**
*(₹ in lakhs)*

	Particulars	For the period ended			
		31st December 2023	31st March 2023	31st March 2022	31st March 2021
<b>A.</b>	<b>Cash flow from operating activities</b>				
	Net profit before tax and after prior period item	1263.68	696.72	298.55	201.75
	Adjustments for:				
	Provision for Gratuity	13.50	-	-	-
	Depreciation	71.35	58.12	56.15	50.93
	Interest Income	7.41	5.36	26.13	23.32
	Bad Debts	-	-	-	-
	Finance costs	257.49	113.53	110.03	50.16
	<b>Operating profit before working capital changes</b>	<b>1598.61</b>	<b>863.01</b>	<b>438.60</b>	<b>279.52</b>
	<b>Adjustments for:</b>				
	(Increase) / decrease in inventories	(618.31)	(787.90)	(632.09)	(21.37)
	(Increase) / decrease in trade receivables	(2,965.37)	(153.08)	(428.46)	285.54
	(Increase) / decrease in trade advances	461.21	(979.48)	10.11	(11.73)
	(Increase) / decrease in other current assets	14.71	15.47	39.12	133.56
	(Increase) / decrease in Other Non Current Assets				
	Increase / (decrease) in trade payables	1,758.42	94.86	1,011.50	(1,120.19)
	Increase / (decrease) in other current liabilities	262.67	(30.38)	(125.15)	158.10
	Increase / (decrease) in short term/long term provisions				
	<b>Cash generated from operations</b>	<b>511.93</b>	<b>(977.50)</b>	<b>313.63</b>	<b>296.58</b>
	Income taxes (paid)/ Refund Received	210.59	90.69	56.97	36.67
	<b>Net cash provided / (used) by operating activities (A)</b>	<b>301.34</b>	<b>(1068.19)</b>	<b>256.66</b>	<b>(333.25)</b>
<b>B.</b>	<b>Cash flows from investing activities</b>				
	Purchase or construction of fixed assets and capital advances	(1,278.36)	(171.70)	(23.63)	(6.74)
	Sale of Fixed Asset				3.48
	(Increase)/Decrease in Current Investments				
	Proceeds from sale of fixed assets				
	Interest received	7.41	5.36	26.13	23.32
	<b>Net cash provided / (used) by investing activities (B)</b>	<b>(1,270.96)</b>	<b>(166.34)</b>	<b>2.50</b>	<b>20.05</b>
<b>C.</b>	<b>Cash flow from financing activities</b>				
	Finance costs paid	(257.49)	(113.53)	(110.03)	(50.16)
	Increase in Security Premium				
	Proceeds from issue of share capital			50.00	39.10
	Proceeds/ Repayment from borrowings	1466.59	919.4170876	(122.40)	513.46
	<b>Net cash provided / (used) by financing activities (C.)</b>	<b>1,209.11</b>	<b>805.89</b>	<b>(182.43)</b>	<b>502.40</b>
	<b>Net increase / (decrease) in cash and cash equivalents (A + B + C)</b>	<b>239.49</b>	<b>(428.64)</b>	<b>76.74</b>	<b>189.21</b>
	<b>Cash and cash equivalents at the beginning of period</b>	<b>102.15</b>	<b>530.79</b>	<b>454.05</b>	<b>264.84</b>
	<b>Cash and cash equivalents at the end of period</b>	<b>341.64</b>	<b>102.15</b>	<b>530.79</b>	<b>454.05</b>

*(This page has been intentionally left blank)*

## **GENERAL INFORMATION**

Our Company was incorporated on August 14, 2006 as a private limited company under the name and style of '*Innovative Infratech Solutions Private Limited*', under the Companies Act, 1956, pursuant to a certificate of incorporation dated August 14, 2006 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, in order to rectify the transposition error in the name of our Company, pursuant to a resolution passed by our Board of Directors in its meeting held on November 6, 2013, and by the Shareholders in their Extraordinary General Meeting held on November 8, 2013, the name of our Company was changed to '*Innovative Infratech Solutions Private Limited*' and a fresh certificate of incorporation dated November 22, 2013 was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, pursuant to a resolution passed by our Board of Directors in its meeting held on November 13, 2023, and by the Shareholders in their extraordinary general meeting held on December 15, 2023, in order to reflect the main business activity of the Company and for better branding, the name of our Company was changed to '*Osel Devices Private Limited*' and a fresh certificate of incorporation dated January 16, 2024 was issued by the Registrar of Companies, Delhi and Haryana at Delhi. Further, our Company was converted into a public limited company pursuant to a resolution passed by our Board of Directors in its meeting held on March 15, 2024, and by the Shareholders in an extraordinary general meeting held on March 22, 2024 and consequently the name of our Company was changed to '*Osel Devices Limited*' and a fresh certificate of incorporation dated May 2, 2024 was issued by the Registrar of Companies, Central Processing Centre. The corporate identification number of our Company is U72200DL2006PLC152027.

### **Registered Office of our Company**

#### **Osel Devices Limited**

Office No.- 712, Naurang House K.G. Marg,  
Connaught Place, Central Delhi, New Delhi- 110 001,  
Delhi, India.

**Telephone:** +91 116 666 7621

**Facsimile:** N.A.

**E-mail:** info@oseldevices.com

**Investor grievance id:** grievances@oseldevices.com

**Website:** www.oseldevices.com

**CIN:** U72200DL2006PLC152027

### **Corporate Office of our Company (Address where the books of accounts of our Company are maintained)**

Signature Tower, 1<sup>st</sup> Floor Plot No 3,  
Sector Knowledge Park-III, Noida Sector 34,  
Gautam Buddha Nagar, Noida – 201 307,  
Uttar Pradesh, India.

**Telephone:** +91 120 635 1600

**Facsimile:** N.A.

### **Registrar of Companies**

Our Company is registered with the Registrar of Companies, Delhi and Haryana at Delhi situated at the following address:

#### **Registrar of Companies, Delhi and Haryana at Delhi**

4<sup>th</sup> Floor, IFCI Tower,  
61, Nehru Place,  
New Delhi – 110019,  
Delhi, India.

**Telephone:** +91 112 623 5703, 623 5708

**Facsimile:** +91 112 623 5702

### **Board of Directors of our Company**

Set forth below are the details of our Board of Directors as on the date of this Draft Red Herring Prospectus:

S. No.	Name	Designation	DIN	Address
1.	Rajendra Ravi Shanker Mishra	Managing Director	01628136	T-1901, Plumeria Garden Estate, Omicron 3, Opposite Unitech Horizon, Knowledge Park - I, Gautam Buddha Nagar, Greater Noida – 201 310, Uttar Pradesh, India
2.	Jyotsna Jawahar	Whole-time Director and Chief Financial Officer	08278091	T-1901, Plumeria Garden Estate, Omicron 3, Opposite Unitech Horizon, Knowledge Park - I, Gautam Buddha Nagar, Greater Noida – 201 310, Uttar Pradesh, India
3.	Mukesh Kumar Sinha	Whole-time Director	05330700	Flat Number I - 1404, 14 <sup>th</sup> Floor, Tower-I, Ajnara Grand Heritage, Plot No. GH 01/B, Sector 74, Gautam Buddha Nagar, Noida – 201 301, Uttar Pradesh, India
4.	Saurav Upadhyay	Independent Director	05350001	Sonbarsa, Sonbarsa, Ballia, Sonbarsa – 277 208, Uttar Pradesh, India
5.	Hitu Gambhir Mahajan	Independent Director	07043618	House 33-B, First Floor, Near PNB Bank, , Malviya Nagar, S.O. South Delhi – 110 017, Delhi, India
6.	Sreerama Murthy Garuda	Independent Director	07240632	F-407, Wing 2, Koltepatil Mirablis, Opp. Relaince Smart Super Market, Hormavu Agara Road, Horamavu, Bengaluru – 560 113, Karnataka, India

For detailed profile of our Directors, please refer to the chapter titled **“Our Management”** on page 164 of the Draft Red Herring Prospectus.

#### **Chief Financial Officer**

**Jyotsna Jawahar**, is the Whole-time Director and Chief Financial Officer of our Company. Her contact details are set forth hereunder.

Signature Tower, 1<sup>st</sup> Floor Plot No 3,  
Sector Knowledge Park-III, Noida Sector 34,  
Gautam Buddha Nagar, Noida – 201 307,  
Uttar Pradesh, India.

**Telephone:** +91 120 635 1600

**Facsimile:** NA

**E-mail:** cfo@oseldevices.com

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

**Sandeep Kumar**, is the Company Secretary and Compliance Officer of our Company. His contact details are set forth hereunder.

Signature Tower, 1<sup>st</sup> Floor Plot No 3,  
Sector Knowledge Park-III, Noida Sector 34,  
Gautam Buddha Nagar, Noida – 201 307,  
Uttar Pradesh, India.

**Telephone:** +91 120 635 1600

**Facsimile:** NA

**E-mail:** cs@oseldevices.com

#### **Investor grievances**

**Investors can contact the Company Secretary and Compliance Officer, the BRLM or the Registrar to the Issue in case of any pre-Issue or post-Issue 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 and non-receipt of funds by electronic mode.**

All grievances relating to the Issue other than the Anchor Investors may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Bidders should give full details such as name of the sole or first Bidder, ASBA Form number, Bidder DP ID, Client ID, PAN, date of the ASBA Form, details of UPI IDs (if applicable), address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Bidder.

Further, the investors shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

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

For all Issue related queries and for redressal of complaints, investors may also write to the Book Running Lead Manager.

**Details of Key Intermediaries pertaining to this Issue of our Company:**

**Book Running Lead Manager**

**Horizon Management Private Limited**

19 R N Mukherjee Road,  
Main Building, 2<sup>nd</sup> Floor,  
Kolkata - 700 001,  
West Bengal, India.

**Telephone:** +91 334 600 0607

**Facsimile:** +91 334 600 0607

**E-mail:** smeipo@horizon.net.co

**Website:** [www.horizonmanagement.in](http://www.horizonmanagement.in)

**Investor grievance:** investor.relations@horizon.net.co

**Contact Person:** Manav Goenka

**SEBI Registration Number:** INM000012926

**Registrar to the Issue**

**MAS Services Limited**

T-34, 2nd Floor, Okhla Industrial Area,  
Phase-II New Delhi- 110 020,  
Delhi, India.

**Telephone:** +91 112 638 7281/83, 114 132 0335

**Facsimile:** +91 112 638 7384

**E-mail:** ipo@masserv.com

**Website:** www.masserv.com

**Investor grievance:** investor@masserv.com

**Contact Person:** N. C. Pal

**SEBI Registration No.:** INR000000049

**Legal Advisor to the Issue**

**T&S Law**

Unit Number 15, Logix Technova,  
Block B, Sector 132, Noida – 201 304,  
Uttar Pradesh, India.

**Telephone:** +91 995 611 4287

**Facsimile:** N.A.

**Email:** info@tandslaw.in

**Contact Person:** Sagarika Kapoor

### **Statutory and Peer Review Auditor of our Company**

#### **M/s Kumar Samantaray & Associates,**

A-201-202, RG City Centre,  
Desh Bandhu Gupta Road, Paharganj,  
New Delhi- 110 055,  
Delhi, India.

**Telephone:** +91 114 151 1964

**Email:** ca\_ksa@yahoo.com/ ksa.rajesh@gmail.com

**Contact Person:** Rajesh Kumar

**Membership No.:** 504344

**Firm Registration No.:** 020310N

**Peer Review Certificate No.:** 016337

### **Bankers to our Company**

#### **Indian Bank**

Ground Floor, 17,  
Parliament Street, New Delhi- 110 001,  
Delhi, India.

**Telephone:** 114 153 6774/ 912 333 1830

**Email:** parliamentstreet@indianbank.co.in

**Contact Person:** Vandana Singh

**Website:** www.indianbank.in

#### **Bank of Baroda**

F-27, 28, Sector-18, Noida,  
Uttar Pradesh, India

**Telephone:** +91 892 916 3260

**Email:** ssgaz@bankofbaroda.co.in

**Contact Person:** Anurag Singh

**Website:** www.bankofbaroda.in

### **Banker to the Issue**

The Banker(s) to the Issue shall be appointed prior to filing of the Red Herring Prospectus.

### **Refund Bank**

The Refund Bank(s) shall be appointed prior to filing of the Red Herring Prospectus.

### **Sponsor Bank**

The Sponsor Bank(s) shall be appointed prior to filing of the Red Herring Prospectus.

### **Syndicate Member**

The Syndicate Member(s) shall be appointed prior to filing of the Red Herring Prospectus.

### **Designated Intermediaries**

#### *Self-Certified Syndicate Banks*

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Applying 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>) respectively, as updated from time to time.

### ***SCSBs enabled for UPI Mechanism***

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Applying 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 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, as amended.

### ***Registered Brokers***

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the Stock Exchange, at National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) as updated from time to time.

### ***Registrar and Share Transfer Agent***

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the website of National Stock Exchange of India Limited at [www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm) as updated from time to time.

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

The list of the Collecting Depository Participants (CDPs) eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19> for NSDL CDPs and at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18> for CDSL CDPs, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

### **IPO Grading**

Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 there is no requirement of appointing an IPO Grading agency

### **Credit Rating**

As this is an Issue of Equity Shares, credit rating is not required.

### **Green Shoe Option**

No Green Shoe Option is applicable for this Issue.

### **Brokers to the Issue**

All members of the recognized stock exchanges would be eligible to act as Brokers to the Issue.

### **Debenture Trustees**

As this is an Issue of Equity Shares, the appointment of Debenture trustees is not required.

### **Monitoring Agency**

As the Net Proceeds of the Issue will be less than ₹10,000 lacs, under the SEBI ICDR Regulations, it is not required that a monitoring agency be appointed by our Company.

### **Appraising Entity**

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

### **Expert Opinion**

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

Our Company has received written consent dated June 18, 2024, from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated June 18, 2024, on our restated financial information; and (ii) its report dated June 18, 2024, on the statement of special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

### **Inter-se Allocation of Responsibilities**

Horizon Management Private Limited, being the sole Book Running Lead Manager will be responsible for all the responsibilities related to co-ordination and other activities in relation to the Issue. Hence, a statement of inter se allocation of responsibilities is not required.

### **Filing**

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Issue Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. Pursuant to SEBI Master Circular, a copy of the Red Herring Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of the Red Herring Prospectus/ Prospectus, will also be filed with the EMERGE Platform of National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed.

A copy of the Red Herring Prospectus, along with the material contracts, documents and the Prospectus will also be filed with the RoC at its office situated at 4<sup>th</sup> Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110019, Delhi, India, under Section 26 and Section 32 of the Companies Act, 2013 and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do> .

### **Changes in Auditors during the last three years**

There has not been any change in the Statutory Auditor of our Company in last three years.

### **BOOK BUILDING PROCESS**

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process and advertised in all editions of the [●], an English national newspaper and all editions of [●], a Hindi national newspaper (Hindi, being the regional language of Delhi, where our Registered Office is situated) at least two working days prior to the Bid/Issue Opening date. The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/Issue Closing Date.

Principal parties involved in the Book Building Process are-

- Our Company;
- The Book Running Lead Manager, in this case being Horizon Management Private Limited;
- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with National Stock Exchange of India Limited and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue, in this case being MAS Services Limited
- The Escrow Collection Banks/ Bankers to the Issue and
- The Designated Intermediaries and Sponsor bank

The SEBI ICDR Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI ICDR Regulations.

The Issue is being made through the Book Building Process wherein [•]% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the BRLM allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the “**Anchor Investor Portion**”), out 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 Anchor Investor Issue Price. 5% of the 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, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than [•]% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than [•]% of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price.

All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

All Bidders, other than Anchor Investors are mandatorily required to use the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, in the case of UPI Bidders, by using the UPI Mechanism. Anchor Investors are not permitted to participate in the Issue through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIB and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Anchor Investors are not allowed to revise and withdraw their Bids after the Anchor Investor Bidding Date. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date.

Subject to valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for Retail Portion where allotment to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under – subscription, if any, in any category, would be allowed to be met with spill – over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange. However, under – subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention is invited to the chapter titled “**Issue Procedure**” beginning on page 266 of the Draft Red Herring Prospectus.

The process of Book Building under the SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue.

For further details on the method and procedure for Bidding, please see section entitled “**Issue Procedure**” on page 266 of this Draft Red Herring Prospectus.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%

1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Company in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

**Steps to be taken by the Bidders for Bidding:**

- Check eligibility for making a Bid (see section titled “*Issue Procedure*” on page 266 of this Draft Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;

**Bid/Issue Program:**

Event	Indicative Dates
Bid/Issue Opening Date <sup>^</sup>	[●]
Bid/Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before [●]
Credit of Equity Shares to Demat accounts of Allottees	On or before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or before [●]

<sup>^</sup>Our Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/ Issue Opening Date.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); ‘T’ being issue closing date. Our Company shall follow the timelines provided under the aforementioned circular.

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period (except for the Bid/Issue Closing Date). On the Bid/ Issue Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Applicant on Bid/ Issue Closing Date maybe extended in consultation with the BRLM, RTA and National Stock Exchange of India Limited Emerge taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/ Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later

than 3.00 p.m. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Applicants can revise or withdraw their Bid Cum Application Forms prior to the Bid/ Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue will be on a proportionate basis.

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 Applicant, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid Cum Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

### **WITHDRAWAL OF THE ISSUE**

Our Company in consultation with the BRLM, reserve the right not to proceed with the Issue at any time before the Bid/Issue Opening Date without assigning any reason thereof.

If our Company withdraw the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. The BRLM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

If our Company withdraw the Issue after the Bid/Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approval of the Stock Exchange with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment;

### **UNDERWRITING AGREEMENT**

The Company and the Book Running Lead Manager to the Issue hereby confirm that the Issue will be 100% Underwritten by the Underwriters [•].

Pursuant to the terms of the Underwriting Agreement dated [•] entered into by Company, Underwriters, the obligations of the Underwriters are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

<b>Details of the Underwriters</b>	<b>No. of shares underwritten*</b>	<b>Amount Underwritten (₹ in Lakh)</b>	<b>% of the total Issue Size Underwritten</b>
[•]	[•]	[•]	[•]

*\*Includes [•] Equity shares of ₹10.00 each for cash of ₹ [•]/- the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.*

In the opinion of our Board of Directors (based on a certificate given by the Underwriter), the resources of the above-mentioned Underwriter is sufficient to enable it to discharge its underwriting obligation in full. The above mentioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act and registered as brokers with the Stock Exchanges.

### **DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE**

Our Company has entered into a Market Making Agreement dated [•] with the following Market Maker for fulfilling the Market Making obligations under this Issue:

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[●]

[●]

[●]

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In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Lead Manager and the Market Maker (duly registered with National Stock Exchange of India Limited to fulfil the obligations of Market Making) dated [●] to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issuer.

[●], registered with EMERGE Platform of National Stock Exchange of India Limited will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI ICDR Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by National Stock Exchange of India Limited and SEBI in this matter from time to time.

**Following is a summary of the key details pertaining to the Market Making Arrangement:**

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹ 1,00,000. However, the Investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
4. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25% of Issue Size (Including the [●] Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above [●] Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of market maker in our Company reduce to 24% of Issue Size, the market maker will resume providing 2-way quotes.
5. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, National Stock Exchange of India Limited may intimate the same to SEBI after due verification.
6. There would not be more than five Market Maker for the Company's Equity Shares at any point of time and the Market Maker may compete with other Market Maker for better quotes to the investors.
7. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. In case equilibrium price is not discovered the price band in the normal trading session shall be based on Issue price.
8. The Marker Maker may also be present in the opening call auction, but there is no obligation on him to do so.
9. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily / fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
10. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Managers, who shall then be responsible to appoint a replacement Market Maker.

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations

applicable at that particular point of time.

11. **Risk containment measures and monitoring for Market Maker:** EMERGE Platform of National Stock Exchange of India Limited will have all margins which are applicable on the National Stock Exchange of India Limited Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. National Stock Exchange of India Limited can impose any other margins as deemed necessary from time-to-time.
12. **Punitive Action in case of default by Market Maker:** EMERGE Platform of National Stock Exchange of India Limited will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
13. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.
14. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:
  - a. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - b. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.
15. Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform.

S. No.	Market Price Slab (in Rs.)	Proposed Spread (in % to sale price)
1.	Up to 50	9
2.	50 to 75	8
3.	75 to 100	6
4.	Above 100	5

All the above mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

16. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the Issue size and as follows:

Issue Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue size)
Upto ₹20 Crore	25%	24%
₹20 Crore to ₹50 Crore	20%	19%
₹50 Crore to ₹80 Crore	15%	14%
Above ₹80 Crore	12%	11%

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI / National Stock Exchange of India Limited from time to time.

## CAPITAL STRUCTURE

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

(₹ in lakhs, except share data)

Sr. No.	Particulars	Aggregate Value at Nominal Value	Aggregate Value at Issue Price
A.	<b>Authorised Share Capital out of which :</b>		
	2,00,00,000 Equity Shares having face value of ₹ 10/- each	2,000.00	-
B.	<b>Issued, Subscribed and Paid-up Share Capital before the Issue out of which</b>		
	1,17,13,200 Equity Shares having face value of ₹ 10/- each	1,171.32	-
C.	<b>Present Issue in terms of this Draft Red Herring Prospectus<sup>(1)</sup></b>		
	Issue of upto 45,00,000 Equity Shares of ₹ 10/- each at a price of ₹ [•] per Equity Share	[•]	[•]
	<b>Which comprises:</b>		
	[•] Equity Shares of ₹ 10/- each at a price of ₹ [•] per Equity Share reserved as Market Maker Portion	[•]	[•]
	Net Issue to Public of [•] Equity Shares of ₹ 10/- each at a price of ₹ [•] per Equity Share to the Public	[•]	[•]
	<b>Of which<sup>(2)</sup>:</b>		
	Up to [•] Equity Shares of ₹ 10/- each at a price of ₹ [•] per Equity Share will be available for allocation for Investors of up to ₹ 10.00 lakhs	[•]	[•]
	Up to [•] Equity Shares of ₹ 10/- each at a price of ₹ [•] per Equity Share will be available for allocation for Investors of above ₹ 10.00 lakhs	[•]	[•]
D.	<b>Paid-up Share Capital after the Issue</b>		
	[•] Equity Shares of ₹ 10/- each		[•]
E.	<b>Securities Premium Account</b>		
	Before the Issue		192.50
	After the Issue		[•]

<sup>(1)</sup> The present Issue has been authorized pursuant to a resolution of our Board dated June 18, 2024, and pursuant to a special resolution of our Shareholders passed in an Extra Ordinary General Meeting dated June 19, 2024 under Section 62(1)(c) of the Companies Act, 2013.

<sup>(2)</sup> Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under-subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

### Classes of Shares

Our Company has only one class of share capital i.e. Equity Shares of face value of ₹ 10/- each only. All the issued Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Draft Red Herring Prospectus.

### Details of changes in Authorized Share Capital of our Company since incorporation

The initial authorised capital of our Company was ₹ 1,00,000 (Rupees one lakh only) divided into 10,000 Equity Shares of ₹ 10/- each. Further, the authorised share capital of our Company has been altered in the manner set forth below:

Date of Shareholder's Meeting	Particulars of Change		AGM/EGM
	From	To	
November 12, 2018	₹ 1,00,000 divided into 10,000 Equity Shares of ₹ 10 each	₹ 50,00,000 divided into 5,00,000 Equity Shares of ₹ 10 each	EGM
June 6, 2019	₹ 50,00,000 divided into 5,00,000 Equity Shares of ₹ 10 each	₹ 3,00,00,000 divided into 30,00,000 Equity Shares of ₹ 10 each	EGM
January 17, 2024	₹ 3,00,00,000 divided into 30,00,000 Equity Shares of ₹ 10 each	₹ 20,00,00,000 divided into 2,00,00,000 Equity Shares of ₹ 10 each	EGM



## NOTES TO THE CAPITAL STRUCTURE

### 1) Share Capital History of our Company:

#### Equity Share Capital

The following table sets forth details of the history of paid-up Equity Share capital of our Company:

Date of Allotment	No. of Equity Shares	Face value (₹)	Issue Price (₹)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative paid-up Capital (₹)
On Incorporation*	10,000	10	10	Cash	Subscription to Memorandum of Association <sup>(1)</sup>	10,000	1,00,000
March 29, 2019	3,40,000	10	10	Cash	Rights Issue to shareholders holding Equity Shares on February 21, 2019 <sup>(2)</sup>	3,50,000	35,00,000
May 6, 2019	1,40,000	10	10	Cash	Rights Issue to shareholders holding Equity Shares on April 8, 2019 <sup>(3)</sup>	4,90,000	49,00,000
June 29, 2019	4,80,000	10	10	Cash	Rights Issue to shareholders holding Equity Shares on June 6, 2019 <sup>(4)</sup>	9,70,000	97,00,000
June 29, 2020	3,91,000	10	10	Cash	Rights Issue to shareholders holding Equity Shares on June 5, 2020 <sup>(5)</sup>	13,61,000	1,36,10,000
January 20, 2022	5,00,000	10	10	Cash	Rights Issue to shareholders holding Equity Shares on December 31, 2021 <sup>(6)</sup>	18,61,000	1,86,10,000
February 24, 2024	96,77,200	10	N.A.	Consideration other than cash	Bonus Issue in the ratio of fifty two (52) new equity shares for every ten (10) Equity Shares held on February 20, 2024 <sup>(7)</sup>	1,15,38,200	11,53,82,000
June 18, 2024	1,75,000	10	120	Cash	Preferential Allotment <sup>(8)</sup>	1,17,13,200	11,71,32,000

\*The MoA of our Company was signed on July 5, 2006, however, our Company was incorporated on August 14, 2006.

- (1) Subscription to MoA of our Company, by subscribing to a total of 10,000 Equity Shares by Rajendra Ravi Shanker Mishra (5,000 Equity Shares); and Vijay Babbar (5,000 Equity Shares).
- (2) Rights issue of 3,40,000 Equity Shares to Rajendra Ravi Shanker Mishra;
- (3) Rights issue of 1,40,000 Equity Shares to Rajendra Ravi Shanker Mishra;
- (4) Rights issue of 4,80,000 Equity Shares to Rajendra Ravi Shanker Mishra;
- (5) Rights issue of 3,91,000 Equity Shares to Rajendra Ravi Shanker Mishra;
- (6) Rights issue of 5,00,000 Equity Shares to Rajendra Ravi Shanker Mishra;
- (7) Bonus issue of 96,77,200 Equity Shares in the ratio of fifty two (52) new equity shares for every ten (10) Equity Shares held on February 20, 2024; to Jyotsna Jawahar (52); Rajendra Ravi Shanker Mishra (96,76,888); Kumar Vikalpa (52); Viruthikandiyil Kunammed (52); Sanjeev Kumar Sharma (52); Yogesh Joshi (52); and Ritesh Kumar (52).
- (8) Preferential Allotment of 1,75,000 Equity Shares to following persons/ entities:

S. No.	Name of allottees	No. of shares
1.	Umapati Singhanian HUF	8,500
2.	Vimla Devi Dhandharia	5,000
3.	Lalita Dhandharia	5,000
4.	Long Run Services LLP	14,500
5.	Chanda Gupta	4,500
6.	Prabhat Kumar Agarwal	4,500
7.	Bachh Raj Nahar	4,200
8.	Ankita Jain	3,200

9.	Ranju Patawari	4,000
10.	Saroj Sureka	2,200
11.	Ashok Kumar Chokhani HUF	21,000
12.	Rajesh Bhardwaj	4,200
13.	WCA Services Private Limited	10,000
14.	Gaurav Singhania	4,200
15.	Kundan Agarwal	5,000
16.	Bajrang Lal Gupta	25,000
17.	Neptune Leisure and Holidays Private Limited	20,000
18.	Giriraj Stock Broking Private Limited	30,000

2) **Preference Share capital history of our Company**

Our Company does not have any preference share capital as on the date of this Draft Red Herring Prospectus.

3) **Issue of equity shares for consideration other than cash or out of revaluation reserves and through Bonus Issue:**

Except as set out below we have not issued equity shares for consideration other than cash:

Date of allotment	Number of equity shares allotted	Face Value	Issue Price	Nature of allotment	Benefit accrued to our Company	Source out of which bonus shares issued
February 24, 2024	96,77,200	10	Consideration other than cash	Bonus issue in the ratio of fifty two (52) new equity share for every ten (10) Equity Share held on February 20, 2024 authorized by our Board, pursuant to a resolution passed at its meeting held on February 20, 2024 and by our shareholders pursuant to a resolution passed at the EGM held on February 20 2024.	Nil	General Reserves Account

*For details in respect of list of allottees, please see “- Share Capital History of our Company - Equity Share Capital” on page 73.*

- 4) As of date of this Draft Red Herring Prospectus, our Company has not allotted Equity Shares pursuant to any scheme approved under sections 391-394 of the Companies Act, 1956 and/or sections 230-232 of the Companies Act, 2013.
- 5) Our Company has not issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme.
- 6) Our Company has not issued any Equity Shares at a price which may be lower than the Issue Price, during a period of one year preceding the date of this Draft Red Herring Prospectus except as stated below:

Date of Allotment	No. of Equity Shares	Face value (₹)	Issue Price (₹)	Nature of consideration	Nature of Allotment
June 18, 2024	1,75,000	10	120.00	Cash	Private Placement

7) **Shareholding Pattern of our Company**

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

Category (I)	Category of Shareholder (II)	No. of Shareholders (III)	No. of fully paid-up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of shares underyling deposit receipts (VI)	Total No. of shares held (VII) = (IV)+(V) + (VI)	Shareholding as a % of total no. of Equity Shares (calculate as per SCRR) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares underlying outstanding convertible securities (including warrants)	Shareholding as a % assuming full conversion of convertible securities No. (a)	No. of locked-in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialized form (XIV)
								Class (Equity)	Total	Total as a % of (A+B+C)			No (a)	As a % of total shares held (b)	No (a)	As a % of total shares held (b)	
(A)	Promoters and Promoter Group	2	1,15,37,890	-	-	1,15,37,890	98.50	1,15,37,890	-	98.50	-	-	-	-	-	-	1,15,37,890
(B)	Public	23	1,75,310	-	-	1,75,310	1.50%	1,75,310	-	1.50%	-	-	-	-	-	-	1,75,310
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying deposit ory receipt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>		25	1,17,13,200	-	-	1,17,13,200	100.00	1,17,13,200	-	100.00	-	-	-	-	-	-	1,17,13,200

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one (1) day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the website of Stock Exchanges before commencement of trading of such Equity Shares. The Equity Shares held by our Promoters are in dematerialized form.

8) **Other details of shareholding of our Company:**

- a) Particulars of the shareholders holding 1% or more of the paid-up share capital of our Company aggregating to 80% or more of the paid-up share capital and the number of shares held by them as on the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Rajendra Ravi Shanker Mishra	1,15,37,828	98.50%
<b>Total</b>		<b>1,15,37,828</b>	<b>98.50%</b>

- b) Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them ten (10) days prior to the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Rajendra Ravi Shanker Mishra	1,15,37,828	98.50%
<b>Total</b>		<b>1,15,37,828</b>	<b>98.50%</b>

- c) Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them one (01) year from the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Rajendra Ravi Shanker Mishra	18,60,990	15.89%
<b>Total</b>		<b>18,60,990</b>	<b>15.89%</b>

- d) Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them two (02) years prior to filing of this Draft Red Herring Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Rajendra Ravi Shanker Mishra	18,60,990	15.89%
<b>Total</b>		<b>18,60,990</b>	<b>15.89%</b>

- e) None of the shareholders of our Company holding 1% or more of the paid-up capital of the Company as on the date of the filing of the Draft Red Herring Prospectus are entitled to any Equity Shares upon exercise of warrant, option or right to convert a debenture, loan or other instrument.
- f) Our Company has not made any initial public offer of its Equity Shares or any convertible securities during the preceding 02 (two) years from the date of this Draft Red Herring Prospectus.
- 9) Our Company does not have any intention or proposal to alter its capital structure within a period of six (06) months from the date of opening of the Issue by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares whether preferential or bonus, rights or further public issue basis. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the opening of the Issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

10) **Shareholding of our Promoters**

Set forth below are the details of the build-up of shareholding of our Promoters:

**Rajendra Ravi Shanker Mishra**

Date of Allotment and made fully paid up/ Transfer	Nature of Transaction	Consideration	No. of Equity Shares	F.V (in Rs.)	Issue / Transfer Price (in Rs.)	Cumulative no. of Equity Shares	% of Pre-Issue Equity Paid Up Capital	% of Post-Issue Equity Paid Up Capital	No. of Shares Pledged	% of shares pledged
<b>Rajendra Ravi Shanker Mishra</b>										
August 14, 2006	Subscription to the MoA	Cash	5,000	10	10	5,000	0.04%	[•]	-	-
March 29, 2013	Transfer	Cash	4,990	10	10	9,990	0.09%	[•]	-	-
March 29, 2019	Rights Issue	Cash	3,40,000	10	10	3,49,990	2.99%	[•]	-	-
May 6, 2019	Rights Issue	Cash	1,40,000	10	10	4,89,990	4.18%	[•]	-	-
June 29, 2019	Rights Issue	Cash	4,80,000	10	10	9,69,990	8.28%	[•]	-	-
June 29, 2020	Rights Issue	Cash	3,91,000	10	10	13,60,990	11.62%	[•]	-	-
January 20, 2022	Rights Issue	Cash	5,00,000	10	10	18,60,990	15.89%	[•]	-	-
March 31, 2022	Transfer	Cash	(4)	10	10	18,60,986	15.89%	[•]	-	-
April 15, 2022	Transfer	Cash	4	10	10	18,60,990	15.89%	[•]	-	-
February 15, 2024	Transfer	Cash	(50)	10	10	18,60,940	15.89%	[•]	-	-
February 24, 2024	Bonus Issue	Consideration other than cash	96,76,888	10	NA	1,15,37,828	98.50%	[•]	-	-
	<b>Total</b>		<b>1,15,37,828</b>							

**Jyotsna Jawahar**

Date of Allotment and made fully paid up/ Transfer	Nature of Transaction	Consideration	No. of Equity Shares	F.V (in Rs.)	Issue / Transfer Price (in Rs.)	Cumulative no. of Equity Shares	% of Pre-Issue Equity Paid Up Capital	% of Post-Issue Equity Paid Up Capital	No. of Shares Pledged	% of shares pledged
<b>Jyotsna Jawahar</b>										
April 15, 2022	Transfer	Cash	10	10	10	10	0.00%	[•]	-	-
February 24, 2024	Bonus Issue	Consideration other than cash	52	10	NA	62	0.00%	[•]	-	-
	<b>Total</b>		<b>62</b>							

11) As on the date of the Draft Red Herring Prospectus, the Company has Twenty-five (25) members/shareholders.

12) The details of the Shareholding of the Promoters as on the date of this Draft Red Herring Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholders	Pre-Offer		Post - Offer	
		Number of Equity Shares	% of Pre-Offer Equity Share Capital	Number of Equity Shares	% of Post-Offer Equity Share Capital
<b>Promoter</b>					
1.	Rajendra Ravi Shanker Mishra	1,15,37,828	98.50%	1,15,37,828	[•]
2.	Jyotsna Jawahar	62	0.00%	62	[•]
<b>Total</b>		<b>1,15,37,890</b>	<b>98.50%</b>	<b>1,15,37,890</b>	<b>[•]</b>

As on date of this Draft Red Herring Prospectus, the members of our Promoter Group do not hold shareholding in our Company.

- 13) Our Promoters, Promoter Group, Directors of our Company and their relatives have not undertaken purchase or sale transactions in the Equity Shares of our Company, during a period of six (06) months preceding the date on which this Draft Red Herring Prospectus is filed with Stock Exchange except:

Date of allotment	No of equity shares Purchased /sold	Face value	Issue / Transfer price	Issue price (Adjusted for Bonus Shares)	Nature of allotment	Nature of consideration	Total consideration (Rs. in lakhs)
February 15, 2024	(50)	10	10	1.61	Transfer	Cash	(0.01)
<b>Total</b>	<b>(50)</b>						<b>(0.01)</b>

- 14) There are no financing arrangements wherein the Promoters, Promoter Group, the Directors of our Company and their relatives, have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six (06) months immediately preceding the date of filing of the Draft Red Herring Prospectus.

**15) Promoters' Contribution and other Lock-In details:**

Pursuant to Regulation 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20.00% of the fully diluted post-Issue capital of our Company held by the Promoters shall be locked in for a period of three years from the date of Allotment ("Minimum Promoters' Contribution"), and the Promoters' shareholding in excess of 20% of the fully diluted post-Issue Equity Share capital shall be locked in for a period of one year from the date of Allotment.

The lock-in of the Minimum Promoter's Contribution would be created as per applicable laws and procedures and details of the same shall also be provided to the Stock exchange before the listing of the Equity Shares.

Following are the details of Minimum Promoters' Contribution:

Number of Equity Shares locked-in <sup>*(1)(2)(3)</sup>	Nature of Allotment / Transfer	Date of Allotment and Date when made fully paid-up	Face value (in ₹)	Offer / Acquisition Price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	% of fully diluted post- Offer paid-up capital	Period of lock-in
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Rajendra Ravi Shanker Mishra</b>							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Jyotsna Jawahar</b>							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>TOTAL</b>	[•]					[•]	

\* Subject to finalisation of Basis of Allotment.

(1) For a period of three years from the date of allotment.

(2) All Equity Shares have been fully paid-up at the time of allotment.

(3) All Equity Shares held by our Promoters are in dematerialized form.

For details on the build-up of the Equity Share capital held by our Promoters, see “*Details of the Build-up of our Promoters’ shareholding*” on page 76.

The Promoters’ Contribution has been brought to the extent of not less than the specified minimum lot and from persons defined as ‘promoter’ under the SEBI (ICDR) Regulations.

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoters’ Contribution under Regulation 237 of the SEBI (ICDR) Regulations. In this computation, as per Regulation 237 of the SEBI (ICDR) Regulations, our Company confirms that the Equity Shares which are being locked-in do not, and shall not, consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets
- Equity Shares resulting from bonus issue by utilization of revaluations reserves or unrealized profits of the Company or from bonus issue against Equity Shares which are otherwise ineligible for minimum promoters’ contribution;
- Equity Shares acquired during the preceding one year, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
- Equity Shares allotted to the promoter against the capital existing in the firms for a period of less than one year on a continuous basis.
- Equity Shares held by the Promoters that are subject to any pledge; and
- Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the Promoters’ Contribution subject to lock-in.

Our Company has not been formed by the conversion of a partnership firm into a company in the past one year and thus, no Equity Shares have been issued to our Promoter upon conversion of a partnership firm in the past one year. All the Equity Shares held by the Promoter and the members of the Promoter Group are held in dematerialized form.

In terms of undertaking executed by our Promoters, Equity Shares forming part of Promoters’ Contribution subject to lock in will not be disposed/ sold/ transferred by our Promoters during the period starting from the date of filing of this Draft Red Herring Prospectus till the date of commencement of lock in period as stated in this Draft Red Herring Prospectus.

Other than the Equity Shares locked-in as Promoters’ Contribution for a period of three years as stated in the table above, the entire pre-Issue capital of our Company, including the excess of minimum Promoters’ Contribution, as per Regulation 238 of the SEBI (ICDR) Regulations, shall be locked in for a period of one year from the date of Allotment of Equity Shares in the Issue. Such lock – in of the Equity Shares would be created as per the bye laws of the Depositories.

#### ***Other requirements in respect of ‘lock-in’***

In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code as applicable.

In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by our Promoters which are locked in as per the provisions of Regulation 238 of the SEBI (ICDR) Regulations, may be transferred to and amongst Promoters / members of the Promoter Group or to a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of Takeover Code, as applicable.

In terms of Regulation 242(a) of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by our Promoters can be pledged only with any scheduled commercial banks or public financial institutions or a systemically important non-banking finance company or a housing finance company as collateral security for loans granted by such banks or financial institutions, provided that such loans have been granted for the purpose of financing one or more of the objects of the Issue and pledge of the Equity Shares is a term of sanction of such

loans.

In terms of Regulation 242(b) of the SEBI ICDR Regulations, the Equity Shares held by the Promoters which are locked-in for a period of one year from the date of allotment may be pledged only with scheduled commercial banks, public financial institutions, systemically important non-banking finance companies or housing finance companies as collateral security for loans granted by such entities, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans.

- 16) Our Company, our Promoters, our Directors and the Book Running Lead Manager have no existing buyback arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.
- 17) The post-Issue paid up Equity Share Capital of our Company shall not exceed the authorised Equity Share Capital of our Company.
- 18) There have been no financing arrangements whereby our Directors or any of their relatives have financed the purchase by any other person of securities of our Company during the six months immediately preceding the date of filing of this Draft Red Herring Prospectus.
- 19) No person connected with the Issue, including, but not limited to, our Company, the members of the Syndicate, 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 Issue.
- 20) There neither have been and there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of the Draft Red Herring Prospectus until the Equity Shares have been listed on the Stock Exchange or all application monies have been refunded, as the case may be.
- 21) Our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Draft Red Herring Prospectus.
- 22) There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
- 23) Our Company shall ensure that any transactions in Equity Shares by our Promoters and the Promoter Group during the period between the date of filing the Draft Red Herring Prospectus and the date of closure of the Issue, shall be reported to the Stock Exchanges within 24 hours of the transaction.
- 24) All Equity Shares issued pursuant to the Issue 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.
- 25) As on the date of this Draft Red Herring Prospectus, the Book Running Lead Manager and their respective associates (as defined 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 their 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.
- 26) Our Promoters and the members of our Promoter Group will not participate in the Issue.
- 27) Following are the details of Equity Shares of our Company held by our Directors, Key Management Personnel:



Sr. No.	Name of the Shareholders	Pre-Issue		Post - Issue	
		Number of Equity Shares	% of Pre-Issue Equity Share Capital	Number of Equity Shares	% of Post-Issue Equity Share Capital
1.	Rajendra Ravi Shanker Mishra	1,15,37,828	98.50%	1,15,37,828	[•]
2.	Jyotsna Jawahar	62	0.00%	62	[•]
	<b>Total</b>	<b>1,15,37,890</b>	<b>98.50%</b>	<b>1,15,37,890</b>	<b>[•]</b>

- 28) Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Issue.
- 29) Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under “Basis of Allotment” in the chapter titled “**Issue Procedure**” beginning on page 266 of this Draft Red Herring Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.
- 30) An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
- 31) An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-Issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
- 32) Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.
- 33) No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
- 34) As on date of this Draft Red Herring Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.

### **OBJECTS OF THE ISSUE**

We intend to utilize the Proceeds of the Issue, after deducting the Issue related expenses, as estimated to be ₹ [●] Lakhs (the “Net Proceeds”).

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

1. Prepayment or repayment of certain loans availed by our Company;
2. Funding of working capital requirements of our Company;
3. General Corporate Purposes.

(Collectively, referred to herein as the “Objects”)

The main objects clause of our Memorandum of Association and the objects incidental and ancillary to the main objects enable us to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum of Association.

Additionally, we believe that the listing of Equity Shares will enhance our Company’s corporate image, brand name and create a public market for our Equity Shares in India.

#### **Issue Proceeds**

The details of the proceeds of the Issue are set out in the following table:

(₹ in Lakhs)

Particulars	Estimated amount <sup>(1)</sup>
Gross Proceeds from the Issue	[●]
(Less) Issue related expenses	[●]
<b>Net Proceeds</b>	[●]

<sup>(1)</sup>To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC.

#### **Requirement of Funds and Utilization of Net Proceeds**

The Net Proceeds are proposed to be used in the manner set out in in the following table:

(₹ in Lakhs)

Sr. No.	Particulars	Estimated amount
1.	Prepayment or repayment of all or a portion of certain loans availed by our Company	Upto 600.00
2.	Funding of working capital requirements of our Company	Upto 4,400.00
3.	General corporate purposes <sup>(1)</sup>	[●]

<sup>(1)</sup>To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

#### **Schedule of implementation**

We propose to deploy the Net Proceeds towards the aforesaid Objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below.

(₹ in Lakhs)

Sr. No.	Particulars	Total Estimated Cost	Amount to be funded from the Net Proceeds	Amount to be funded from internal accruals	Estimated Utilisation of Net Proceeds Fiscal 2025
1.	Prepayment or repayment of certain loans availed by our Company	600	600	Nil	600

Sr. No.	Particulars	Total Estimated Cost	Amount to be funded from the Net Proceeds	Amount to be funded from internal accruals	Estimated Utilisation of Net Proceeds
2.	Funding of working capital requirements of our Company ^	4,400	4,400	Nil	4,400
3.	General corporate purposes *	[●]	[●]	Nil	[●]

\*To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

^Our Company shall also fund the incremental working capital requirements by availing loan facilities.

**Since, the entire fund requirement are to be funded from the proceeds of the Issue, there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue.**

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

For further details see “Risk Factor – Risk Factor 57 - Any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in the Draft Red Herring Prospectus would be subject to certain compliance requirements, including prior shareholders’ approval” on page 49.

The fund requirements mentioned above are based on the internal management estimates of our Company and have not been verified by the Book Running Lead Manager or appraised by any bank, financial institution. The fund requirements are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilising our internal accruals or seeking debt financing. For further details see “Risk Factors – Risk Factor 45 - We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further, we have not identified any alternate source of financing the ‘Objects of the Issue’. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance” on page 45.

The fund requirements set out for the aforesaid objects of the Issue are proposed to be met entirely from the Net Proceeds and internal accruals. In view of above, we confirm that, with respect to the Objects, our Company is in compliance with Regulation 230(1)(e) of the SEBI ICDR Regulations and we are not required to make firm

arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Issue and existing identifiable internal accruals. In case of a shortfall in the Net Proceeds or any increase in the actual utilization of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals.

## Details of Objects of the Issue

### 1. Prepayment or repayment of all or a portion of loans availed by our Company

Our Company has entered into various financing arrangements from time to time, with various lenders. The financing arrangements availed by our Company include, *inter alia*, unsecured loans, term loans and working capital facilities. For further details, please refer “*Financial Indebtedness*” on page 223.

As at March 31, 2024, our total outstanding borrowings from various lenders (other than loans from related parties) amounted to ₹ 2,536.95 lakhs. Our Company proposes to utilise an estimated amount of up to ₹600 lakhs from the Net Proceeds towards full or partial repayment or pre-payment of certain borrowings, listed below, availed from the lenders by our Company. Pursuant to the terms of the financing arrangements, prepayment of certain borrowings may attract prepayment charges as prescribed by the respective lender. Such prepayment charges, as applicable, will be funded from the internal accruals of our Company.

We believe that such repayment/ pre-payment will help reduce our outstanding indebtedness, debt servicing costs, assist us in maintaining a favourable debt to equity ratio and enable utilisation of our internal accruals for further investment in our business growth and expansion. Additionally, we believe that the leverage capacity of our Company will improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business.

The following table provides details of loans and facilities as at March 31, 2024, which are proposed to be pre-paid or partly or fully repaid by our Company from the Net Proceeds:

(₹ in Lakhs)

S. No.	Name of Lender	Nature of Borrowings	Interest rate (%) P.A	Repayment Terms	Prepayment penalties, if any	Amount Outstanding as on 31-03-2024	Purpose for which the loan was sanctioned *
1	Indian Bank	Term Loan- Loan against property	9.30%	84 EMIs beginning from July 2023	As applicable	645.17	Purchase of property and general business purpose

Note: The details included in the above table have been certified by our Statutory Auditors pursuant to their certificate dated June 21, 2024.

\*Our Statutory Auditors by way of their certificate dated June 21, 2024, have confirmed that the borrowings specified above has been utilized for the purposes availed, as per the sanction letters issued by the respective lenders.

For further details in relation to our borrowings, please see “*Financial Indebtedness*” on page 223.

Payment of additional interest, prepayment penalty or premium, if any, and other related costs shall be made by us out of the internal accruals or out of the Net Proceeds as may be decided by our Company.

Given the nature of the above-mentioned borrowings and the terms of repayment, the aggregate outstanding borrowing amounts which we propose to repay may vary from time to time. However, the aggregate amount to be utilised from the Net Proceeds towards prepayment or repayment of borrowings (including refinanced or additional facilities availed, if any), in part or full, will not exceed ₹ 600 lakhs.

If the actual utilization towards the above object is lower than the proposed deployment, such balance will be used either for funding other objects as mentioned above or towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the Gross Proceeds from the Issue in accordance with the SEBI ICDR Regulations.

## 2. Funding the working capital requirements of our Company

With the expansion of the business, our company will be in the need of additional working capital requirements. We fund a majority of our working capital requirements in the ordinary course of business from banks facilities and internal accruals. Our Company requires additional working capital for funding its incremental working capital requirements and releasing the internal accruals deployed in working capital. The funding of the incremental working capital requirements will lead to a consequent increase in our profitability, ability to utilize internal accruals for growth opportunities and achieving the proposed targets as per our business plan.

Our Company proposes to utilize ₹ 4,400 Lakhs of the Net Proceeds towards our Company's working capital requirements. The company shall utilize the entire ₹ 4,400 Lakhs in Fiscal 2025 towards our Company's working capital requirements. The balance portion of our Company working capital requirement shall be met from the working capital facilities availed and internal accruals.

### Basis of estimation of working capital requirement

The details of our existing Company's working capital as at March 31, 2022, March 31, 2023 and December 31, 2023 and the source of funding, derived from the financial statements of our Company, as certified by our Statutory Auditor through their certificate dated June 21, 2024, are provided in the table below. The details of our existing Company's working capital as at March 31, 2024 are based on the provisional financial statements of our Company, as certified by our Board of Directors on June 21, 2024. On the basis of the existing and estimated working capital requirement of our Company, and assumptions for such working capital requirements, our Board pursuant to its resolution dated June 21, 2024, has approved the estimated working capital requirements for Fiscals 2025 and 2026 as set forth below:

(₹ in Lakhs)							
S. No.	Particulars	As at March 31, 2022	As at March 31, 2023	As at December 31, 2023	As at March 31, 2024	As at March 31, 2025	As at March 31, 2026
		(Actual-Restated)	(Actual-Restated)	(Actual-Restated)	(Provisional)	(Estimated)	(Projected)
<b>(A)</b>	<b>Current assets</b>						
(a)	Inventories	1,027.31	1,815.21	2,433.52	2,466.21	4,931.51	6,534.25
(b)	Trade receivables	1,130.35	1,283.43	4,248.80	2,484.62	4,109.59	5,445.21
(c)	Other Current Assets	85.44	1,049.44	573.52	282.63	602.00	795.00
	<b>Total current assets (A)</b>	<b>2,243.10</b>	<b>4,148.08</b>	<b>7,255.85</b>	<b>5,233.46</b>	<b>9,643.10</b>	<b>12,774.45</b>
<b>(B)</b>	<b>Current liabilities</b>						
(a)	Trade payables	1,523.27	1,618.13	3,376.55	1,626.59	2,849.32	3,775.34
(b)	Provisions, other current liabilities and current tax liabilities (net)	134.35	236.01	638.62	854.90	1,160.00	1,537.00
	<b>Total current liabilities (B)</b>	<b>1,657.62</b>	<b>1,854.14</b>	<b>4,015.16</b>	<b>2,481.49</b>	<b>4,009.32</b>	<b>5,312.34</b>
<b>(C)</b>	<b>Total working capital requirements (C = A – B)</b>	<b>585.48</b>	<b>2,293.94</b>	<b>3,240.69</b>	<b>2,751.97</b>	<b>5,633.78</b>	<b>7,462.11</b>
<b>(D)</b>	<b>Funding pattern</b>						
(a)	IPO proceeds	-	-	-	-	4,400.00	-

S. No.	Particulars	As at March 31, 2022	As at March 31, 2023	As at December 31, 2023	As at March 31, 2024	As at March 31, 2025	As at March 31, 2026
		(Actual-Restated)	(Actual-Restated)	(Actual-Restated)	(Provisional)	(Estimated)	(Projected)
(b)	Borrowings from banks, financial institutions and non-banking financial companies (including bill discounting) and/or internal accruals	585.48	2,293.94	3,240.69	2,751.97	1,233.78	7,462.11
	<b>Total</b>	<b>585.48</b>	<b>2,293.94</b>	<b>3,240.69</b>	<b>2,751.97</b>	<b>5,633.78</b>	<b>7,462.11</b>

Note: Pursuant to the certificate dated June 21, 2024 issued by the Statutory Auditor.

Our Company shall also fund the incremental working capital requirements by availing loan facilities.

#### Assumptions for our estimated working capital requirements

Particulars	As at March 31, 2022	As at March 31, 2023	As at December 31, 2023	As at March 31, 2024	As at March 31, 2025	As at March 31, 2026
	(Actual-Restated)	(Actual-Restated)	(Actual-Restated)	(Provisional)	(Estimated)	(Projected)
<b>Holding Level for year/period ended</b>						
Inventories	57	81	84	68	90	90
Trade Receivables	63	57	146	69	75	75
Trade Payables	86	77	135	55	65	65

#### Key assumptions for working capital requirements

Our Company's estimated working capital requirements on a standalone basis are based on the following key assumptions:

S. No.	Particulars	Assumptions
<b>Current Assets</b>		
1	Inventories	Our Company had Inventories Holding days of 57 days, 81 days and 68 days in FY2022, FY2023 and FY2024. We expect Inventories Holding days to be around 90 days for FY2025 and FY 2026. This will be slightly longer than 84 days for the nine month period ended December 31, 2023. With the infusion of fresh funds in working capital, the Company would be able to maintain higher inventories of raw material and finished products leading to faster execution of orders. This would give an edge to the Company over its competitors.
2	Trade Receivables	Our Company's general credit terms vary across type of business and customer. We had Debtors Holding days of 63 days, 57 days and 69 days in FY2022, FY2023 and FY2024. We expect Debtors Holding days to be around 75 days for FY2025 and FY 2026. This will be almost at par with FY2024. The Company would maintain the debtors holding days at about 75 days in the next 2 years as it would execute new orders with longer payment cycles but with higher margins.
<b>Current Liabilities</b>		
1	Trade Payables	We had creditor payment cycle of 86 days, 77 days and 55 days in FY2022, FY2023 and FY2024. We expect our creditor payments days be around 65 days for FY2025 and FY2025. The company is trying to lower creditors by paying earlier, leading to more discounts and hence better profitability.

### **Reason for substantial increase of working capital requirement are mentioned below:-**

Osel is driven by a passion for innovation and a commitment to excellence. As a one of the leading providers of cutting-edge technology solutions, Osel specializes in creating transformative products that empower individuals, businesses, and communities to thrive in a rapidly evolving digital world. Our Company manufactures a comprehensive range of LED display systems and the hearing aids, including all major components, at our manufacturing plant in Greater Noida.

We manufacture a comprehensive range of LED display systems. We are equipped with software and hardware capabilities. Our LED display systems are enabled with content management system which allows them to connect to phone or computer and display on screen. Equipped with the latest technology and adhering to rigorous quality control standards, we produce a wide range of high-performance components and systems. This vertical integration ensures consistency and excellence in every product we deliver. The LED display systems manufactured by us have been used by corporate for commercial usage such as advertising media, billboards, corporate meeting rooms, presentations, display promotions, command control center and front sign boards.

We also manufacture hearing aids commonly known as assisted healthcare devices. Our hearing aids are designed to support individuals with disabilities, elderly person and chronic patients, who are having low hearing level, in performing everyday activities more effectively to enhance quality of life. Our major customer for hearing aids is Artificial Limbs Manufacturing Corporation of India. We manufacture Digital Programmable and Non-Programmable Hearing Aids.

During the period ended December 31, 2023, the total working capital requirement was ₹ 3,240.69 Lakhs. However, this is estimated to increase to ₹ 5,633.78 Lakhs during FY2025 and ₹ 7,462.11 Lakhs during FY2026. The reasons for increase in future working capital requirements of our company are as under:

- Our Company's business is a working capital intensive and to address the current issue of limited working capital and achieve exponential growth, the company plans to infuse funds into working capital from the Issue Proceeds. Additionally, the company aims to establish partnerships with new clients by executing orders at higher margins and extending more favourable credit terms. These strategic initiatives are expected to drive future growth.
- As a manufacturing company, we are committed to staying ahead of the curve and embracing new technologies. Our goal is to stay a technology-based manufacturing company, leveraging the latest innovations to create even more engaging products for our customers. We intend to develop new variants of LED displays tailored for different industry needs. We continuously innovate our product offerings by integrating the latest technologies such as interactive screens, eco-friendly materials and lower power consumption products. We are also in the development stage of various advanced categories of hearing aids. This would enable our Company help in making our products more accessible and appealing to a wider range of customers.
- The Company is planning to enter into newer geographies and expand our business. This strategic decision is not just about reaching new markets, it's about solidifying our position in the industry and fostering sustainable growth. By venturing into untapped territories, we aim to unlock fresh opportunities, broaden our customer base, and diversify our revenue streams.

Further, below mentioned future business strategies as mentioned in the chapter “*Our Business – Business Strategies*” on page 124 of the Draft Red Herring Prospectus would also lead to increase in working capital requirements:

#### ***Market Penetration and Geographic Expansion***

We are engaged in designing, manufacturing, assembling and post sale services of our products for sale to our customers domestically and internationally. We are focussed on enhancing our presence in the geographies where we already operate by strengthening relationships with current channel partners. The domestic market offers various opportunities in term of sub-geographic penetration and product/ market diversification which we intend to seize and increase our market reach domestically to explore untapped markets and segments as part of our strategy to mitigate market risk and widen growth prospects.

Further, we also enter new markets internationally. We are also targeting metropolitan areas with high demand for LED displays, such as emerging markets in the Middle East and North America.

For our hearing aids, we are presently operating in B2B segment by selling our manufactured hearing aids through government tenders and white label manufacturing. We intend to enter into retail segment by offering our hearing aids through audiologist clinics across the country.

### ***Embracing new technologies for Product Diversification and Innovation***

As a manufacturing company, we are committed to staying ahead of the curve and embracing new technologies. Our goal is to stay a technology-based manufacturing company, leveraging the latest innovations to create even more engaging products for our customers. We intend to develop new variants of LED displays tailored for different industry needs.

We continuously innovate our product offerings by integrating the latest technologies such as interactive screens, eco-friendly materials and lower power consumption products.

We are also in the development stage for the below category of hearing aids:

- o In-the-Ear (ITE) Hearing Aids
- o Completely-in-the-Canal (CIC) Hearing Aids
- o Invisible-in-the-Canal (IIC) Hearing Aids
- o Receiver-in-Canal (RIC) Hearing Aids
- o In-the-Canal (ITC) Hearing Aids

### ***Focus on our Quality Control***

Quality control (QC) is a critical aspect of manufacturing and deploying LED display systems and hearing aids. Ensuring the highest quality standards not only enhances the product's reliability and performance but also builds customer trust and satisfaction. Our quality control process starts from supplier selection, inspect all incoming components, sample testing of components for electrical characteristics, test each module for electrical functionality, and finished product testing.

### ***Marketing Strategy***

We continue to enhance our business operations by ensuring that our network of customers increases through our marketing efforts. Our core competency lies in our deep understanding of our customers' buying preferences and behavior, which has helped us in achieving customer loyalty. We endeavor to continuously improve the product-mix offered to the customers as well as strive to understand and anticipate any change in the expectation of our customers towards our products. Presently, our marketing and sales division consists of 12 members who are responsible for marketing our products. We intend to strengthen our existing marketing team by inducting personnel with expertise in the industry, who will supplement our existing marketing strategies in the domestic markets.

With the use of our products by reputed clients, our products have a huge acceptability and inquiry all over India. We have already started out on our journey as a supplier of our existing products in the domestic market, by supplying products in conformity with the highest quality standards, which makes the quality of our products, our biggest marketing technique. Our Domestic operations have enabled us to learn and follow the global trends, improve our efficiency, quality and trend analysis and better customer servicing, which shall in the future help us in penetrating global markets with a wide market reach.

### ***Growing our business with existing clients with quality and efficient services***

Our Company is successful in building a strong client base for the business. This relationship has helped us in getting repeated business from our clients. Thus, we focus on maintaining strong relationship with existing clients which will help us to gain competitive advantage in gaining new clients and increasing the business.

### ***Reduction of operational costs and achieving efficiency***



Apart from expanding business and revenues we have to look for areas to reduce costs and achieve efficiencies in order to remain a cost competitive company. We are always in search of new and innovative concepts as per the needs of our clients but while in the process we make sure of the fact that we perform the given task at the lowest possible cost through effective supervision and planning. Further, our Company constantly endeavours to improve our service processes, and will increase service activities to optimize the utilization of resources, skill up-gradation of workers, modernization of procedures to attain reduction in cost and achieve efficiency. We also analyse our existing material procurement policy and service processes to identify the areas of bottlenecks and take corrective measure wherever possible. This helps us in improving efficiency and putting resources to optimal use.

### 3. General Corporate Purposes

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy the balance Net Proceeds aggregating ₹ [●] lakhs towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, initial development costs for new products, meeting operating expenses, strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act, 2013.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in the Prospectus, shall not exceed 25% of the Gross Proceeds raised by our Company through this Issue.

### Issue Related Expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] lakhs. The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expense, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as under:

Expenses	Estimated expenses <sup>(1)</sup> (in ₹ Lakhs)	As a % of the total estimated Issue expenses <sup>(1)</sup>	As a % of the total Gross Issue Proceeds <sup>(1)</sup>
Issue management fees including fees and reimbursements of Market Making fees and payment to other Intermediaries such as Legal Advisors to the IPO, Registrars and other out of pocket expenses.	[●]	[●]	[●]
Marketing and Selling Commission and expenses	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Printing and distribution of issue stationery	[●]	[●]	[●]
Others			
- Listing fees	[●]	[●]	[●]
- SEBI and NSE processing fees	[●]	[●]	[●]
- Book Building software fees	[●]	[●]	[●]
- Other regulatory expenses	[●]	[●]	[●]
- Miscellaneous	[●]	[●]	[●]
<b>Total estimated Issue expenses</b>	[●]	[●]	[●]

\*Please note that the cost mentioned is an estimate quotation as obtained from the respective parties and excludes GST, interest rate and inflation cost. The amount deployed so far toward issue expenses shall be recouped out of the issue proceeds.

Notes:

- 1) Selling commission payable to the SCSBs on the portion for Retail Individual Bidders. Non-Institutional Bidders, which are directly procured by the SCSBs, would be as follows

Portion for Retail Individual Bidders*	0.10 % of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Bidders*	0.10 % 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 SCSBs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of BSE or NSE

- 2) No uploading/ processing fees shall be payable by our Company to the SCSBs on the applications directly procured by them. Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by the members of the Syndicate/ sub-Syndicate/ Registered Broker/ CRTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

Portion for Retail Individual Bidders	Rs. 10 per valid Bid cum Application Form (plus applicable taxes)
Portion for Non-Institutional Bidders	Rs. 10 per valid Bid cum Application Form (plus applicable taxes)

Notwithstanding anything contained above the total processing fee payable under this clause will not exceed Rs. 1 lakh (plus applicable taxes) and in case if the total processing fees exceeds Rs. 1 lakh (plus applicable taxes) then processing fees will be paid on pro-rata basis.

- 3) The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism would be as follows:

Sponsor Bank – Axis Bank Limited	Rs. 7 per valid Bid cum Application Form* (plus applicable taxes) The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.
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\*For each valid application by respective Sponsor Bank

No uploading/ processing fees shall be payable by our Company to the Members of the Syndicate/ RTAs/ CDPs for applications made by RIBs (up to ₹200,000), Non-Institutional Bidders (for an amount more than ₹200,000 and up to ₹500,000) using the UPI Mechanism.

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

Portion for Retail Individual Bidders	0.10 % of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Bidders	0.10 % of the Amount Allotted* (plus applicable taxes)

- 5) The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with 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 02, 2021 read with SEBI Circular No.: SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022.

The Issue expenses shall be payable in accordance with the arrangements or agreements entered into by our Company with the respective Designated Intermediary.

### Deployment of Funds and Sources of Funds

As on date of this Draft Red Herring Prospectus, our Company has not deployed any funds towards the Objects of the Issue.

### Interim Use of Funds

Pending utilisation for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds only with scheduled commercial banks. In accordance with Section 27 of the Companies Act 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

### Bridge Loan

Our Company has not raised any bridge loans which are required to be repaid from the Net Proceeds.

### Monitoring of Utilisation of Funds

In accordance with Regulation 262 of the SEBI ICDR Regulations, since the Net Proceeds do not exceed ₹ 10,000.00 Lakhs, appointment of monitoring agency is not applicable.

#### **Variation in Objects of the Issue**

In accordance with Sections 13(8) and 27 of the Companies Act, 2013, our Company shall not vary the Objects of the Issue unless our Company is authorised to do so by way of a special resolution of its Shareholders through a postal ballot and such variation will be in accordance with the applicable laws including the Companies Act, 2013 and the SEBI ICDR Regulations. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act, 2013. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Hindi. Our Promoter will be required to provide an exit opportunity to such Shareholders who do not agree to the above stated proposal to vary the objects, at a price and in such manner as may be prescribed by SEBI in Regulation 290 and Schedule XX of the SEBI ICDR Regulations.

#### **Appraising Entity**

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

#### **Other Confirmations**

No part of the Net Proceeds will be paid to our Promoter, Promoter Group, Directors, or our Key Managerial Personnel, except in the ordinary course of business. Our Company has not entered into nor has planned to enter into any arrangement/ agreements with our Directors, our Key Management Personnel, or our Group Companies in relation to the utilisation of the Net Proceeds.

## **BASIS FOR ISSUE PRICE**

The Price Band, Floor Price and Issue Price will be determined by our Company in consultation with the BRLM, 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 ₹10/- and the Issue 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.

Investors should also refer to “Our Business”, “Risk Factors”, “Restated Financial Statements”, “Management’s Discussion and Analysis of Financial Position and Results of Operations” and “Other Financial Information” on pages 124, 26, 188, 227 and 222, 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 Issue Price are:

- One of the leading specialized LED display system and hearing aids manufacturer with long standing market presence
- Geographical presence
- Quality Assurance and Quality Control of our products
- Strong, cordial & long-term relationship with our clients
- Cost effective production and timely fulfilment of orders
- Well experienced management team
- Marque Customers
- Post Sale service and support

For further details, see “Our Business –Strengths” on page 136.

### **Quantitative Factors**

Some of the information presented below relating to our Company is based on the Restated Financial Statements. For details, see “Restated Financial Statements” on page 188.

Some of the quantitative factors which may forms the basis for calculating the Issue Price are as follows:

#### **I. Basic and Diluted Earnings per share (“EPS”)**

<b>Fiscal Year ended</b>	<b>Basic EPS** (in ₹)</b>	<b>Diluted EPS** (in ₹)</b>	<b>Weight</b>
March 31, 2023	4.04	4.04	3
March 31, 2022	1.84	1.84	2
March 31, 2021	1.23	1.23	1
<b>Weighted Average</b>	<b>2.84</b>	<b>2.84</b>	-
December 31, 2023*	7.68	7.68	-

\* Not annualized

\*\* Adjusted for Bonus Issue

#### **Notes:**

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

(2) Basic Earnings per Equity Share (₹) = Restated profit for the period/year divided by Weighted average number of equity shares outstanding during the period/year, read with note 1 above

(3) Diluted Earnings per Equity Share (₹) = Restated profit for the period/year divided by Weighted average number of diluted equity shares outstanding during the period/year, read with note 1 above

(4) Earnings per Share calculations are in accordance with the notified Accounting Standard 20 ‘Earnings per share’. The face value of equity shares of the Company is ₹ 10/-.

(5) The figures disclosed above are based on the Restated Financial Statements.

## 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 2023	[●]	[●]
Based on diluted EPS for Fiscal 2023	[●]	[●]

\*Will be included in the Prospectus

## Industry Peer Group P/E ratio

Particulars	Industry P/E (number of times)
Highest	NA
Lowest	NA
Average	NA

Notes:

(1) Cannot be calculated as our company does not have any listed peer.

## III. Return on Networth (“RoNW”)

Fiscal Year ended	RoNW (%)	Weight
March 31, 2023	37.92%	3
March 31, 2022	27.83%	2
March 31, 2021	27.16%	1
<b>Weighted Average</b>	<b>32.76%</b>	
December 31, 2023	41.91%	

Notes:

(1) Weighted average = Aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e. (Return on Net Worth x Weight) for each year/Total of weights.

(2) Return on Net Worth (%) = Restated profit for the year divided by Net worth at the end of the period/year.

(3) 'Net worth': Equity Share capital and other equity less capital reserves

## IV. Net asset value per Equity Share (face value of ₹ 10/- each)

Particulars	NAV per equity share (₹)*
As on December 31, 2023	18.33
As on March 31, 2023	10.65
<b>After the Completion of the Issue:</b>	
- At Floor Price	[●]
- At Cap Price	[●]
- At Issue Price <sup>(2)</sup>	[●]

\* Adjusted for Bonus Issue

Notes:

(1) Net Asset Value per Equity Share = Net worth derived from Restated Financial Statements as at the end of the period/year divided by number of equity shares outstanding as at the end of period/year as per Restated Financial Statements.

(2) Issue Price per Equity Share will be determined on conclusion of the Book Building Process.

## COMPARISON OF ACCOUNTING RATIOS WITH LISTED INDUSTRY PEERS

We believe there is no listed company specifically comparable in the similar line of segments in which our Company operates and whose business segment in part or full may be comparable with that of our business.

Thus, we have used ALPS International Pvt Ltd an unlisted company, which we believe is our peer group which has been determined on the basis the similar line of segments in which our Company operates and whose business segment in part or full may be comparable with that of our business, however, the same may not be exactly comparable in size or business portfolio on a whole with that of our business.

Following is the comparison with our peer company unlisted in India:

Name of the company	Consolidated/ Standalone	Face value (₹ per share)^	Closing price on June 20, 2024 (₹ per share)	Revenue from Operations (₹ in Lakhs)	EPS (₹)		NAV (₹ per share)	P/E Ratio	RoNW (%)	PAT margin (%)	Market cap to Revenue from operation
					Basic	Diluted					
Osel Devices Limited	Standalone	10.00	NA	10,606.56	4.04	4.04	10.65	[•]^	37.92%	5.69%	[•]^
<b>PEER GROUP</b>											
ALPS International Pvt Ltd	Standalone	10.00	NA	2,349.00	344.00	344.00	2,504.00	NA	13.80%	7.30%	NA

\*Financial information for our Company is derived from the Restated Financial Statements as at and for the year ended March 31, 2023.

#Will be updated in the Prospectus.

Source: All the financial information for unlisted industry peer mentioned above is sourced from the annual report of the relevant company for Fiscal 2023, as available on the websites of MCA.

^ To be updated in the Prospectus.

**Notes for peer group:**

1. Return on Net Worth (%) = Profit for the year ended March 31, 2023 divided by Total Equity of the Company as on March 31, 2023.
2. NAV is computed as the Total Equity of the Company as on March 31, 2023 divided by the outstanding number of equity shares as on March 31, 2023.

The trading price of the Equity Shares could decline due to the factors mentioned in the section “Risk Factors” on page 26 and any other factors that may arise in the future and you may lose all or part of your investments.

**KEY FINANCIAL AND OPERATIONAL PERFORMANCE INDICATORS (“KPIs”)**

Key Performance Indicators (KPIs) are imperative to the Financial and Operational performance evaluation of the company. However, KPIs disclosed below shall not be considered in isolation or as substitute to the Restated Financial information. In the opinion of our Management the KPIs disclosed below shall be supplementary tool to the investor for evaluation of the company.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated June 21, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of the Draft Red Herring Prospectus. Further, the KPIs herein have been certified by M/s Kumar Samantaray & Associates, Chartered Accountants, by their certificate dated June 21, 2024.

The KPIs of our Company have been disclosed in the sections “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” starting on pages 124 and 227, respectively. We have described and defined the KPIs, as applicable, in “Definitions and Abbreviations” beginning on page 6.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Offer Section, whichever is later or for such other duration as may be required under the SEBI (ICDR) Regulations, 2018.

Set forth below are KPIs which have been used historically by our Company to understand and analyse the business performance, which in result, help us in analyzing the growth of various verticals of the Company that have a bearing for arriving at the Basis for the Issue Price.

**Some of the key performance indicators which may form the basis for computing the Issue Price are as follows:**

*(₹ in lakhs except percentages and ratios)*

<b>Key Performance Indicators</b>	<b>December 31, 2023*</b>	<b>March 31, 2023<sup>#</sup></b>	<b>March 31, 2022<sup>#</sup></b>	<b>March 31, 2021<sup>#</sup></b>
Revenue from Operations	10,606.56	8,188.68	6,524.53	5,744.40
EBITDA <sup>(1)</sup>	1,592.51	868.37	464.73	302.84
EBITDA Margin <sup>(2)</sup>	15.01%	10.60%	7.12%	5.27%
Profit After Tax for the Year <sup>(3)</sup>	886.52	466.00	212.31	136.01
PAT Margin <sup>(4)</sup>	8.36%	5.69%	3.25%	2.37%
ROE <sup>(5)</sup>	26.51%	23.39%	33.60%	32.91%
ROCE <sup>(6)</sup>	28.36%	26.91%	25.13%	16.95%
Net Debt/ EBITDA <sup>(7)</sup>	1.83	1.93	0.71	1.75

<sup>#</sup>As certified by the Statutory Auditor vide their certificate dated June 21, 2024.

KPIs disclosed above has been approved by the Audit Committee of the Company in their meeting held on dated June 21, 2024.

#### **Explanation for the Key Performance Indicators**

1. EBITDA is calculated as restated profit before tax plus finance costs, depreciation and amortisation expense less other income
2. EBITDA Margin is calculated as EBITDA divided by Revenue from Operations
3. Profit after tax for the year means the profit for the year as appearing in the Restated Financial Information
4. PAT Margin is calculated as restated profit for the year divided by Revenue from Operations.
5. Return on Equity (%) is calculated as restated profit for the year divided by average total equity
6. Return on Capital Employed (%) is calculated as EBIT divided by Capital Employed
7. Net Debt/EBITDA, Net debt is Total Borrowings less Cash and bank balances

We shall continue to disclose these KPIs, on a half-yearly basis, for a duration that is at least the later of (i) three years after the listing date; and (ii) the utilization of the issue proceeds disclosed in the objects of the issue section of the Prospectus. We confirm that the ongoing KPIs would be certified by the statutory auditor of the Issuer Company.

#### **Explanation for KPI metrics**

<b>KPI</b>	<b>Explanations</b>
Revenue from Operations (₹ in Lakhs)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
EBITDA (₹ in Lakhs)	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Profit After Tax (₹ in Lakhs)	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of our business.
RoE (%)	RoE provides how efficiently our Company generates profits from average shareholders' funds.
RoCE (%)	ROCE provides how efficiently our Company generates earnings from the average capital employed in the business.
Net Debt/ EBITDA (In Times)	Net Debt by EBITDA is indicator of the efficiency with which our Company is able to leverage its debt service obligation to EBITDA.

**Comparison the Key Performance Indicators with our unlisted peer, i.e., ALPS International Pvt Ltd:**

(₹ in lakhs) (As on March 31, 2023)

Key Performance Indicators	March 31, 2023 <sup>#</sup>	March 31, 2022 <sup>#</sup>	March 31, 2021 <sup>#</sup>
Revenue from Operations	2,345.00	1,924.00	1,447.00
EBITDA <sup>(1)</sup>	205.00	129.00	33.00
EBITDA Margin <sup>(3)</sup>	8.74%	6.70%	2.28%
Profit After Tax for the Year <sup>(4)</sup>	172.00	110.00	14.00
PAT Margin <sup>(4)</sup>	7.33%	5.72%	0.97%
ROE <sup>(5)*</sup>	13.80%	10.20%	1.50%
ROCE <sup>(6)*</sup>	18.33%	13.75%	2.64%
Net Debt/ EBITDA <sup>(7)</sup>	NA*	NA*	NA*

Source: Annual Reports of the company / mca.gov.in

# As certified by the Statutory Auditor vide their certificate dated June 21, 2024.

KPIs disclosed above has been approved by the Audit Committee of the Company in their meeting held on dated June 21, 2024.

\* Net debt is negative

### Explanation for the Key Performance Indicators

1. EBITDA means Earnings before interest, taxes, depreciation and amortisation expense, is calculated as profit before tax/ (loss) before extraordinary item for the period/year and adding back finance costs, and depreciation & amortisation expenses.
2. EBIT means Earnings before interest and tax, and is calculated as profit before tax/ (loss) before extraordinary item for the period/year and adding back finance cost.
3. EBITDA Margin is calculated as EBITDA as a percentage of Revenue from operations.
4. PAT Margin is calculated as profit after tax for the year / period as a percentage of Revenue from operations.
5. Return on Equity (ROE) is calculated as profit after tax for the year/period divided by Total Equity.
6. Return on Capital Employed (ROCE) is calculated as EBIT divided by Capital Employed. Capital Employed is calculated as total assets less total current liabilities as at the end of the period/year.
7. Net Debt/ EBITDA: Net Debt is calculated as total borrowings (including lease liabilities) less cash and cash equivalents and bank balances other than cash and cash equivalents as at the end of the period/year divided by EBITDA.

### OPERATIONAL KPIs OF THE COMPANY:

(₹ in lakhs)

Particulars	For the period December 31, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount	%	Amount	%	Amount	%	Amount	%
Top 10 customers	9,832.68	92.70%	7,687.99	93.89%	6,391.50	97.96%	5,577.13	97.09%
Top 5 customers	8,729.47	82.30%	6,447.18	78.73%	5,743.48	88.03%	5,060.36	88.09%

### Explanation for KPI metrics

KPI	Explanations
Contribution to revenue from operations of top 5 / 10 customers	This metric enables us to track the contribution of our key customers to our revenue and also assess any concentration risks.

### COMPARISON OF OPERATIONAL KPIs OF OUR COMPANY AND OUR LISTED PEER:

The operational KPIs of the listed peer are not publicly available.

### WEIGHTED AVERAGE COST OF ACQUISITION:

- a) The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities).

There have been no issuance of Equity Shares, excluding shares issued as bonus shares, during the 18 months



preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of 30 days.

**b) The price per share of our Company based on the secondary sale / acquisition of shares (equity / convertible securities).**

There have been no secondary sale / acquisitions of Equity Shares or convertible securities, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

**c) Price per share based on the last five primary or secondary transactions;**

Type of transaction	Weighted average cost of acquisition (₹ per equity shares)	Weighted average cost of acquisition after Bonus shares adjustment (₹ per equity shares)
Weighted average cost of primary/new issue acquisition*	120.00	120.00
Weighted average cost of secondary acquisition**	10.00	1.92

\*Calculated for last 18 months

\*\*Calculated for Transfer of Equity Shares for the last 18 months.

**d) Weighted average cost of acquisition, floor price and cap price:**

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price* (i.e. ₹ [●])	Cap Price* (i.e. ₹ [●])
Weighted average cost of acquisition of primary / new issue as per paragraph (a) above.	NA^	NA^	NA^
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph (b) above.	NA^	NA^	NA^

^There were no primary or secondary transactions as mentioned in paragraph 8(b) above, in last 18 months from the date of this DRHP.

**Explanation for Issue Price being [●] times price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in (d) above) along with our Company's key performance indicators and financial ratios for the period ended December 31, 2023, and year March 2023, 2022 and 2021.**

[●]\*

**Explanation for Issue Price being [●] times price of face value.**

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

Investors should read the above-mentioned information along with "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Information" on pages 26, 124, 227 and 188 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" on page 26 and you may lose all or part of your investment.



## STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

### Statement of possible special tax benefits available to the Company and its Shareholders

To,

**The Board of Directors**

**Osel Devices Limited**

Office No.- 712, Naurang House K.G. Marg,  
Connaught Place, Central Delhi, New Delhi- 110 001,  
Delhi, India.

Dear Sir(s),

**Subject: Statement of Possible Special Tax Benefits Available to the Company prepared in accordance with the requirements under Schedule VI-PART A, Clause (9) (L) of the SEBI (ICDR) Regulations, 2018, as amended (the "Regulations")**

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We hereby report that the enclosed annexure prepared by Osel Devices Limited, states the possible special tax benefits available to Osel Devices Limited (the "**Company**") and the shareholders of the Company, under the Income Tax Act, 1961 ("**Act**"), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders or its Subsidiary to derive the special tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and shareholders, so it does not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company's management. We are informed that this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares (the "**Issue**") by the Company.

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

- i. the Company or its shareholders will continue to obtain these benefits in future; or
- ii. the conditions prescribed for availing the benefits has been/ would be met with.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein.

We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus / Prospectus or any other offer related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

Your sincerely,

**For Kumar Samantaray & Associates**

Chartered Accountants

Firm Registration No: 020310N

**Rajesh Kumar**

**Partner**

Membership Number: 504344

**UDIN: 24504344BKAQRR2638**

Place: Delhi

Date: June 18, 2024

**Enclosed as above**

**ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE  
COMPANY AND ITS SHAREHOLDERS**

The information provided below sets out the possible special tax benefits available to the Company and its Equity Shareholders under the Income Tax Act 1961 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

**YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.**

**A. SPECIAL TAX BENEFITS TO THE COMPANY**

The Company is not entitled to any special tax benefits under the Act.

**B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER**

The Shareholders of the Company are not entitled to any special tax benefits under the Act.

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein.

Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

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## **SECTION V – ABOUT THE COMPANY**

### **INDUSTRY OVERVIEW**

#### **GLOBAL ECONOMY**

More than three years after the global economy suffered the largest shock of the past 75 years, the wounds are still healing, amid widening growth divergences across regions. After a strong initial rebound from the depths of the COVID-19 pandemic, the pace of recovery has moderated. Several forces are holding back the recovery. Some reflect the long-term consequences of the pandemic, Russia's war in Ukraine, and increasing geoeconomic fragmentation. Others are more cyclical, including the effects of monetary policy tightening necessary to reduce inflation, withdrawal of fiscal support amid high debt, and extreme weather events. Despite signs of economic resilience earlier this year and progress in reducing headline inflation, economic activity is still generally falling short of pre-pandemic (January 2020) projections, especially in emerging market and developing economies.

The strongest recovery among major economies has been in the United States, where GDP in 2023 is estimated to exceed its pre-pandemic path. The euro area has recovered, though less strongly—with output still 2.2 percent below pre-pandemic projections, reflecting greater exposure to the war in Ukraine and the associated adverse terms-of-trade shock, as well as a spike in imported energy prices. In China, the pandemic-related slowdown in 2022 and the property sector crisis contribute to the larger output losses of about 4.2 percent, compared with pre-pandemic predictions. Other emerging market and developing economies have seen even weaker recoveries, especially low-income countries, where output losses average more than 6.5 percent. Higher interest rates and depreciated currencies have exacerbated the difficulties of low-income countries, placing more than half either at high risk of distress or already in distress. Overall, global output for 2023 is estimated at 3.4 percent (or about \$3.6 trillion in 2023 prices) below pre-pandemic projections. Private consumption has also recovered faster in advanced economies than in emerging market and developing economies, owing to an earlier reopening in the former group facilitated by greater availability of effective vaccines, stronger safety nets, more ample policy stimulus, and greater feasibility of remote work. These factors supported livelihoods during the pandemic, and household consumption is now broadly back to pre-pandemic trends. Among advanced economies, private consumption has been stronger in the United States than in the euro area, with households receiving larger fiscal transfers early in the pandemic and spending the associated savings more quickly; being better insulated from the rise in energy prices resulting from the war in Ukraine; and feeling relatively confident amid historically tight US labor markets, which have supported real disposable incomes.

Among emerging market and developing economies, the consumption shortfall is particularly large in China, reflecting tight restrictions on mobility during the COVID-19 crisis. Divergences in labour market performance across regions broadly mirror those for output and consumption. Employment and labour participation rates are estimated to exceed prepandemic trends in advanced economies but to remain significantly below them in emerging market and developing economies, reflecting more severe output losses and much weaker social protection. Countries that had the most limited fiscal space are also those where employment shortfalls are the largest (ILO 2023). Among advanced economies, the euro area has seen larger employment gains than the United States. This may reflect more extensive use in the former of worker-retention programs modelled on the German Kurzarbeit short-time work scheme (IMF 2020), which protect workers' income and allow businesses to retain firm-specific human capital, reducing the costly process of separation, rehiring, and training. In the euro area, these programs bolstered employment during the most challenging phases of the crisis and accelerated the recovery when economies reopened.

Investment, on the other hand, has uniformly fallen short of pre-pandemic trends across regions. Businesses have shown less enthusiasm for expansion and risk taking amid rising interest rates, withdrawal of fiscal support, dimmer prospects for product demand, stricter lending conditions, and growing uncertainties regarding geoeconomic fragmentation. Higher leverage has further dampened investment which remains 3 percent to 10 percent lower across regions than had been projected before the pandemic. Moreover, the pandemic, war in Ukraine, and worsening climate shocks have contributed to a reversal in decades-long poverty reduction trends. According to World Bank staff estimates, 75 million to 95 million more people were living in extreme poverty in 2022 compared with pre-pandemic estimates. Spikes in food prices and related insecurities following Russia's invasion of Ukraine, as well as bouts of extreme weather, have accentuated these difficulties. The global average temperature in July 2023 was the highest on record for any month, amid reports of catastrophic flooding, heat

waves, and wildfires in many regions. Overall, the global prevalence of undernourishment is significantly higher than before the pandemic.

*Source: Global recovery remains slow, with growing regional divergences and little margin for policy error*

## **OVERVIEW OF THE INDIAN ECONOMY**

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices in the year 2023-24 is estimated at Rs. 293.90 lakh crores (US\$ 3.52 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 269.50 lakh crores (US\$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.1% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the first half of FY24. During the period January-March 2024, India's exports stood at US\$ 119.10 billion, with Engineering Goods (25.01%), Petroleum Products (17.88%) and Organic and Inorganic Chemicals (7.65%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

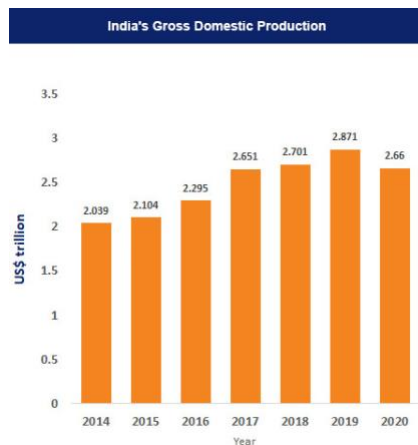
India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

India's appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

Real GDP or GDP at Constant (2011-12) Prices in the year 2023-24 is estimated at Rs. 172.90 lakh crores (US\$ 2.07 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores (US\$ 1.92 trillion). The growth in real GDP during 2023-24 is estimated at 7.6% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech startups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time period. India's current account deficit (CAD) narrowed to 1.2% of GDP in the October-December quarter. The CAD stood at US\$ 10.5 billion for the third quarter of 2023-24 compared to US\$ 11.4 billion or 1.3% of GDP in the preceding quarter. This was largely due to higher service exports.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US\$ 1 trillion by 2030.



## RECENT DEVELOPMENTS

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

According to HSBC Flash India PMI report, business activity surged in April to its highest level in about 14 years as well as sustained robust demand. The composite index reached 62.2, indicating continuous expansion since August 2021, alongside positive job growth and decreased input inflation, affirming India's status as the fastest-growing major economy.

- As of April 12, 2024, India's foreign exchange reserves stood at US\$ 643.162 billion.
- In 2023, India saw a total of US\$ 49.8 billion in PE-VC investments.
- Merchandise exports in March 2024 stood at US\$ 41.68 billion, with total merchandise exports of US\$ 437.06 billion during the period of April 2023 to March 2024.
- India was also named as the 48th most innovative country among the top 50 countries, securing 40th position out of 132 economies in the Global Innovation Index 2023. India rose from 81st position in 2015 to 40th position in 2023. India ranks 3rd position in the global number of scientific publications.
- In March 2024, the gross Goods and Services Tax (GST) stood at second highest monthly revenue collection at Rs.1.78 lakh crore (US\$ 21.35 billion), of which CGST is Rs. 34,532 crore (US\$ 4.14 billion), SGST is Rs. 43,746 crore (US\$ 5.25 billion).
- Between April 2000–December 2023, cumulative FDI equity inflows to India stood at US\$ 971.52 billion.
- In February 2024, the overall IIP (Index of Industrial Production) stood at 147.2. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 139.6, 144.5 and 187.1, respectively, in February 2024.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.69% in December 2023.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to Rs. 80,500 crore (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold Rs. 4,500 crore (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested (US\$ 8.06 billion) in India during January-April 2024.
- The wheat procurement during RMS 2023-24 (till May) was estimated to be 262 lakh metric tonnes (LMT) and the rice procured in KMS 2023-24 was 385 LMT. The combined stock position of wheat and rice in the Central Pool is over 579 LMT (Wheat 312 LMT and Rice 267 LMT).

## GOVERNMENT INITIATIVES



Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, a number of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, is aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).
- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- On September 17, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.
- On August 6, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'AtmaNirbhar Bharat' and 'Local goes Global'.
- To enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of Rs. 1,500 crore (US\$ 182.35 million).
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1, 2023.
- The Amrit Bharat Station scheme for Indian Railways envisages the development of stations on a continuous basis with a long-term vision, formulated on December 29, 2022, by the Ministry of Railways.
- On October 7, 2022, the Department for Promotion of Industry and Internal Trade (DPIIT) launched Credit Guarantee Scheme for Start-ups (CGSS) aiming to provide credit guarantees up to a specified limit by start-ups, facilitated by Scheduled Commercial Banks, Non-Banking Financial Companies and Securities and Exchange Board of India (SEBI) registered Alternative Investment Funds (AIFs).
- Telecom Technology Development Fund (TTDF) Scheme was launched in October 2022 by the Universal Service Obligation Fund (USOF), a body under the Department of Telecommunications. The objective is to fund R&D in rural-specific communication technology applications and form synergies among academia, start-ups, research institutes, and the industry to build and develop the telecom ecosystem.
- Home & Cooperation Minister Mr. Amit Shah laid the foundation stone and performed Bhoomi Pujan of Tanot Mandir Complex Project under Border Tourism Development Programme in Jaisalmer in September 2022.
- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- In August 2022, a Special Food Processing Fund of Rs. 2,000 crore (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build-Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of Rs. 5,963 crore (US\$ 747.64 million).
- In July 2022, the Union Cabinet chaired by Prime Minister Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India & Maldives. This MoU will provide a platform to tap the benefits of information technology for court digitization and can be a potential growth area for IT

companies and start-ups in both countries.

- India and Namibia entered a Memorandum of Understanding (MoU) on wildlife conservation and sustainable biodiversity utilization on July 20, 2022, for establishing the cheetah into the historical range in India.
- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (Rs.) to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- The Agnipath Scheme aims to develop a young and skilled armed force backed by an advanced warfare technology scheme by providing youth with an opportunity to serve Indian Army for a 4-year period. It is introduced by the Government of India on June 14, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi inaugurated and laid the foundation stone of development projects worth Rs. 21,000 crore (US\$ 2.63 billion) at Gujarat Gaurav Abhiyan at Vadodara.
- Mr. Rajnath Singh, Minister of Defence, launched 75 newly developed Artificial Intelligence (AI) products/technologies during the first-ever 'AI in Defence' (AIDef) symposium and exhibition organized by the Ministry of Defence in New Delhi on July 11, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than Rs. 80,000 crore (US\$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow. The Projects encompass diverse sectors like Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace, and Handloom & Textiles.
- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked a Memorandum of Understanding (MoU) with Lysterra LLC, a Russia-based company for the commercialization of bio capsule, an encapsulation technology for bio-fertilization on June 30, 2022.
- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- 'Mission Shakti' was applicable with effect from April 1, 2022, aimed at strengthening interventions for women's safety, security, and empowerment.
- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at Rs. 10.68 trillion (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- Strengthening of Pharmaceutical Industry (SPI) was launched in March 2022 by the Ministry of Chemicals & Fertilisers to provide credit linked capital and interest subsidy for Technology Upgradation of MSME units in pharmaceutical sector, as well as support of up to Rs. 20 crore (US\$ 2.4 million) each for common facilities including Research centre, testing labs and ETPs (Effluent Treatment Plant) in Pharma Clusters, to enhance the role of MSMEs.
- Under PM GatiShakti Master Plan, the National Highway Network will develop 25,000 km of new highways network, which will be worth Rs. 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- In February 2022, The Ministry of Social Justice & Empowerment launched the Scheme for Economic Empowerment of Denotified/Nomadic/SemiNomadic tribal communities (DNTs) (SEED) to provide basic facilities like good quality coaching, and health insurance. livelihoods initiative at a community level and financial assistance for the construction of houses.
- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of AtmaNirbhar Bharat and create 60 lakh jobs with an additional production capacity of Rs. 30 trillion (US\$ 401.49 billion) in the next five years.
- In the Union Budget of 2022-23, the government announced funding for the production-linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production-linked incentive (PLI) scheme for Bulk Drugs which was an investment of Rs. 2,500 crore (US\$ 334.60 million).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to

boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.

- In the Union Budget of 2022-23, the government has allocated Rs. 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated Rs. 650 crore (US\$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got Rs. 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).
- In May 2021, the government approved the production-linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of Rs. 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 45,000 crore (US\$ 6.07 billion).
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of Rs. 2.38 trillion (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of "One Station, One Product" was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- In November 2020, the Government of India announced Rs. 2.65 trillion (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction, and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of the average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.
- On January 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to Rs. 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system, help fuel liquidity, and boost the Indian economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY23; it is expected to raise Rs. 4 trillion (US\$ 53.58 billion) in the next three years.
- By November 1, 2021, India, and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025

### **Road Ahead**

In the second quarter of FY24, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2023. India's comparatively strong position in the

external sector reflects the country's positive outlook for economic growth and rising employment rates. India ranked 5th in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in 2023-24, stood 37.4% higher than the same period last year. In the budget of 2023-24, capital expenditure took lead by steeply increasing the capital expenditure outlay by 37.4% in BE 2023-24 to Rs.10 lakh crore (US\$ 120.12 billion) over Rs. 7.28 lakh crore (US\$ 87.45 billion) in RE 2022-23. The ratio of revenue expenditure to capital outlay increased by 1.2% in the current year, signalling a clear change in favour of higher-quality spending. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels. In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).

Since India's resilient growth despite the global pandemic, India's exports climbed at the second-highest rate with a year-over-year (YoY) growth of 8.39% in merchandise exports and a 29.82% growth in service exports till April 2023. With a reduction in port congestion, supply networks are being restored. The CPI-C inflation reduction from June 2022 already reflects the impact. In September 2023 (Provisional), CPI-C inflation was 5.02%, down from 7.01% in June 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

(Source: <https://www.ibef.org/economy/indian-economy-overview>)

## **PREVENTIVE HEALTHCARE IN INDIA**

Curative medicine has historically taken precedence over preventive treatment in India. However, as a result of the COVID-19 epidemic, preventive care has become increasingly crucial in India. A recent poll of more than 1,000 people revealed that at least 40% of respondents strongly preferred preventative health. NCDs have been the primary cause of mortality and suffering during the last three decades, accounting for 71% of global deaths. In 2019, India was responsible for 66% of all deaths. Furthermore, more than half of these deaths are caused by heart disease, cancer, chronic respiratory disorders, and diabetes. The economic burden of NCDs on India is anticipated to be over Rs. 511 lakh crore (US\$ 6.2 trillion) by 2030. Overweight and obesity alone affect over 17% of our population, costing the country Rs. 2.8 lakh crore (US\$ 35 billion) every year, or more than 1% of its GDP.

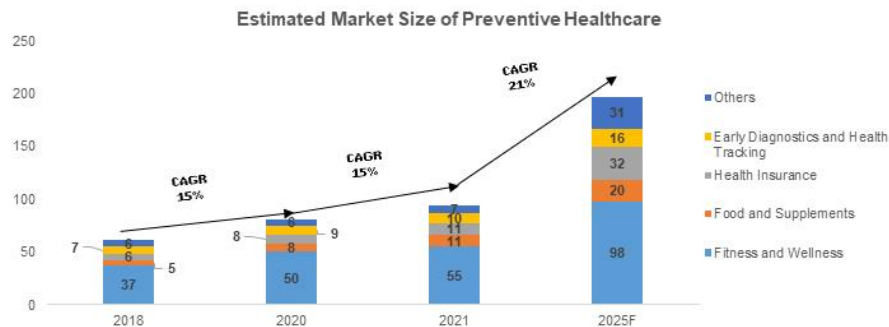
The preventive healthcare sector, which includes exercise, wellness, foods and supplements, early diagnoses, and health tracking, is estimated to reach US\$ 197 billion by 2025, growing at a CAGR of 22%. Healthcare start-ups in India have attracted investments totalling more than US\$ 150 million. These start-ups are transforming healthcare delivery in categories such as nutrition, wellness, cancer, genomics, and others. In recent years, healthcare start-ups have revolutionised preventative care in areas such as nutrition, wellness, cancer, genetics, and much more. The necessity of the hour is to implement new technological developments to successfully supply high-quality healthcare to a billion people across India. Preventive care has undergone a revolution in terms of accuracy and speed due to technological disruption and New Age technologies like artificial intelligence (AI), machine learning (ML), and the IoT, especially in the wake of the pandemic. As part of its strategy to combat this epidemic, the Government has implemented several public health initiatives. The National Programme for the Prevention and Control of Cancer, Diabetes, Cardiovascular Disease, and Stroke (NPCDCS) raises awareness, establishes infrastructure (such as community health centres, NCD clinics, and cardiac care units), and conducts opportunistic screening at the primary health care level. There are also plans to reduce household consumption of solid fuels and tobacco smoking by 2025.

### **Healthcare in India**

In the medical and healthcare fields, the terms "curative" and "preventive" refer to the two types of healthcare.

### **Curative Healthcare**

Its primary goal is the treatment of disease or the acceleration of the recovery from an impairment, accident, or illness. The goal is to resolve any ailment and return the patient to their pre-illness state of health. It covers basic medical interventions, such as the use of antibiotics to treat strep throat and other bacterial diseases. Chemotherapy treatments can be used to treat a variety of cancers. Curative healthcare, which will account for 64% of total healthcare spending in India in 2021-22, is expanding at an annual rate of 15%.



Source: Reedser Consulting, Chiratae Ventures and Amazon Web Services (AWS)  
Note: F-Forecast

The basic goal of preventive healthcare is to prevent illness before it occurs. It is also called Prophylaxis. The philosophy underlying preventative healthcare is to protect, promote, and preserve one's health and well-being. It also tries to prevent sickness, disability, and mortality on an individual and community level. Preventive health involves the discovery and reduction of disease risk factors, the improvement of the course of an existing disease, and early disease detection through screening. Preventive healthcare is an important aspect in defining health since it comprises avoiding or postponing the start of a sickness, which is critical for a high quality of life.



### 1. Social Media Stack

Social media platforms are being used to democratise preventive healthcare by educating people and raising awareness about health issues. Startups, for example, use social media data to personalise wellness products.

### 2. Proprietary Data stack

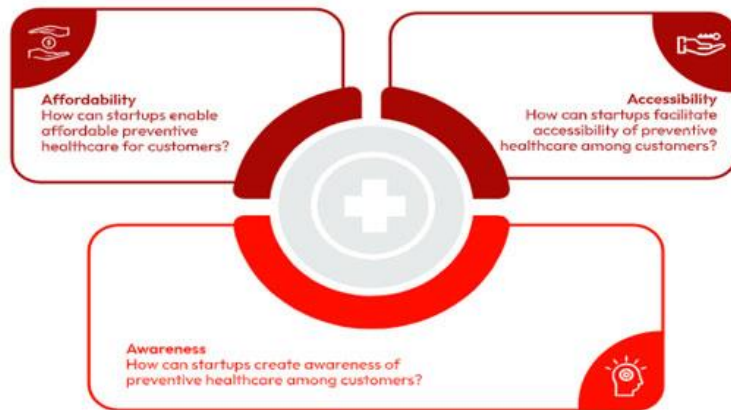
Startups employ a variety of strategies to gather or acquire health data, including customer data, partner/purchase data, and firm acquisition. They construct data stacks that can be analysed using Artificial Intelligence (AI) or Machine Learning (ML) to make sound decisions.

### 3. Collaboration Stack

The implementation of ABDM will promote healthcare data interoperability, resulting in consumer-consent-based data availability for preventative health businesses. As a result, startups will be able to provide personalised solutions across nutrition, fitness, disease management, and insurance

## Framework

The foundational pillars for startups delivering preventive healthcare in India are the 3As-Awareness, Accessibility and Affordability.



## Stakeholders

### 1. Startups

Numerous firms, including BeatO, Plum, Onsurety, HealthifyMe, GOQii, and others, are addressing consumer requirements for a range of preventive healthcare services. Startups are leveraging the cloud to deploy technologies such as machine learning, analytics, and IoT to monitor health, lower core costs, improve collaboration, enable data-driven decision-making, and shorten innovation cycles.

### 2. Diversified Corporates

Diversified corporations like Reliance, Tata, Flipkart, and others are concentrating on providing healthcare services to their clients. For instance, Reliance Retail recently purchased a majority share in Netmeds, and Tata Digital recently invested in Cult. fit, and Flipkart created Flipkart Health+ to provide access to authentic medications and healthcare supplies.

### 3. Healthcare Corporates

Large healthcare corporations are taking advantage of additional opportunities in the healthcare value chain, including Apollo, Dr. Lal Path Labs, SRL Diagnostics, and others. For example, Apollo promotes preventive healthcare check-ups.



## Opportunities

### 1. New age technologies

New technologies like Metaverse, Web 3.0, etc., are being incorporated by startups. For instance, GOQii plans to launch the health metaverse and create a number of services that use gamification and blockchain tokens to promote preventive healthcare.

## 2. Personalised care delivery

For example, HealthifyMe uses Rio, a virtual assistant built on the AI platform, to offer its consumers customised advice on fitness, diet, and health depending on their lifestyle habits.

## 3. Telehealth applications

Examples include vertical health apps like Mojocare. Smiles.ai offers a digital-first care layer that includes daily monitors, general consultative conversations, treatment planning (if applicable), and information through their applications.

## 4. Remote Monitoring

For instance, Dozee has introduced Dozee Pro, a contactless vitals monitor for hospitals that transforms any bed into a step-down KU in less than two minutes and allows remote monitoring of patients outside of the KU, improving patient care and clinical outcomes.

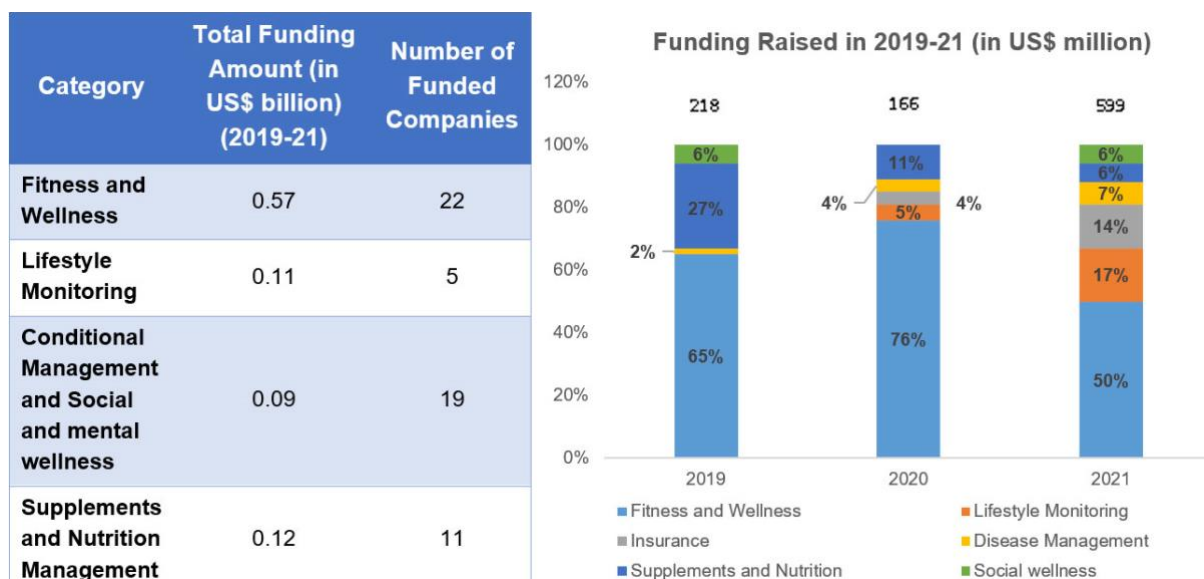
## 5. AI/ML-powered diagnostics

For example, 5C Networks has developed a technology platform that leverages AI and ML to accelerate medical scan results while maintaining a high level of accuracy.

## 6. Hardware-first innovations

For instance, Redcliffe recently tested a commercial drone corridor for sample collection in an inventive effort to increase access to early testing, which could result in early discovery among patients.

## Investment Landscape



Source: Reedser Consulting, Chiratae Ventures and Amazon Web Services (AWS) Government Initiatives

## 1. Ayushman Bharat Digital Mission

The goal of Ayushman Bharat Digital Mission (ABDM) is to build a national digital health ecosystem that supports universal health coverage in an effective, affordable, timely, inclusive, and safe manner. To achieve this, ABDM will provide a variety of data, information, and infrastructure services while appropriately utilising open, interoperable, standards-based digital systems. This ecosystem will also ensure the security, confidentiality, and privacy of personal health information.

## **2. National Health Mission (NHM)**

The National Rural Health Mission (NRHM) and the National Urban Health Mission (NUHM) are two sub-missions of the National Health Mission (NHM). The primary components of NHM are Health System Strengthening, Reproductive-Maternal-Neonatal-Child and Adolescent Health (RMNCH+A), and Communicable and Noncommunicable Diseases (NCD).

### ***National Programme for Prevention and Control of Cancer, Diabetes, Cardiovascular Disease and Stroke (NPCDCS)***

The National Programme for the Prevention and Control of Cancer, Diabetes, Cardiovascular Diseases, and Stroke (NPCDCS) was established in 2010 to prevent and control major non-communicable diseases (NCDs). Under the National Health Mission (NHM) programme focuses on strengthening infrastructure, human resource development, health promotion and awareness generation for cancer prevention, early diagnosis, management, and referral to an appropriate level of healthcare facility for the treatment of Noncommunicable Diseases (NCDs), including cancer. As of December 2022, there are 707 District NCD Clinics, 268 District Day Care Centres, and 5541 Community Health Centre NCD Clinics operating under the NPCDCS.

### ***National Mental Health Programme (NMHP)***

The National Mental Health Programme (NMHP), established by the Indian government in 1982, has the following goals:

- To guarantee that everyone has access to a minimal level of mental healthcare in the near future, with a focus on the most disadvantaged and underprivileged segments of society.
- To promote the use of information about mental health in general healthcare and social development.
- To encourage community involvement in the creation of mental health services and to catalyse community-wide initiatives for self-help.

### **National Programme for Control of Blindness and Visual Impairment (NPCBVI)**

The National Programme for Blindness Control was established with the purpose of reducing the prevalence of blindness from 1.4% to 0.3%. Initially, it was a completely government-sponsored scheme. According to the 12th Five Year Plan (FYP), it is 90:10 in hilly states and all NE States, and 60:40 in all other states and UTs. In 2017, the National Programme for Control of Blindness (NPCB) was renamed as the National Programme for Control of Blindness & Visual Impairment (NPCBVI).

### **National Programme for Healthcare of Elderly (NPHCE)**

The initiative is state-oriented, with the primary goal of providing dedicated healthcare facilities to elderly persons (>60 years of age) at various levels of primary, secondary, and tertiary healthcare.

### **National Programme for The Prevention & Control of Deafness (NPPCD)**

- To stop avoidable hearing loss brought on by illness or accident.
- Early detection, diagnosis, and care for ear conditions that cause hearing loss and deafness.
- To provide medical rehabilitation for deaf people of all ages.
- To make the inter-sectoral connections stronger so that the rehabilitation programmes for deaf people can continue.
- To build institutional capacity for ear care services by supporting the necessary tools and supplies and hiring staff.

### **National Tobacco Control Programme (NTCP)**



During the 11th Five-Year Plan, the Government of India started the National Tobacco Control Programme (NTCP) with the goal of:

- To raise awareness about the detrimental effects of tobacco consumption.
- To decrease the manufacturing and distribution of tobacco goods.
- To ensure the "The Cigarettes and Other Tobacco Products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) Act, 2003" (COTPA)" regulations are effectively implemented.
- Assisting those who want to quit smoking.
- To assist in implementing the tobacco preventive and control measures recommended by the WHO Framework Convention on Tobacco Control.

#### **National Oral Health Programme(NOHP)**

- To enhance the factors that influence oral health.
- To lessen oral disease-related morbidity.
- To incorporate preventive and promotion services for oral health into the system of general healthcare.
- To promote the Public Private Partnerships (PPP) model as a means of improving oral health.

#### **National Programme for Palliative Care (NPPC)**

- Increase the ability of government health programmes like the National Programme for the Prevention and Control of Cancer, Cardiovascular Disease, Diabetes, and Stroke, the National Programme for the Health Care of the Elderly, the National AIDS Control Programme, and National Rural Health Mission to deliver palliative care services.
- Improve the legal and regulatory framework and assist its execution to ensure that opioids are accessible and readily available for use in medicine and research while preserving safeguards against diversion and misuse.
- Strengthen and include long-term care and palliative care ideas into the educational curricula (of medical, nursing, pharmacy, and social work courses) to promote attitude changes among healthcare workers.
- Encourage behavioural change in the community by raising public awareness and enhancing people's skills and knowledge in pain management and palliative care, which will result in locally owned projects that assist the healthcare system.
- Create national standards for palliative care services and continuously improve the National Program's design and execution to ensure progress towards the program's vision.

#### **National Programme for Prevention & Management of Burn Injuries (NPPMBI)**

- To reduce burn injury incidence, death, morbidity, and disability.
- To increase awareness among the general public and vulnerable groups, particularly women, children, and those who work in industries or in hazardous occupations.
- To provide enough networks and infrastructure for interventions in behaviour change communication, burn management, and rehabilitation.
- To conduct research to evaluate the behavioural, social, and other factors that influence burn injuries in our nation in order to create, monitor, and ultimately evaluate effective need-based burn injury programmes.

#### **Other Non-Communicable Disease Control Programmes**

- National Organ Tissue and Transplant Organization (NOTTO)
- National Programme for Prevention and Control of Fluorosis (NPPCF)
- National Iodine Deficiency Disorders Control Programme

### **3. Fit India Movement**

The Prime Minister of India started the FIT INDIA Movement on August 29th, 2019, with the goal of making exercise an intrinsic part of our daily lives. The Movement's objective is to promote behavioural changes and a

more physically active lifestyle. Fit India proposes to undertake numerous projects and hold events to attain the following goals in order to achieve this mission:

- To promote fitness as simple, enjoyable, and cost-free.
- Through targeted efforts, raise awareness about fitness and other physical activities that enhance fitness.
- To encourage native sports.
- To provide fitness to every school, university, panchayat, and village, among other places.
- To establish a forum for Indian citizens to exchange knowledge, raise awareness, and promote the sharing of their own fitness-related experiences.

## Road Ahead

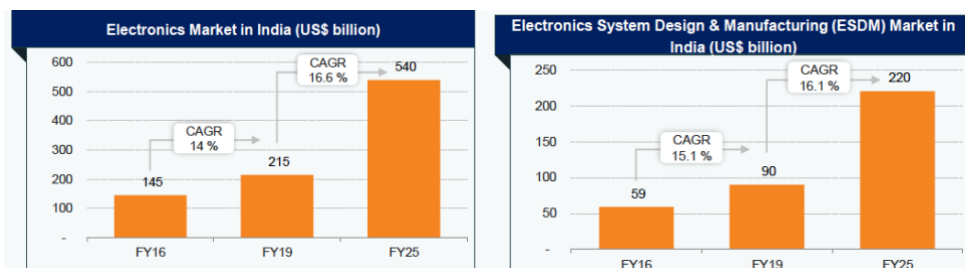
India is undergoing a rapid health shift. The transition from curative to preventative care is also predicted to benefit the Indian consumer, with improved health outcomes and cheaper healthcare expenses.

Healthcare services are insufficient without preventive, promotional, and screening components. The advantages of prevention go beyond the management of chronic diseases and living longer lives. Preventive Health and Screening OPDs are critical in hospitals for mainstreaming health promotion and preventive healthcare. Investment in preventative healthcare minimises individual suffering, improves sickness outcomes, and significantly reduces the country's fiscal burden.

(Source: <https://www.ibef.org/blogs/preventive-healthcare-in-india>)

## ELECTRONICS SYSTEM DESIGN & MANUFACTURING

The Electronics System Design & Manufacturing (ESDM) industry includes electronic hardware products and components relating to information technology (IT), office automation, telecom, consumer electronics, aviation, aerospace, defence, solar photovoltaic, nano electronics and medical electronics. The industry also includes design-related activities such as product designing, chip designing, Very Large-Scale Integration (VLSI), board designing and embedded systems. The Electronics System Design & Manufacturing (ESDM) market in India is anticipated to increase at a CAGR of 16.1% between 2019 and 2025, owing to strong demand, supportive government policies and increased digitalisation. The ESDM sector plays a key role in the government's goal of generating US\$ 1 trillion of economic value from the digital economy by 2025. India's digital media and entertainment industry, worth US\$ 12 billion, is set to triple by 2030, as forecasted by Redseer. During April-January (2024), the exports of electronic goods were recorded at US\$ 22.64 billion as compared to US\$ 18.78 billion during same period. The demand for electronic products will rise to US\$ 400 billion by 2025 from US\$ 33 billion in FY20. India has a goal of producing 1 billion mobile handsets worth US\$ 190 billion (Rs. 13,00,000 crore) by 2025, with 600 million handsets worth US\$ 110 billion (Rs. 7 lakh crore) targeted for exports.

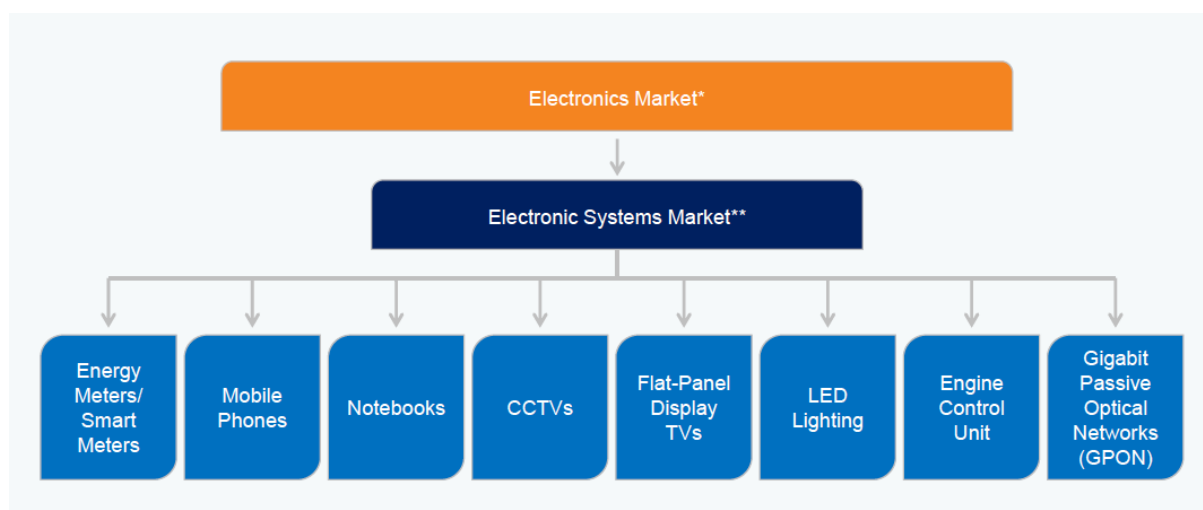


## Advantages

- In 2023, India became Second-largest manufacturer of mobile phones in the world.
- India will be the fifth-largest consumers of electronic products by 2025.
- India has strong design and R&D capabilities in auto electronics and industrial electronics.
- In FY23, the exports of electronic goods were recorded at US\$ 23.57 billion as compared to US\$ 15.66 billion during FY22, registering a growth of 50.52%.
- India and Taiwan plans a US\$ 7.5 billion chip plant deal, potentially boosting India's semiconductor manufacturing with anticipated tariff reductions on components.

- India is committed to reach US\$ 300 billion worth of electronics manufacturing and exports of US\$ 120 billion by 2025-26.
- Addressable market for domestic OEMs is projected to be >Rs. 10 lakh crore (US\$ 131.99 billion) by 2025.
- The government intends to incentivise and attract investments to set up semiconductor FABs (fabrication plants) in India.
- AI is expected to add US\$ 967 billion to Indian economy by 2035 and US\$ 450-500 billion to India's GDP by 2025, accounting for 10% of the country's US\$ 5 trillion GDP target.
- In March 2023, the Government approved setting up of the Electronics Manufacturing Cluster (EMC) at Hubli-Dharwad in Karnataka, worth US\$ 22 million (Rs. 180 crore) and is expected to create about 18,000 jobs.
- The production-linked incentive (PLI) schemes will provide companies opportunities to establish manufacturing plants in India.
- 100% FDI is allowed under the automatic route. In case of electronics items for defence, FDI up to 49% is allowed under automatic route and beyond 49%, government approval is required.
- The Digital India Program has been transforming the country into a digitally empowered society and knowledge economy since its launch in July 2015.
- The Indian government's National Policy on Electronics (NPE 2019) aims to facilitate a turnover of US\$ 400 billion in domestic manufacturing by 2025.
- In March 2024, the Cabinet approved a massive US\$ 15.2 billion (Rs. 1.26 trillion) investment in three semiconductor plants, signifying India's technological progress.
- Production-linked scheme (PLI) for large- scale electronics manufacturing (including mobiles) has seen investments worth Rs. 6,887 crore (US\$ 833 million) (till June 2023), already surpassing the target for FY24 which was Rs. 5,488 crore (US\$ 664.4 million).
- Intel invested over US\$ 7 billion in design and R&D facilities in the country to date.
- Major Government initiatives such as 'Digital India', 'Make in India' and supportive policies including a favorable FDI Policy for electronics manufacturing have simplified the process of setting up manufacturing units in India.

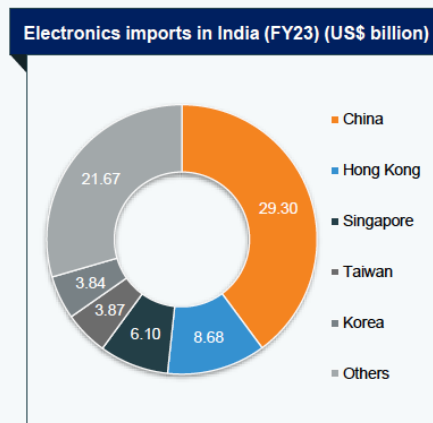
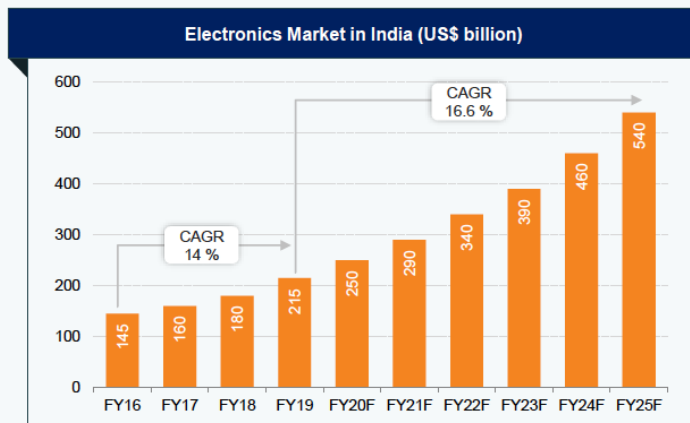
## Overview



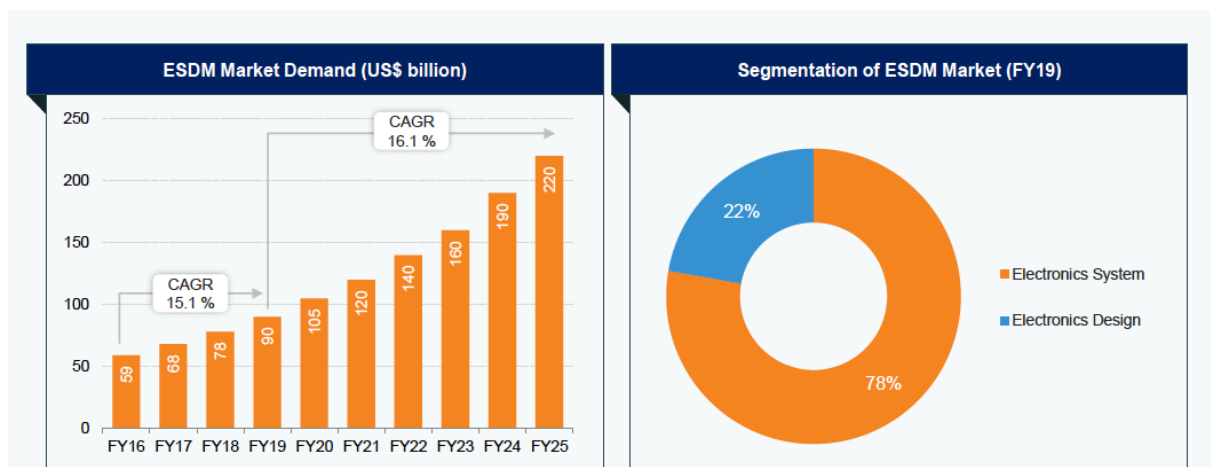
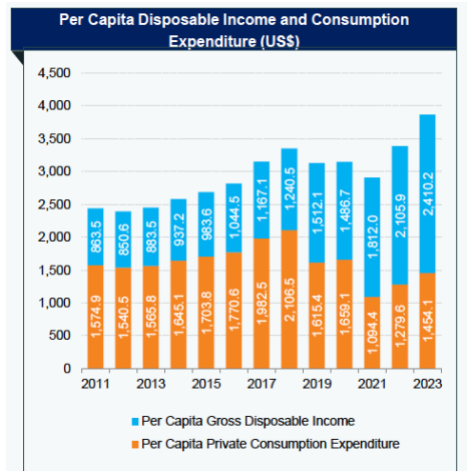
\*The Electronics Market includes (Total Domestic Consumption + Exports) + Electronics Design Market + Electronics Manufacturing Services Market + Electronics Component Market

\*\*The Electronics System Design & Manufacturing (ESDM) industry includes electronic hardware products and components relating to information technology (IT), office automation, telecom, consumer electronics, aviation, aerospace, defence, solar photovoltaic, nano electronics and medical electronics. The industry also includes design-related activities such as product designing, chip designing, very large-scale integration (VLSI), board designing and embedded systems

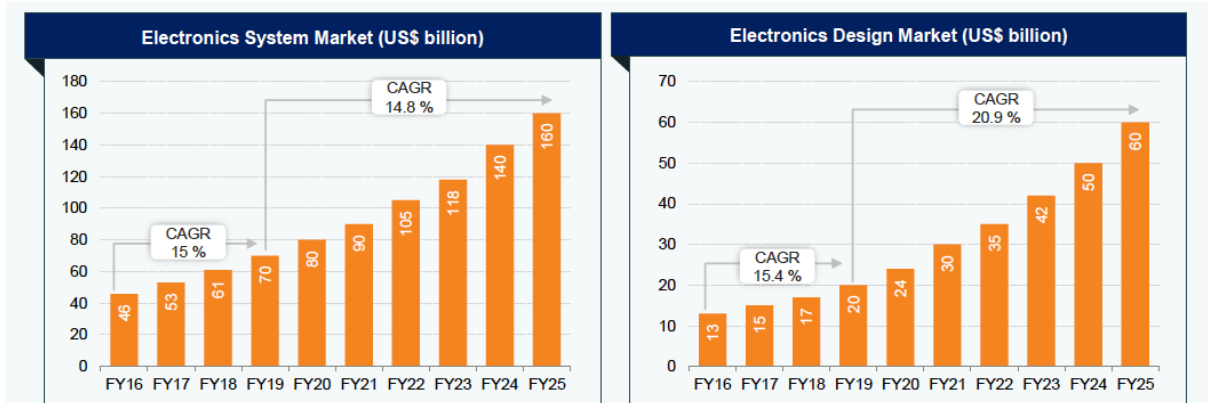
Note: The top eight product segments by value have been considered for the purpose of market sizing



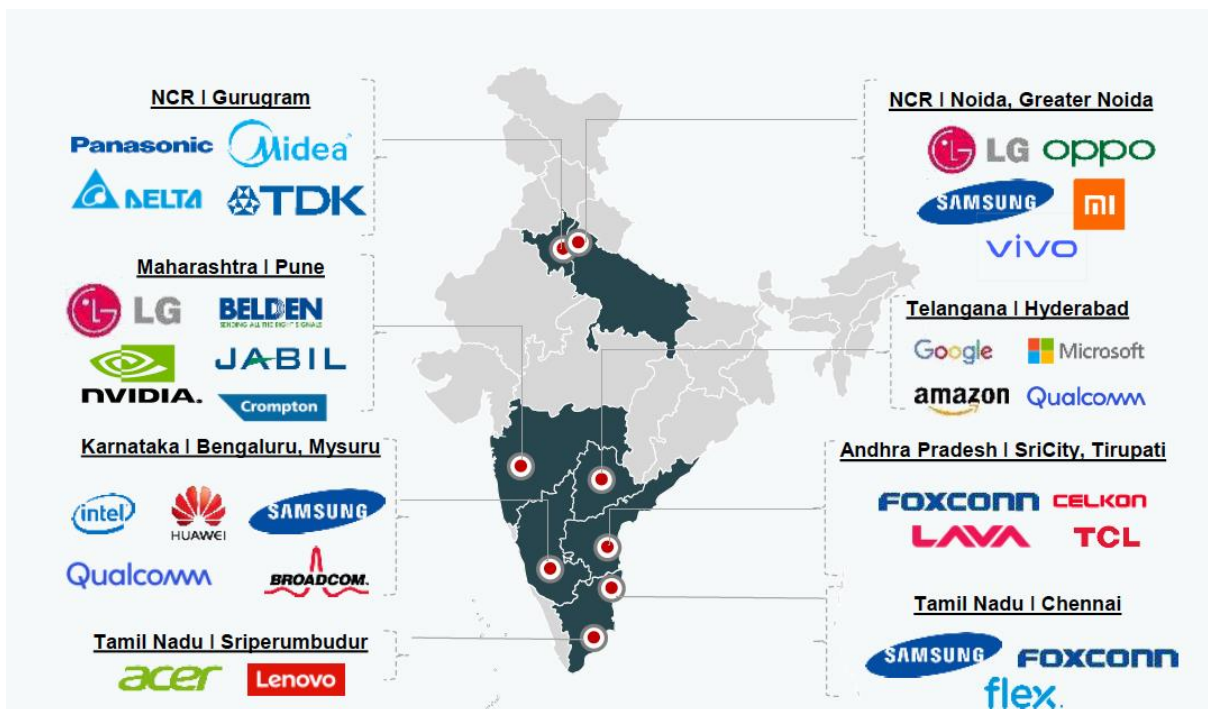
- The electronics market has grown at a CAGR of 14% from 2016-19 and is expected to accelerate at a CAGR of 16.6% in 2020-25, with the total demand likely to account for US\$ 540 billion in FY25.
- In FY23, the imports of electronics goods stood at US\$ 73.46 billion, whereas exports stood at US\$ 22.68 billion.
- During April-October 2023, the imports of electronics goods stood at US\$ 51.33 billion and exports stood at US\$ 15.48 billion.
- The ESDM sector is likely to generate US\$ 100-130 billion in economic value by 2025.
- The Government of India aims to make electronics goods amongst India's 2-3 top-ranking exports by 2026.
- Electronics goods exports are expected to increase from the projected US\$ 15 billion in 2021-22 to US\$ 120 billion by 2026.
- PLI scheme for large scale electronics manufacturing launched by Ministry of Electronics and Information Technology (MeitY) in April 2020 has been extended from existing five years band (FY21-FY25) to six years (FY21-FY26).
- The government allocated Rs. 6,903 crore (US\$ 830.8 million) for the Indian Semiconductor Mission in the Union Budget 2024-25, which is likely to help kickstart the development of the semiconductor and display manufacturing ecosystem in India.
- Union Budget 2023-24 allocated Rs. 16,549 crore (US\$ 2 billion) for the Ministry of Electronics and Information Technology, which is nearly 40% higher on year. The budget for FY23 had allocated Rs. 14,300 crore (US\$ 1.7 billion) for the IT ministry.
- As per the Union Budget 2023-24, an outlay of Rs. 4,795.24 crore (US\$ 580 million) was allocated for the Digital India program, which is a flagship programme of the Government of India, with a vision to transform India into a digitally empowered society and knowledge economy.
- The Indian electronics manufacturing industry is projected to reach US\$ 520 billion by 2025.
- India has been one of the largest consumers of electronic products specifically in Asia-Pacific due to factors such as rising per capita disposable incomes and consumption in the past decade.
- In July 2023, electronics maker Elista announced that it would invest Rs. 100 crore (US\$ 12.1 million) in Andhra Pradesh to set up a manufacturing unit for Smart LED TVs, smartwatches, audio speakers, and large appliances.
- US CHIP design major Advanced Micro Devices (AMD) will invest up to US\$ 400 million in India over the next five years and will set up its biggest design facility in the country.
- In March 2022, Reliance announced that it would invest US\$ 220 million in a joint venture with Sanmina Corp, a US-listed company for making electronic products in the Asian countries.
- Fujitsu, a Japanese IT hardware manufacturer, announced its foray into the Indian consumer laptop market in July 2021, with plans to sell 10,000 premium notebooks in the country by March 2022.
- In FY23, India manufactured wearables such as earphones and smartwatches worth Rs. 8,000 crore (US\$ 976.7 million), boosted by the implementation of a phased manufacturing plan (PMP). The industry is hopeful of doubling the production to Rs. 15,000-17,000 crore (US\$ 1.83-2.07 billion).



- The Electronics System Design & Manufacturing (ESDM) is broadly segregated into—Electronics System and Electronics Design.
- India is one of the largest consumer electronics markets in the Asia Pacific Region and is home to considerable talent for electronic chip design and embedded software. India has committed to reach US\$ 300 billion worth of electronics manufacturing and exports by 2025-26.
- Major Government initiatives such as ‘Digital India’, ‘Make in India’ and supportive policies including a favorable FDI Policy for electronics manufacturing have simplified the process of setting up manufacturing units in India.
- India is the second fastest digitizing economy amongst the 17 leading economies of the world. The Government of India aims to make electronics goods amongst India’s 2-3 top ranking exports by 2026. Electronic goods exports are expected to increase from the projected US\$ 15 billion in 2021-22 to US\$ 120 billion by 2026.top-ranking



- India has strong Design and R&D capabilities in auto electronics and industrial electronics. The Government is promoting the development of Electronics Manufacturing Clusters (EMCs) throughout the Country to provide world-class infrastructure and facilities.
- Post COVID, The Government of India aims to increase India’s contribution by around US\$ 400 billion worth of electronics goods including exports worth US\$ 120 billion, which would account for 9-10% of the overall global value chains, from the current supply potential of 1-2%.
- The consumer electronics and appliances industry in India is expected to become the fifth-largest in the world by 2025.
- As global companies are leveraging the well-developed manufacturing system in the State, Tamil Nadu has emerged as one of the major electronics hardware manufacturing and exporting States in the country. The state is well positioned to achieve a US\$ 100 billion ESDM industry in the next five years.
- The India Cellular and Electronics Association in February 2023 signed a memorandum of understanding with the Uttar Pradesh government to facilitate investments as the electronics manufacturing and skill hub to cater to domestic demand and exports. The government has set a target to achieve US\$ 300 billion of electronics manufacturing by 2025-26, out of which US\$ 75-100 billion of electronics manufacturing is expected from UP.



**Growth Drivers:**



### POLICIES

- The National Policy on Electronics (NPE) 2019 envisions to position India as a global hub for ESDM by encouraging and driving capabilities in the Country for developing core components, including chipsets and by creating an enabling environment for the industry to compete globally.
- The Government attaches high priority to electronics hardware manufacturing, and it is one of the important pillars of both "Make in India" and "Digital India" programme of Government of India.



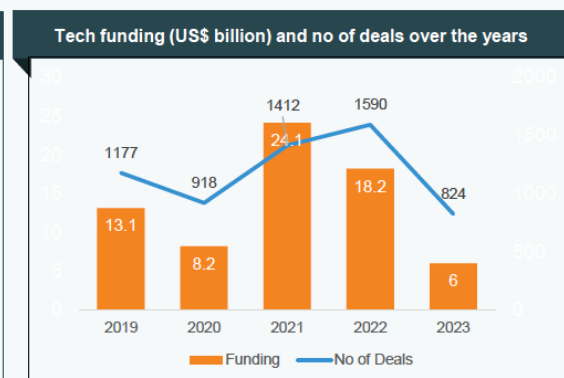
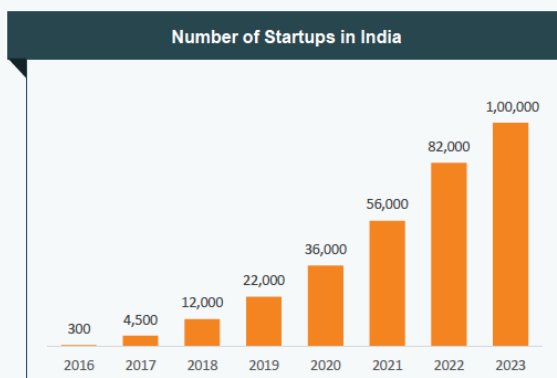
### DEMAND-SIDE DRIVERS

- There is a huge demand for electronic goods in the Middle-Eastern countries and in emerging markets such as North Africa and Latin America. This provides an export market for 'Made in India' electronic goods.
- Technology transitions such as the rollout of 5G networks and IoT (Internet of Things) are driving the accelerated adoption of electronics products.

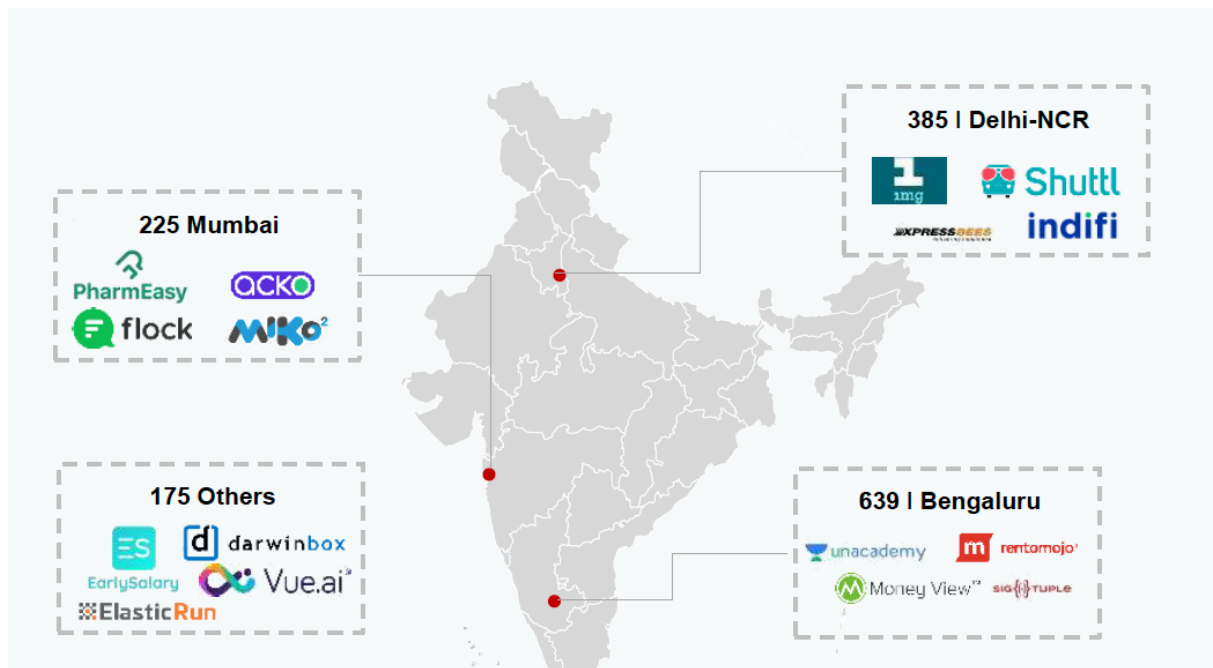


### INVESTMENT

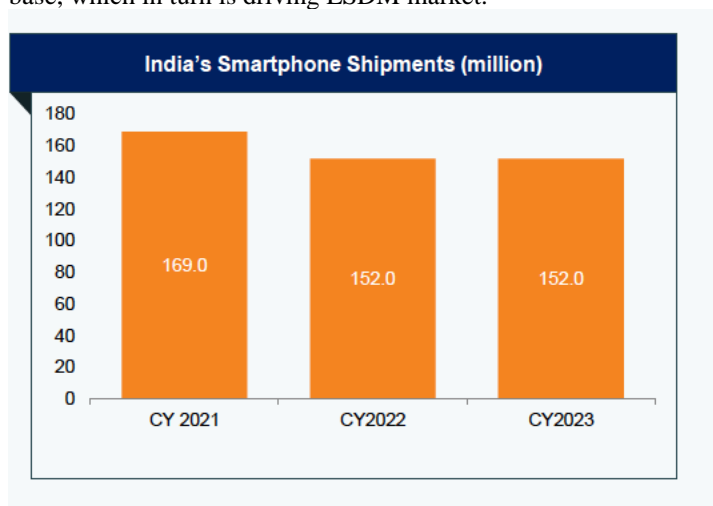
- The cumulative FDI equity inflow in the Electronics industry is US\$ 4.57 billion during the period April 2000-December 2023.
- Third-largest start-up ecosystem.
- Robust research & development (R&D) ecosystem.
- Union Budget 2023-24 has allocated Rs. 16,549 crore (US\$ 2 billion) for the Ministry of Electronics and Information Technology, which is nearly 40% higher on year. The budget for FY23 had allocated Rs. 14,300 crore (US\$ 1.7 billion) for the IT ministry.



- The Indian startup ecosystem is experiencing a surge over the years, due to rapid technological advancements, increasing internet penetration, growing digital infrastructure, rising startup culture, government initiatives like Digital India, Make in India, and Startup India, as well as a large pool of skilled workforce.
- India has witnessed an exceptional surge in the creation and funding of startups as the country has solidified its position as a major global centre for innovation and businesses. However, securing adequate funding remains a significant task for startups, often leading to survival challenges.
- In 2023, the funding scenario for tech startups turned bleak amid the global uncertainty, witnessing a 67% YoY plunge in total funding to US\$ 6.0 billion. This decline came after the peak funding levels observed in 2021 (US\$ 24.1 billion) and 2022 (US\$ 18.2 billion), where investors displayed confidence in Indian tech startups. In 2023, the number of deals declined to 824. However, the decline appears to be cyclical than a long-term trend.



- In FY23, the exports of electronic goods were recorded at US\$ 23.57 billion as compared to US\$ 15.66 billion during FY22, registering a growth of 50.52%.
- During April-October 2023, the imports of electronics goods stood at US\$ 51.33 billion and exports stood at US\$ 15.48 billion.
- India’s export of electronic goods rose tremendously by US\$ 6.3 billion in 2013-14 to US\$ 23.57 billion in 2022-23. Mobile phones, IT hardware (laptops, tablets), consumer electronics (TV and audio), industrial electronics and auto electronics are key exports in this sector.
- The Consumer Electronics and Appliances Industry in India is expected to become the fifth-largest in the world by 2025.
- India emerged as the second-largest manufacturer of mobile phones in the world, with a production value of mobile devices reaching US\$ 44 billion in 2023 from US\$ 3 billion in 2014-15.
- In addition, the consumer electronics and appliances industry in India is expected to become the fifth largest in the world by 2025; this is noticeable for LCD/LED TVs, which witnessed more than 2x growth (by volume) in the past five years.
- Factors such as high internet penetration rate (over 820 million users) and second-largest global smartphone manufacturer boosted penetration of electronic products to the large potential consumer base, which in turn is driving ESDM market.



- The cumulative FDI equity inflow in the Electronics industry is US\$ 4.76 billion during the period April

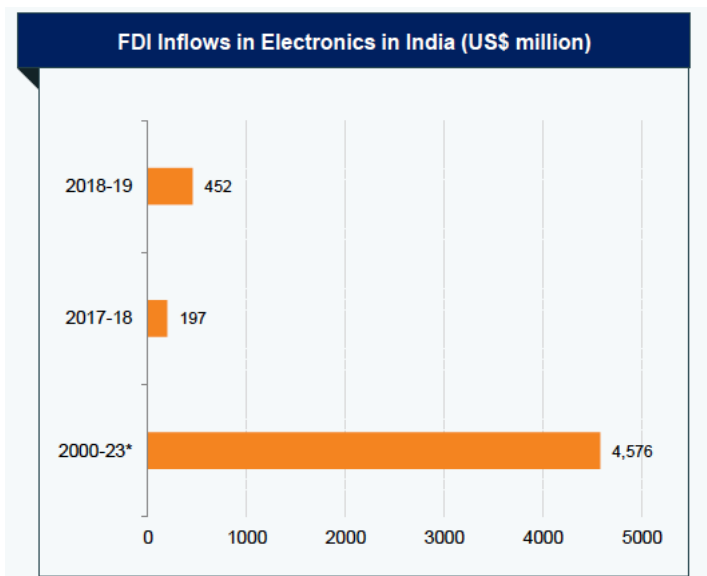


2000-December 2023.

- For defence electronics, FDI inflows in this sector up to 49% are allowed under automatic route and beyond 49% through government approval
- The government allows 100% FDI in the ESDM sector through an automatic route to attract investments from OEMs and IDMs.

Areas of interest for investments in ESDM are as follows:

- Mobile phone manufacturing
- Light Emitting Diode (LED) and Liquid Crystal Display (LCD)
- Wearable devices
- Solar cells and modules
- Research, innovation and skill development in emerging areas such as Augmented Reality (AR), Virtual Reality (VR), drones, robotics and additive manufacturing
- Semiconductor wafer fabrication
- Medical electronic devices manufacturing
- Research and development of automotive electronics and power electronics for mobility



- Mitsubishi Electric India would invest Rs. 1,891 crore (US\$ 230.9 million) to build an air conditioner and compressor factory in Tamil Nadu. This facility will generate over 2,000 jobs, 60% of which will be held by women.
- The electronics and IT ministry approved a total of 314 applications in May 2022 with proposed investments of Rs. 86,824 crore (US\$ 10.51 billion) under a modified special incentive package scheme. The proposals that were approved in May included an investment of Rs. 596 crore (US\$ 72.2 million) from Bosch Automotive Electronics Private Limited.

- Voltas announced plans of Rs. 400 crore (US\$ 50.10 million) capex under the PLI scheme to manufacture components for white goods in May 2022.
- In November 2022, Voltas entered into a technology license agreement with Denmark's Vestfrost Solutions to develop, manufacture, sell and service medical refrigeration and vaccine storage equipment including ice-lined refrigerators, vaccine freezers and ultra-low temperature freezers to the Indian market.
- As of March 03, 2021, 19 companies filed for the production-linked incentive (PLI) scheme for IT hardware. The scheme was open for applications until April 30, 2021; its incentives will be available from April 01, 2021. Over the next four years, the scheme is expected to lead to a total production of ~Rs. 160,000 crore (US\$ 21.88 billion). Of the total production, IT hardware companies have proposed production of >Rs. 135,000 crore (US\$ 18.46 billion) and domestic companies have proposed production of >Rs. 25,000 crore (US\$ 3.42 billion).

#### **New schemes to promote electronics manufacturing**

- The inaugural Future Skills Summit was organized by the Ministry of Electronics and Information Technology (MeitY) in collaboration with the National Institute of Electronics and IT (NIELIT) in Guwahati on February 15, 2024.
- Union Budget 2023-24 allocated Rs. 16,549 crore (US\$ 2 billion) for the Ministry of Electronics and Information Technology, which is nearly 40% higher year on year. The budget for FY2023 had allocated Rs. 14,300 crore (US\$ 1.7 billion) for the IT ministry.
- The Government attaches high priority to electronics hardware manufacturing, and it is one of the important pillars of both "Make in India" and "Digital India" programme of Government of India.
- The National Policy on Electronics (NPE) 2019 envisions to position India as a global hub for ESDM by encouraging and driving capabilities in the Country for developing core components, including chipsets and by creating an enabling environment for the industry to compete globally.
- In September 2022, MeitY Startup Hub (MSH), an initiative of the Ministry of Electronics & Information Technology (MeitY), and Meta announced the launch of an accelerator programme to support and accelerate XR technology startups across India.
- By 2030, ADIF, a think tank for IT start-ups, aims to put India among the top three start-up ecosystems in the world, with emphasis on expanding the knowledge base, encouraging collaboration and outlining the best policies.
- As per Union Budget 2022-23, the Ministry of Electronics and Information Technology (MeitY) has been allocated Rs. 14,300 crore (US\$ 1.85 billion). In the allocated budget, revenue expenditure allocation is Rs. 13,911.99 crore (US\$ 1.8 billion) and capital expenditure allocation is Rs. 388.01 crore (US\$ 50.4 million).
- Ministry of Electronics & Information Technology (MeitY) has announced "Scheme for Promotion of Semiconductor Eco-System" in India with a massive outlay of Rs. 76,000 crore (US\$ 9.48 billion) in 2022.
- Under the production-linked incentive (PLI) scheme for IT Hardware Products, the Ministry of Electronics and Information Technology has approved 14 qualified applicants. To manufacture these products in India, the government will offer incentives of US\$ 983.76 million over the next four years. In this duration, production worth US\$ 21.62 billion and exports of US\$ 8.06 billion are expected.

#### **Trends and Opportunities**



### LOCAL MANUFACTURING OF LAPTOPS, TABLETS, SMART PHONES

- The Index of Industrial Production of manufacturing was valued at 150.6, in December 2023.
- By 2025, these initiatives would have a potential production value of US\$ 100 billion and will also generate five lakh additional job opportunities.
- India's growing mobile phone manufacturing industry, fueled by the Make in India initiative, is set to generate 150,000 to 250,000 jobs in the next 12-16 months.



### GROWING DOMESTIC HANDSET MANUFACTURING MARKET

- India's export of electronic goods rose tremendously by US\$ 6.3 billion in 2013-14 to US\$ 23.57 billion in 2022-23. Mobile phones, IT hardware (laptops, tablets), consumer electronics (TV and audio), industrial electronics and auto electronics are key exports in this sector.
- Electronic goods exports clocked US\$ 25.3 billion in FY23, rising a stunning 49% since 2021-22.
- The increasing domestic demand for handset manufacturing and government support policies have led India to build on its smartphone manufacturing capabilities. By 2025, it is estimated that the addressable market for OEMs (original equipment manufacturers) would reach ~Rs. 10-11 lakh crore (US\$ 140-150 billion).



### ESTABLISHING QUANTUM COMPUTING APPLICATIONS LAB

- To accelerate quantum computing-led research & development and enable new scientific discoveries, the Ministry of Electronics and Information Technology (MeitY), in collaboration with Amazon Web Services (AWS), will establish a quantum computing applications lab in the country.
- The MeitY quantum computing applications lab will provide quantum computing as a service to government ministries and departments, researchers, scientists, academia and developers, to enable advances in areas such as manufacturing, healthcare, agriculture and aerospace engineering.

Source: News Articles

## Sector Policies

### National Policy on Electronics (NPE), 2019

- The National Policy on Electronics 2019 (NPE 2019), prepared after extensive stakeholder consultation, envisages to position India as a global hub for ESDM with thrust on exports by encouraging and driving capabilities in the country for developing core components, including chipsets, and creating an enabling environment for the industry to compete globally.
- The NPE 2019 targets to promote domestic manufacturing and export in the entire value chain of ESDM and achieve a turnover of US\$ 400 billion by 2025

### Phased Manufacturing Programme (PMP)

- The Ministry of Heavy Industries has notified a Phased Manufacturing Programme (PMP) to promote indigenous manufacturing of Electric Vehicles, its assemblies / sub-assemblies and parts / sub-parts / inputs of the sub-assemblies. The PMP envisaged a graded duty structure to promote indigenous manufacturing over a period of time.

### Production-Linked Incentive (PLI) Scheme

- PLI scheme for large scale electronics manufacturing launched by Ministry of Electronics and Information Technology (MeitY) in April 2020 has been extended from existing five years band (FY21-FY25) to six years (FY21-FY26).
- For growth industries, such as consumer electronics, electric vehicles and renewable energy, ACC battery production represents one of the biggest economic opportunities. PLI scheme for the ACC battery would allow key domestic and international players to set up a competitive ACC battery plants in the region.
- PLI offers a production linked incentive to boost domestic manufacturing and attract large investments in mobile phone manufacturing and specified electronic components, including Assembly, Testing, Marking and Packaging (ATMP) of units.
  - Incentive: 4-6% on incremental sales (over base year) of goods manufactured in India; incentives up to US\$ 5 billion will be awarded over a period of five years.
  - Eligibility: Subject to thresholds of incremental investments and incremental sales of manufactured goods

Sectors	Ministry/ Department	Approved financial outlay over a five-year period
Electronic/ Technology Products	Ministry of Electronics and Information Technology	Rs. 5,000 crore (US\$ 674.92 million)
'National Programme on Advanced Chemistry Cell (ACC) Battery Storage	Department of Heavy Industries and Public Enterprises	Rs. 18,100 crore (US\$ 2.47 billion)

(Source: <https://www.ibef.org/industry/electronics-system-design-manufacturing-esdm>)

## **OUR BUSINESS**

*Some of the information in the following section, especially information with respect to our plans and strategies, contain certain forward-looking statements that involve risks and uncertainties. You should read the section entitled “Forward Looking Statements” on page 18 for a discussion of the risks and uncertainties related to those statements and the section entitled “Risk Factors” on page 26 for a discussion of certain risks 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 stated, or the context otherwise requires, the financial information used in this section is derived from our Restated Financial Statements included in this Draft Red Herring Prospectus on page 188. Unless stated otherwise, industry and market data used in this Prospectus has been obtained or derived from publicly available information as well as other industry publications and sources. For details, please refer to the section titled “Industry Overview” on page 102.*

### **Overview**

Our Company was incorporated on August 14, 2006 as a private limited company under the name and style of ‘*Innovative Infratech Solutions Private Limited*’, under the Companies Act, 1956, pursuant to a certificate of incorporation dated August 14, 2006 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, in order to rectify the transposition error in the name of our Company, pursuant to a resolution passed by our Board of Directors in its meeting held on November 6, 2013, and by the Shareholders in their Extraordinary General Meeting held on November 8, 2013, the name of our Company was changed to ‘*Innovative Infratech Solutions Private Limited*’ and a fresh certificate of incorporation dated November 22, 2013 was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, pursuant to a resolution passed by our Board of Directors in its meeting held on November 13, 2023, and by the Shareholders in their extraordinary general meeting held on December 15, 2023, in order to reflect the main business activity of the Company and for better branding, the name of our Company was changed to ‘*Osel Devices Private Limited*’ and a fresh certificate of incorporation dated January 16, 2024 was issued by the Registrar of Companies, Delhi and Haryana at Delhi. Further, our Company was converted into a public limited company pursuant to a resolution passed by our Board of Directors in its meeting held on March 15, 2024, and by the Shareholders in an extraordinary general meeting held on March 22, 2024 and consequently the name of our Company was changed to ‘*Osel Devices Limited*’ and a fresh certificate of incorporation dated May 2, 2024 was issued by the Registrar of Companies, Central Processing Centre. The corporate identification number of our Company is U72200DL2006PLC152027.

Osel is driven by a passion for innovation and a commitment to excellence. As a one of the leading provider of cutting-edge technology solutions, Osel specializes in creating transformative products that empower individuals, businesses, and communities to thrive in a rapidly evolving digital world. Our Company manufactures a comprehensive range of LED display systems and the latest hearing aids, including all major components, at our ultra-modern plant. Osel’s state-of-the-art manufacturing plant in Greater Noida was inaugurated by Ex-Union Minister Shri Pratap Sarangi.

We manufacture comprehensive range of LED display systems. We are equipped with software and hardware capabilities. Our LED display systems are enabled with content management system which allows it to connect to phone or computer and display on screen. Equipped with the latest technology and adhering to rigorous quality control standards, we produce a wide range of high-performance components and systems. This vertical integration ensures consistency and excellence in every product we deliver. The LED display systems manufactured by us have been used by corporate for commercial usage such as advertising media, billboards, corporate meeting rooms, presentations, display promotions, command control centre and front sign boards.

We also manufacture latest hearing aids commonly known as assisted healthcare devices. Our hearing aids are designed to support individuals with disabilities, elderly person and chronic patients, who are having low hearing level, in performing everyday activities more effectively to enhance quality of life. Our major customer for hearing aids is Artificial Limbs Manufacturing Corporation of India. We manufacture Digital Programmable and Non-Programmable Hearing Aids.

Our Company has manufacturing and assembling setup in Greater Noida at Signature Tower, 1st Floor Plot No 3, Sector Knowledge Park-III, Sector 34, Gautam Buddha Nagar, Noida – 201 307, Uttar Pradesh, India.

Our manufacturing facility in Greater Noida is having production capacity of 15,000 square feet of LED display per annum and 4,00,000 units of Hearing Aid per annum. The manufacturing plant is equipped with Modern Equipment, ensures Quality Control, follows Sustainable Practices and is an Innovation Hub for us. Our manufacturing units consists of two separate lines for design, manufacturing and assembling of LED display systems and the latest hearing aids, and R&D facility.

We use the latest equipments installed to design, manufacture and assemble our LED display systems from raw materials processing, preparation of sub-assembling, component fitment, testing, inspection and quality control. Similarly, we use the latest machineries installed to design, manufacture and assemble our hearing aids from raw materials processing, printed circuit board assembling (PCB), testing, programming, sub-assembling and soldering, final device assembling and quality control.

To ensure that we supply quality products which meet the applicable standards, we have set up a Research and Development facility (“**R&D facility**”), which consists of our quality assurance and quality control teams who check and conduct various tests in our ‘in-house laboratory’ on the raw materials and our products at various stages starting from receiving of raw materials to the finished products manufactured by us.

Our in-house R&D facility complemented by our quality assurance and quality control department has enabled us to expand our business in domestic market and export LED display systems internationally. The LED display systems manufactured by us have been used by corporate for commercial usage such as advertising media, billboards, corporate meeting rooms, presentations, display promotions, command control centre, front sign boards. Our quality control and quality assurance team carry out various technical and manual tests to ensure they do not suffer rejections and are eligible and used by contract manufacturers of international brands, thereby generating value for us.

Our company holds Certification Marks Licence issued by Bureau of Indian Standards to use ‘Standard Mark’ for “*Behind the Ear (BTE) Hearing Aids – Digital*” and “*Visual display unit*”.

With continuous efforts and expertise of our quality assurance and quality check team, we have also received certificate for the management system, ISO 9001:2015 by Criterion Assessment Private Limited, Progressive International and Certifications Limited and Global Standards, which are globally standardized, independent mark of quality, semi-finished and finished products from all stages of production and for all accessory materials used in the process.

Our company has a diversified marketing network that serves as a robust channel for the promotion and sale of our products i.e. LED display system and hearing aids. The details of our customer base and marketing strategy are elucidated below:

- **LED Display System:** Within our B2B framework, we cater to various governments and corporates by supplying LED display system tailored to the precise specifications of their requirement. This segment encompasses a spectrum of industries, including Government, Broadcasting, Education, Hospitality, Banking, Healthcare, Retail, Entertainment and Religious Institutions. We do not have any long-term supply agreement with our customers. We have a strong long-term relationships with large clients. We also sale our LED display system through distributors and resellers Pan India.
- **Hearing Aids:** Operating within our B2B framework, we cater to various governments through tender offer and also undertake white label manufacturing for others.

At OSEL, we design, manufacture, assemble and distribute active LED display systems and the latest hearing aids. Our products consist of:

**LED Display systems:** The products segment includes:

- o Indoor LED Solutions
- o Outdoor LED Solutions
- o Transparent LED Solutions
- o Customized LED Solutions

**Hearing Aids:** The products segment includes:

- o Standard Behind-the-Ear (BTE) Hearing Aids
- o Mini Behind-the-Ear (BTE) Hearing Aids
- o Receiver-in-the-Ear (RITE) or Receiver-in-Canal Behind-the-Ear (RICTE) Hearing Aids

Our Company are also in the development stage for the below category of hearing aids:

- o In-the-Ear (ITE) Hearing Aids
- o Completely-in-the-Canal (CIC) Hearing Aids
- o Invisible-in-the-Canal (IIC) Hearing Aids
- o Receiver-in-Canal (RIC) Hearing Aids
- o In-the-Canal (ITC) Hearing Aids

Our Promoters, Rajendra Ravi Shanker Mishra, Managing Director, and Jyotsna Jawahar, Wholetime Director and CFO, have been leading our Company's strategy and operations. Under their guidance, our Company has been able to achieve a dynamic product portfolio adding clients under various genres from Government, Broadcasting, Education, Hospitality, Banking, Healthcare, Retail, Entertainment and Religious Institutions. They are responsible for expanding business horizons, corporate strategy, leadership and management, financial performance across verticals, stakeholder relations, innovation and growth, identifying new opportunities and risk management. Our Company employs teams with required expertise in each of our divisions, each of which possess the requisite experience. Led by visionary leaders who are passionate about innovation and driven by a shared commitment to excellence, our team is united in our mission to deliver world-class technology solutions that make a positive impact on the world.

We are driven by our vision of creating brighter tomorrows and enriched lives, Osel combines the power of light and sound to elevate experiences, foster connections, and empower individuals.

Our strategy for the LED digital display and hearing aid industries is guided by the principles of integrity, partnership, and effectiveness. We prioritize transparency and compliance, forging partnerships with urban planners and healthcare experts to create innovative solutions. Leveraging technology, we craft visually impactful displays and user-friendly hearing aids. Through these values, we envision a future of positive impact and enhanced experiences

## FINANCIAL HIGHLIGHTS

The table below sets forth certain key operational and financial metrics for the periods indicated:

(₹ in lakhs)

Particulars	December 31, 2023	Fiscal		
		2023	2022	2021
Revenue from Operations	10,606.56	8,188.68	6,524.53	5,744.40
EBITDA	1,592.51	868.37	464.73	302.84
EBITDA margin	15.01%	10.60%	7.12%	5.27%
Restated profit for the year	886.52	466.00	212.31	136.01
Restated profit for the year as % of Revenue (PAT margin)	8.36%	5.69%	3.25%	2.37%
Capital employed	5,364.40	3,011.29	1,625.87	1,485.96
ROCE (%)	26.51%	23.39%	33.60%	32.91%
ROE (%)	28.36%	26.91%	25.13%	16.95%
Debt-to-Equity ratio	1.83	1.93	0.71	1.75

Notes:

(1) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses

(2) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations

(3) PAT Margin is calculated as PAT for the period/year divided by revenue from operations.

The table below sets forth a break-up of the revenue earned by our Company across various domestic states during the period ended December 31, 2023 and preceding three Fiscals ended 2023, 2022 and 2021:

(₹ in lakhs)

	December 31, 2023	2023	2022	2021
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State	Value	%	Value	%	Value	%	Value	%
Delhi	4,536.11	42.77%	4,477.31	54.68%	3,425.50	52.50%	2,465.63	42.92%
Uttar Pradesh	3,483.96	32.85%	3,188.93	38.94%	2,109.30	32.33%	2,877.70	50.10%
Kerala	245.85	2.32%	58.45	0.71%	49.59	0.76%	-	0.00%
Jammu & Kashmir	179.10	1.69%	-	0.00%	16.25	0.25%	0.69	0.01%
Gujarat	170.94	1.61%	-	0.00%	3.75	0.06%	0.50	0.01%
Telangana	168.63	1.59%	0.13	0.00%	2.40	0.04%	17.75	0.31%
Haryana	161.03	1.52%	14.43	0.18%	272.77	4.18%	6.78	0.12%
Punjab	158.23	1.49%	8.31	0.10%	-	0.00%	-	0.00%
Maharashtra	146.17	1.38%	136.28	1.66%	166.83	2.56%	136.96	2.38%
Odisha	146.03	1.38%	14.73	0.18%	-	0.00%	-	0.00%
Rajasthan	129.60	1.22%	28.50	0.35%	8.03	0.12%	2.03	0.04%
West Bengal	128.80	1.21%	-	0.00%	0.75	0.01%	0.73	0.01%
Assam	128.80	1.21%	-	0.00%	21.80	0.33%	-	0.00%
Others	821.66	7.75%	261.32	3.19%	237.25	3.64%	172.55	3.00%
<b>Total</b>	<b>10,604.92</b>	<b>99.98%</b>	<b>8,188.38</b>	<b>100.00%</b>	<b>6,314.21</b>	<b>96.78%</b>	<b>5,681.32</b>	<b>98.90%</b>

## Export Sale

(₹ in lakhs)

Country	December 31, 2023		2023		2022		2021	
	Value	%	Value	%	Value	%	Value	%
Mauritius	-	-	0.30	0.00%	210.32	3.22%	44.70	0.78%
Germany	-	-	-	-	-	-	15.96	0.28%
Colombia	-	-	-	-	-	-	1.45	0.03%
Italy	-	-	-	-	-	-	0.57	0.01%
Oman	-	-	-	-	-	-	0.41	0.01%
Belgium	1.64	0.02%	-	-	-	-	-	-
<b>Total Sales</b>	<b>1.64</b>	<b>0.02%</b>	<b>0.30</b>	<b>0.00%</b>	<b>210.32</b>	<b>3.22%</b>	<b>63.08</b>	<b>1.10%</b>

## OUR PRODUCT PORTFOLIO

Our company has a B2B Business Model, and we currently design and manufacture 2 products:

### 1. **LED Display systems:** The products segment includes:

- o Indoor LED Solutions
- o Outdoor LED Solutions
- o Transparent LED Solutions
- o Customized LED Solutions

### 2. **Hearing Aids:** The products segment includes:

- o Standard Behind-the-Ear (BTE) Hearing Aids
- o Mini Behind-the-Ear (BTE) Hearing Aids
- o Receiver-in-the-Ear (RITE) or Receiver-in-Canal Behind-the-Ear (BTE) Hearing Aids

## **Description of our Products and its usages:**

### 1. **LED Display systems**

#### **Indoor LED Solutions:**

Indoor LED display solutions are designed for Indoor display at various applications like Indoor display for retail, corporate settings, public events, Pub & entertainment etc. Indoor LED offer high resolution, vibrant displays and involves various factors like resolution, brightness, viewing distance and budget, based on that model vary from P1 (P1 signifies viewing distance of one meter for optimal visibility and so on for P2, P3 and P4) to P4. Brightness are usually  $\geq 600$  nits.

#### **Outdoor LED Solutions:**

Outdoor LED display solutions are designed for outdoor display and advertisement. They are designed to withstand various environmental conditions while providing clear and bright images for advertising, information and display. Usually, outdoor model start from P4 and above based on viewing distance resolution and brightness. Brightness are usually  $\geq 4500$  nits.

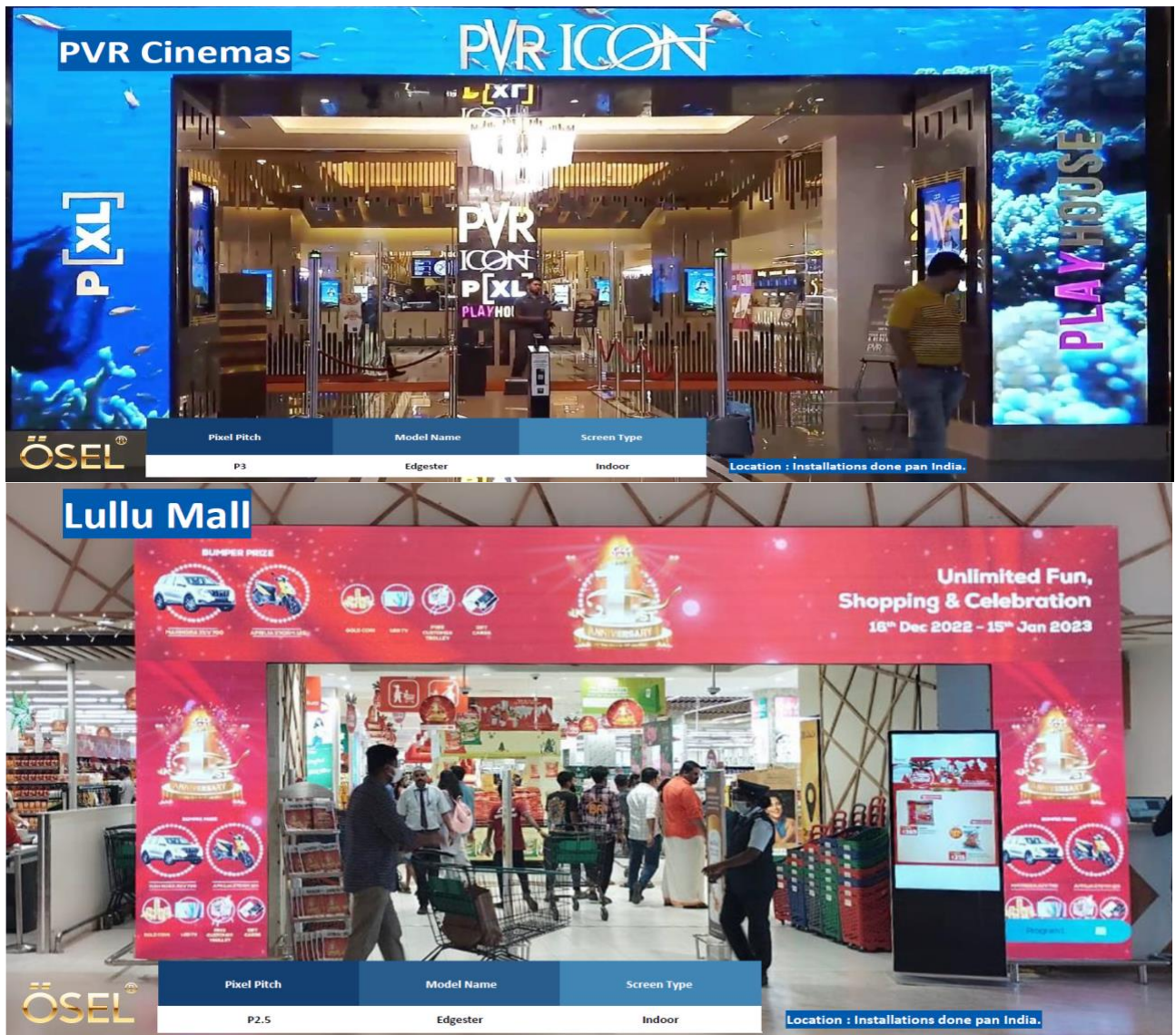
**Transparent LED Solutions:**

Transparent LED displays are a cutting-edge technology ideal for creating stunning visual effects while maintaining visibility through the display. This can be indoor as well as outdoor. These displays are particularly suited for retail, corporate, and architectural applications. Brightness (usually 1000-5000 nits) ensures visibility in different lighting conditions, including direct sunlight.

**Customized LED Solutions:**

Customized LED display solutions are tailored to meet specific needs and requirements. It can be any size and shape, and even frame, casing, and overall design can match the brand’s identity and the environment’s aesthetic. This ensure that the display integrates seamlessly with the intended application and environment. Customization can involve aspects like size, shape, resolution, and functionality. Based on specific requirement it can made for Indoor as well as outdoor display purpose.

**Our LED Display installed at the customers’ location**





### SmartBike

Pixel Pitch	Model Name	Screen Type
P4	Edgestar	Outdoor

Location : Installations done at New Delhi.

### Akashvani Bhawan

Pixel Pitch	Model Name	Screen Type
P6	SupremeX	Outdoor

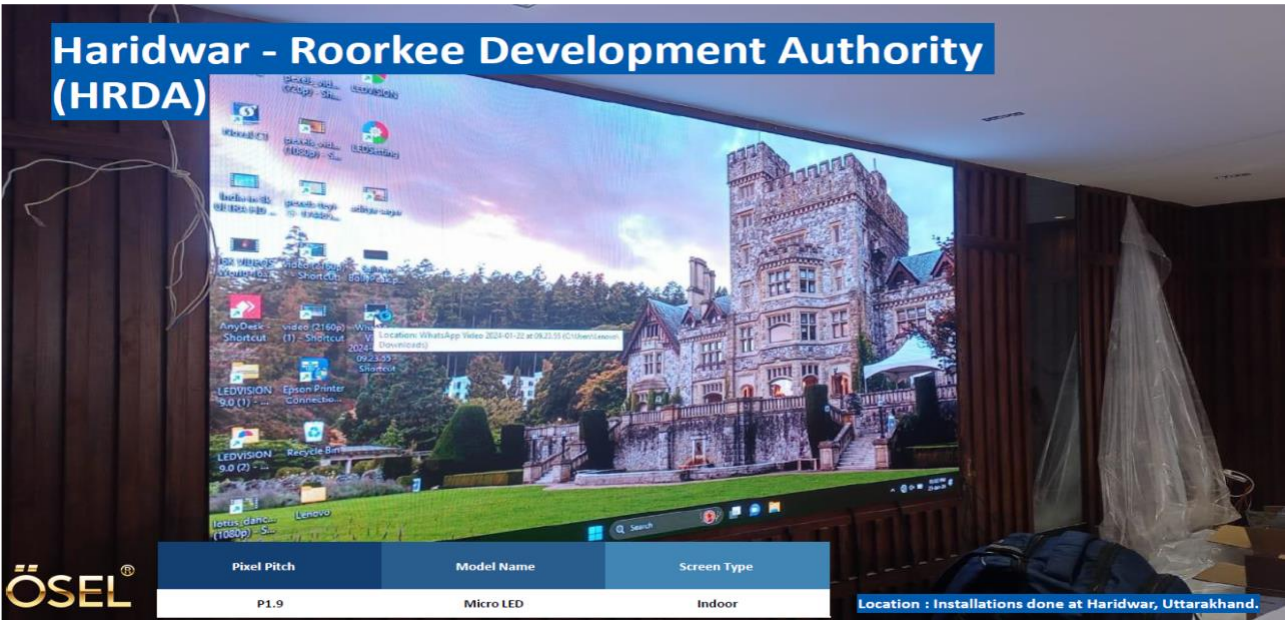
Location : Installations done at New Delhi.

### National Buildings Construction Corporation (NBCC)

Pixel Pitch	Model Name	Screen Type
P10	SupremeX	Outdoor

Location : 1350 sqft single screen Installation done at New Delhi.

## Haridwar - Roorkee Development Authority (HRDA)

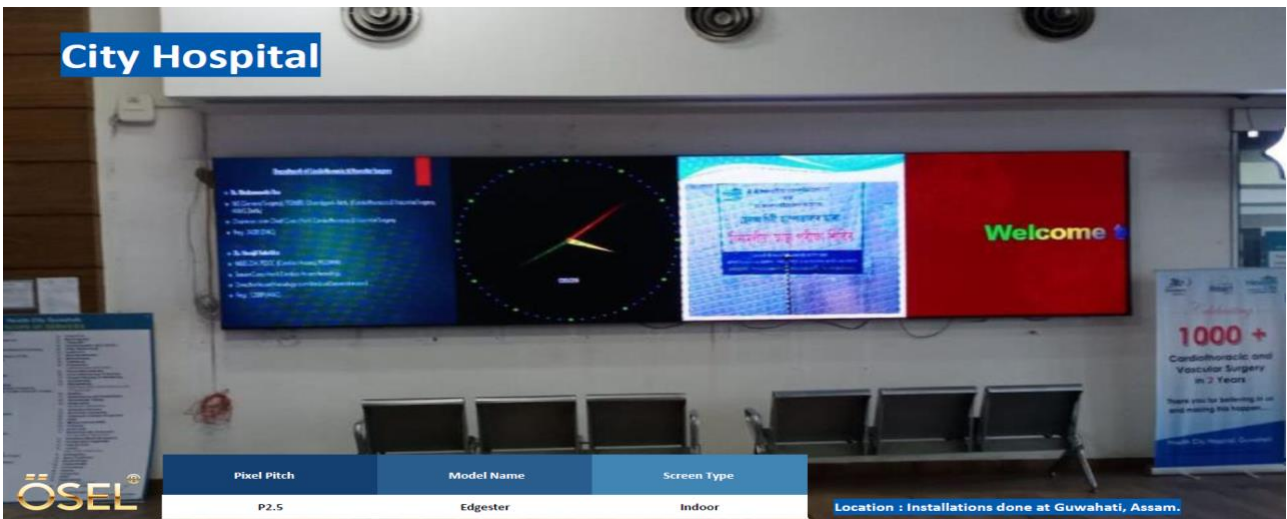
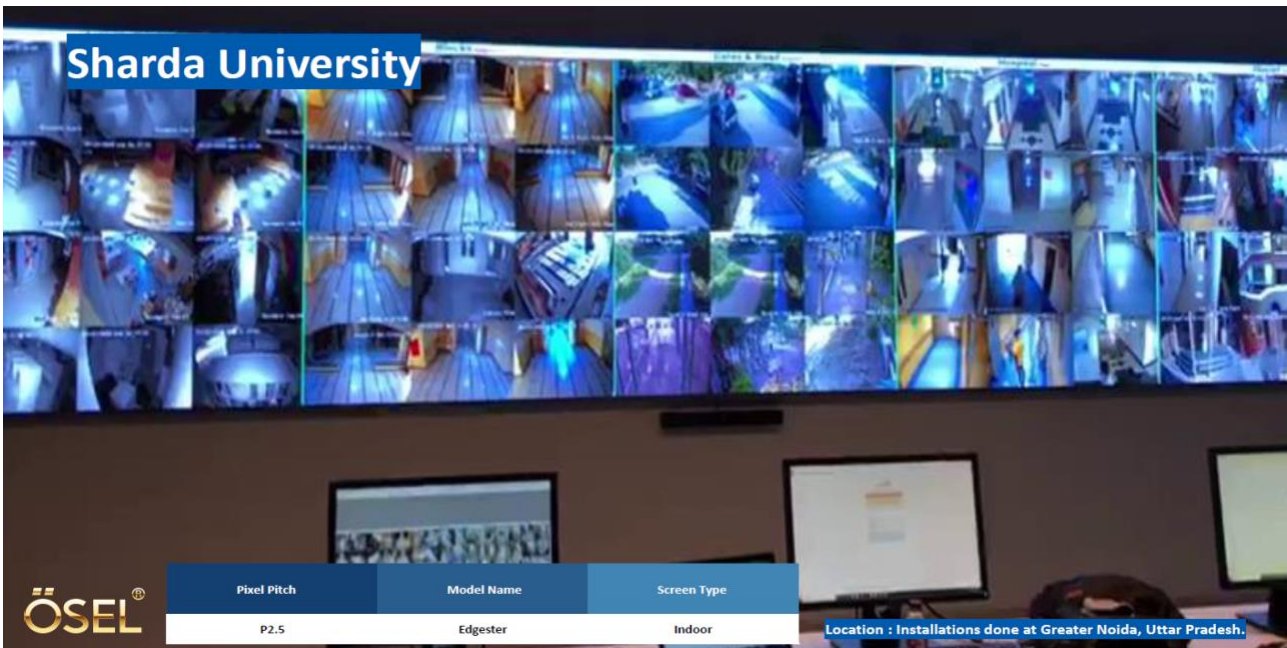


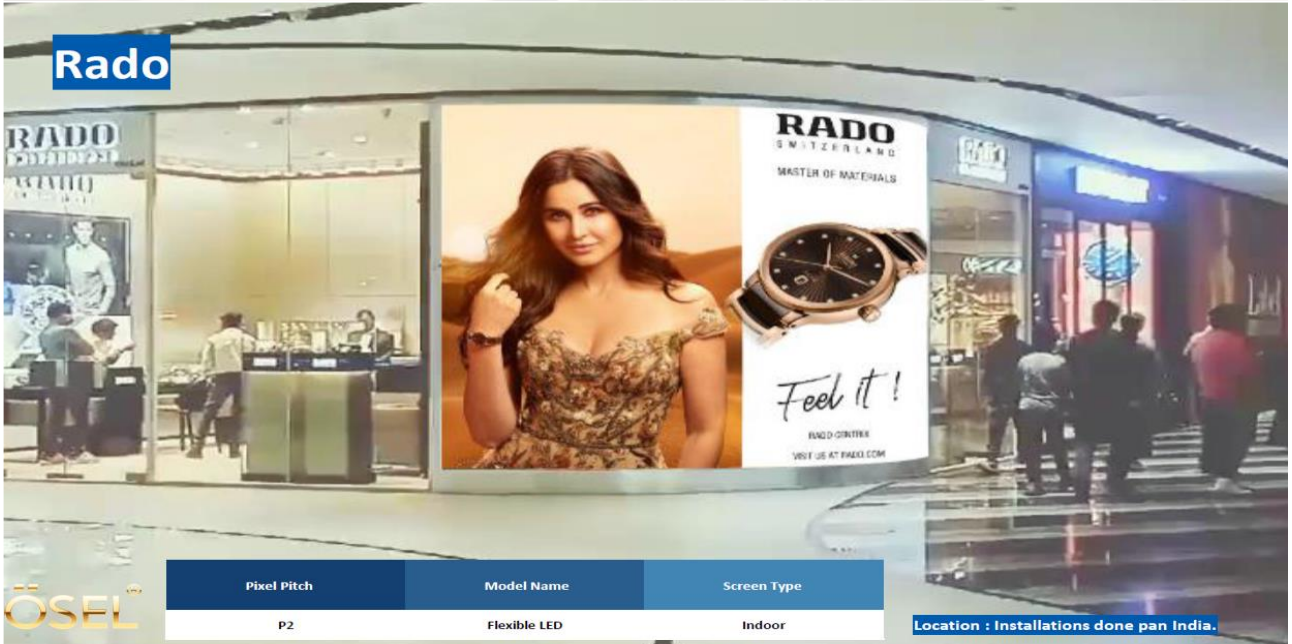
## National Aluminium Company Limited (NALCO)

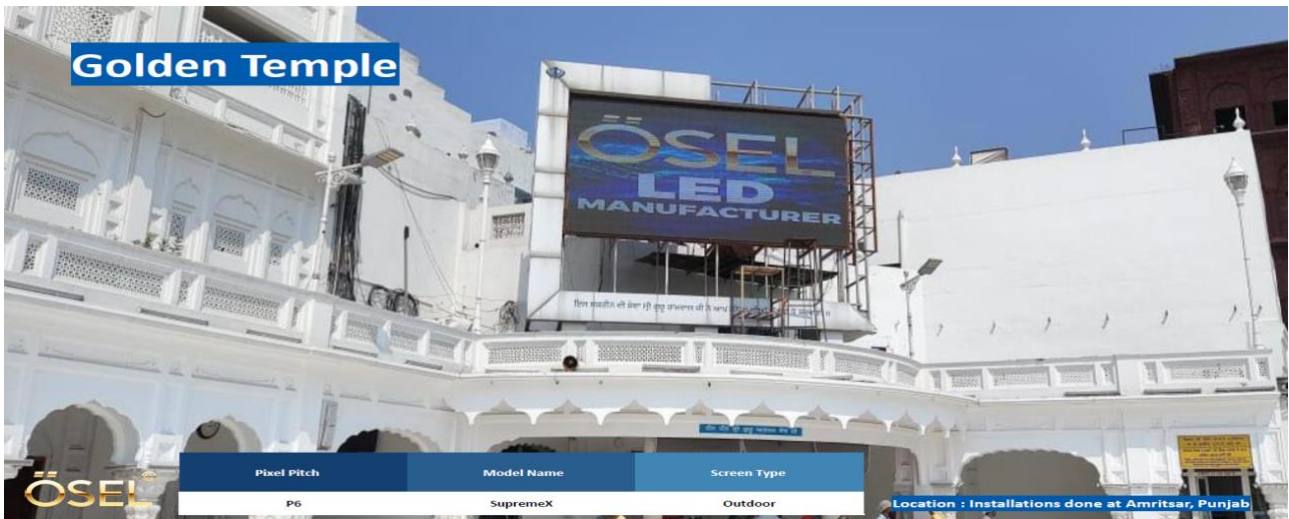


## Guwahati High Court









## 2. Behind the Ear(BTE) hearing Aids

BTE hearing aids sit comfortably behind the ear and are suitable for individuals with mild to profound hearing loss. They come in various sizes and styles to accommodate different preferences and levels of hearing loss. Designed to be worn comfortably for extended periods and usually resistant to earwax, moisture, skin reaction etc. The types of BTE hearing aid are:

- a. **Standard BTE:** Suitable for moderate to severe hearing loss, with larger batteries and more power.
- b. **Mini BTE:** Smaller and more discreet, often used with thin tubing and a soft dome.
- c. **Receiver-in-the-Ear (RITE) or Receiver-in-Canal (RIC):** The receiver is placed inside the ear canal, offering a more natural sound.

We, presently, manufacture Digital Programmable and Non-Programmable Hearing Aids.

The product description of the Digital Programmable and Non-Programmable Hearing Aids are as under:

### Digital Programmable



### Hearing Loss Category

Fitting Range: 60db

Maximum OSPL 90	125.1-135 dB SPL
HF average OSPL 90	125.1-135 dB SPL
HF average full on gain (at 50/60 dB input)	60 dB Min
Frequency range	125-135 dB : 200-4000 Hz
Effect of tone control positions on frequency response	As specified by the manufacturer
Total harmonic distortion	Shall not exceed 7 percent at 500, 800 and 1600 at RTC position
Internal noise from the hearing aid in terms of equivalent input noise level	Shall not exceed 30 dB SPL
Induction coil sensitivity (if telecoil is provided) (at 10 mA/m)	75 dB Min
AGC characteristics (if applicable)	Supported
Battery Current (mA)	≤ 5mA

### Non-Programmable Hearing Aids



## Non Programmable DIGITAL BTE

### Hearing Loss Category

Fitting Range: 60db

Maximum OSPL 90	135 dB
HF average OSPL 90	125 - 134 dB
HF average full on gain (at 50/60 dB input)	60dBMin
Frequency range	200 Hz to 5000 Hz
Effect of tone control positions on frequency response	As specified by the manufacturer
Total harmonic distortion	should not exceed 7 percent at 1.3V 500, 800 and 1600 at RTG position
Internal noise from the hearing aid in terms of equivalent input noise level	≤ 30 dB SPL
Induction coil sensitivity (if telecoil is provided) (at 10 mA/m)	95 dB (min.)
AGC characteristics (if applicable)	Supported
Battery Current (mA)	≤ 2 mA

#### INTELLECTUAL PROPERTIES

Our Company does not own any patent for any of our products or design of our products.

#### SEGMENT WISE REVENUE BREAKUP

The table below sets forth a break-up of the segment wise revenue earned by our Company during the period ended December 31, 2023, and the preceding three Fiscals ended 2023, 2022 and 2021:

Segments	December 31, 2023		March 31, 2023		March 31, 2022		March 31, 2021	
	(₹ in lakhs)	As a % of total Revenue	(₹ in lakhs)	As a % of total Revenue	(₹ in lakhs)	As a % of total Revenue	(₹ in lakhs)	As a % of total Revenue
Revenue from Hearing Aids	6,383.25	60.18%	6,339.03	77.41%	2,699.24	41.37%	4,167.75	72.55%
Revenue from LED Display	4,223.31	39.82%	1,849.65	22.59%	3,825.29	58.63%	1,576.65	27.45%
<b>Total</b>	<b>10,606.56</b>	<b>100.00%</b>	<b>8,188.68</b>	<b>100.00%</b>	<b>6,524.53</b>	<b>100.00%</b>	<b>5,744.40</b>	<b>100.00%</b>

#### OUR CUSTOMERS

Some of our major customers includes:

Government



Haridwar-Roorkee  
Development Authority



### Broadcasting



### Education



SHARDA  
UNIVERSITY  
Beyond Boundaries



भारतीय प्रौद्योगिकी संस्थान रुड़की  
Indian Institute of Technology Roorkee



बिहार सरकार

### Hospitality



SHILOH STAY

dragonfly  
the art hotel

Wakā Hotels & Resorts

### Healthcare



SHARDA  
HOSPITAL

Atal Bihari Vajpayee Institute of Medical Sciences  
and Dr. Ram Manohar Lohia Hospital

New Delhi, India, A Central Government Hospital (Formerly Willingdon Hospital)



DR. BABA SAHEB AMBEDKAR  
MEDICAL COLLEGE & HOSPITAL  
Dept. of Health & Family Welfare  
Govt of NCT of Delhi

## Religious Institutions:



## Entertainment



## Retail



In addition to the above customers, our products are also installed through third party and system integrators.

## OUR STRENGTHS

- *One of the leading specialized LED display system and hearing aids manufacturer with long standing market presence*

We are well known through our brand named — 'OSEL' — in the LED display and Hearing Aids industry. The brands and our Company's experience has helped by our company earn the trust and goodwill of our clients which further has an influence on the prospective client's decision. Our well established and recognizable brand and the reputation built by us has and will enable us to increase our clientele list in the future. With a rich history spanning over a decade, our Company has emerged as a pioneering force in the tailored made LED display systems and hearing aids industry. Our sustained market presence has not only facilitated nationwide expansion but has also positioned us as a reliable partner for system integrators and other hearing aid manufacturers. Leveraging our deep industry insight, we have consistently delivered specialized LED display solution that meet the stringent specifications of our renowned customers. Central to our success is the invaluable contribution of our dedicated quality control and assurance team. This team conducts a comprehensive array of technical and manual tests on our products, ensuring not only compliance but also enhancing the value proposition for us. Our commitment to delivering defect-free, high-quality products has set us apart in the industry.

- *Geographical presence*



With the help of our long-standing market presence and creative, commitment towards innovation and excellence professionalism, dependable solutions and the finest attention to detail, we have been able to create a domestic and international market presence of our Company in the geographies we operate, thereby catering to various customers functioning in various industries. In addition to multiple industries, we offer our services across multiple geographies. Our Company has corporate office, manufacturing and assembling setup in Greater Nodia and Registered Office at Delhi from where we operate.

Our R&D facility is highly dependent upon skilled professionals. Our skilled employees help us to keep a track of the rapidly changing market to be in tune with such changes. We employ skilled, semi-skilled and unskilled labour for carrying out various processes for our manufacturing and the availability of labour in abundance in India helps us to maintain our low labour costs. Therefore, the location of our manufacturing unit helps us in cutting the cost of manufacturing of our products and enables us to manufacture quality products with the help of domestic and imported raw materials and skilled labour.

- ***Quality Assurance and Quality Control of our products***

At the core of our operations is an unwavering commitment to quality assurance and control. Our customers demand rigorous quality checks at various stages before dispatch, and we have established dedicated quality assurance and control teams to meet these demands. Led by experienced technicians, production teams ensure that our LED display systems and hearing aids undergo meticulous inspections to prevent rejections and maintain highest quality standard as specified by our clients. Our quality control measures extend from thorough checks of raw materials to the final inspection of finished goods. An in-house laboratory equipped with automatic/mechanical machines, operated by skilled personnel, supplements these efforts.

With continuous efforts and expertise of our quality assurance and quality check team, we hold Certification Marks Licence issued by Bureau of Indian Standards as use ‘Standard Mark’ for “*Behind the Ear (BTE) Hearing Aids – Digital*” and “*Visual display unit*”, which are globally standardized and independent mark of quality. We have also received certificates for the management system, ISO 9001:2015 by Criterion Assessment Private Limited, Progressive International and Certifications Limited and Global Standards, which are globally standardized, independent mark of quality, semi-finished and finished products from all stages of production and for all accessory materials used in the process.

- ***Strong, cordial & long term relationship with our clients***

We act as One-Stop Solution Provider for our existing and prospective clients for all their LED display systems. Further, we also have long standing relation with our customers of hearing aids. For repetitive business from the same customers and to establish strong, cordial and long-term relations with all our customers, we at all the time aim to provide our customers quality and timely delivery of products. Since our products has always spoken for itself, we have gained the benefit of developing long standing partnerships with our customers. We believe our track record of timely delivery of quality product and after sale services has helped us to build strong relationships over a number of years with our customers. We have a history of high retention of our key customers and derive a significant proportion of our income from repeat business.

The revenue from our top ten customers are as under:

Particulars	December 31, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount	Percentage (%)	Amount	Percentage (%)	Amount	Percentage (%)	Amount	Percentage (%)
Top 10 customers	9,832.68	92.70%	7,687.99	93.89%	6,391.50	97.96%	5,577.13	97.09%
Top 5 customers	8,729.47	82.30%	6,447.18	78.73%	5,743.48	88.03%	5,060.36	88.09%

We believe that our relationships with customers coupled with our innovative and cost-effective products makes us well positioned to benefit from this positive trend and continue to expand our operations.

- ***Cost effective production and timely fulfilment of orders***

Timely fulfilment of the work orders is a prerequisite in our industry. We have taken various steps in order to ensure adherence to timely fulfilment of orders and to achieve greater cost efficiency at our existing

manufacturing and assembling unit. These steps include sourcing of quality raw materials, quality control, smooth labour relations, use of an efficient production system and strong relationship with raw material suppliers. These steps enable us to meet large and varied orders.

- ***Well experienced management team***

Our Promoters, Rajendra Ravi Shanker Mishra, Managing Director, and Jyotsna Jawahar, Wholetime Director and CFO, have been leading our Company's strategy and operations. Under their guidance, our Company has been able to achieve a dynamic product portfolio adding clients under various genres from Government, Broadcasting, Education, Hospitality, Banking, Healthcare, Retail, Entertainment and Religious Institutions. Led by visionary leaders who are passionate about innovation and driven by a shared commitment to excellence, our team is united in our mission to deliver world-class technology solutions that make a positive impact on the world.

We have an experienced and professional management team with strong management, execution capabilities and considerable experience in this industry. The team comprises of personnel having technical, operational and business development experience. We have employed suitable technical and support staff to manage key areas of activities allied to operations. Our team is well qualified and technologically equipped in electronic industry and has been responsible for the growth of our operations. We believe the stability of our management team and the industry experience brought in coupled with their strong repute, will enable us to continue to take advantage of future market opportunities and expand into new markets. For further details of the educational qualifications and experience of our management team and our Key Managerial Personnel, please refer to the section titled "Our Management" on page 146 of this Red Herring Prospectus.

- ***Marque Customers***

Our partnership with our customers reflects their trust and belief on our company. We are anything and everything brands need to communicate their story to a diverse and distinguished customers. Our Company has worked with large number of marque clients and provided post sale services. Some of the major customers includes:

***For LED display systems:***

Government:

- Defence Research and Development Organisation (DRDO)
- Indian Space Research Organisation (ISRO)
- National Aluminium Company Limited (NALCO)
- NBCC (India) Limited
- The Gauhati High Court
- Haridwar-Roorkee Development Authority
- Raipur Smart City
- Indian Oil Corporation Limited
- Bharat Petroleum Corporation Limited
- Hindustan Petroleum Corporation Limited

Broadcasting:

- Akashvani
- Doordarshan
- India TV

Education

- Patliputra University
- Sharda University
- IIT Roorkee
- Tilka manjhi Bhagalpur University
- Noida Institute of Engineering Technology

Hospitality

- Lord of the drinks
- Shiloh

- Dragonfly
- Worldmark
- Waka Waka

#### Healthcare

- Shri Ganga Ram Hospital
- Sharda Hospital
- Dr Ram Manohar Lohia Hospital & PGIMER
- Centre for Sight
- Dr. B.R Ambedkar Medical College & Hospital

#### Retail

- Adidas
- Rado
- Dell Technologies
- Levis
- Giant Manufacturing Co Limited
- Hira Panna Jewellers
- Birkenstock
- Kushal's (Fashion Jewellery)
- Starkey
- Gold Dozo Gym
- Belden
- Trecento Residences
- Royal Salute
- Best Hearing Aids in India (EarKart)
- Premium Lifestyle & Fashion India Private Limited (Apronix)
- United colors of Benetton
- Noida Bayaweaver
- Mio Amore
- Smart Bike

#### Religious Institutions

- ISKCON
- Shri Mata Vaishno Devi Shrine Board
- Golden Temple, Amritsar

#### Entertainment

- PVR INOX Limited
- Lulu Mall
- Star Cinemas

#### ***For Hearing Aids***

##### Government:

- Artificial Limbs Manufacturing Corporation of India (ALIMCO)
- National Institute for the Empowerment of Persons with Visual Disabilities (NIEPVD)

##### Private Sector:

- Earkart Private Limited
- Rogan Clinic

- ***Post Sale service and support***

We also provide post sale services and support for our products through warranty a period of 1 year to 3years as per the terms of the order free of cost and thereafter annual maintenance service on chargeable basis. We provide on-site maintenance and repair services for complex LED display systems. The after-sale service ensures regulation interaction with our customers and helps us in developing our relationship for long-term.

#### **OUR STRATEGIES**

Our strategic objective is to improve and consolidate our position as a major LED display system and hearing aids manufacturer with a continuous growth philosophy and to enter in value added products. Below points represents our continuous growth philosophy being implemented:

### ***Market Penetration and Geographic Expansion***

We are engaged in designing, manufacturing, assembling and post sale services of our products for sale to our customers domestically and internationally. We are focussed on enhancing our presence in the geographies where we already operate by strengthening relationships with current channel partners. The domestic market offers various opportunities in term of sub-geographic penetration and product/ market diversification which we intend to seize and increase our market reach domestically to explore untapped markets and segments as part of our strategy to mitigate market risk and widen growth prospects.

Further, we also enter new markets internationally. We are also targeting metropolitan areas with high demand for LED displays, such as emerging markets in the Middle East and North America.

For our hearing aids, we are presently operating in B2B segment by selling our manufactured hearing aids through government tenders and white label manufacturing. We intend to enter into retail segment by offering our hearing aids through audiologist clinics across the country.

### ***Embracing new technologies for Product Diversification and Innovation***

As a manufacturing company, we are committed to staying ahead of the curve and embracing new technologies. Our goal is to stay a technology-based manufacturing company, leveraging the latest innovations to create even more engaging products for our customers. We intend to develop new variants of LED displays tailored for different industry needs.

We continuously innovate our product offerings by integrating the latest technologies such as interactive screens, eco-friendly materials and lower power consumption products.

We are also in the development stage for the below category of hearing aids:

- o In-the-Ear (ITE) Hearing Aids
- o Completely-in-the-Canal (CIC) Hearing Aids
- o Invisible-in-the-Canal (IIC) Hearing Aids
- o Receiver-in-Canal (RIC) Hearing Aids
- o In-the-Canal (ITC) Hearing Aids

### ***Focus on our Quality Control***

Quality control (QC) is a critical aspect of manufacturing and deploying LED display systems and hearing aids. Ensuring the highest quality standards not only enhances the product's reliability and performance but also builds customer trust and satisfaction. Our quality control process starts from supplier selection, inspect all incoming components, sample testing of components for electrical characteristics, test each module for electrical functionality, and finished product testing.

### ***Marketing Strategy***

We continue to enhance our business operations by ensuring that our network of customers increases through our marketing efforts. Our core competency lies in our deep understanding of our customers' buying preferences and behavior, which has helped us in achieving customer loyalty. We endeavor to continuously improve the product-mix offered to the customers as well as strive to understand and anticipate any change in the expectation of our customers towards our products. Presently, our marketing and sales division consists of 12 members who are responsible for marketing our products. We intend to strengthen our existing marketing team by inducting personnel with expertise in the industry, who will supplement our existing marketing strategies in the domestic markets.

With the use of our products by reputed clients, our products have a huge acceptability and inquiry all over India. We have already started out on our journey as a supplier of our existing products in the domestic market, by

supplying products in conformity with the highest quality standards, which makes the quality of our products, our biggest marketing technique. Our Domestic operations have enabled us to learn and follow the global trends, improve our efficiency, quality and trend analysis and better customer servicing, which shall in the future help us in penetrating global markets with a wide market reach.

#### ***Growing our business with existing clients with quality and efficient services***

Our Company is successful in building a strong client base for the business. This relationship has helped us in getting repeated business from our clients. Thus, we focus on maintaining strong relationship with existing clients which will help us to gain competitive advantage in gaining new clients and increasing the business.

#### ***Reduction of operational costs and achieving efficiency***

Apart from expanding business and revenues we have to look for areas to reduce costs and achieve efficiencies in order to remain a cost competitive company. We are always in search of new and innovative concepts as per the needs of our clients but while in the process we make sure of the fact that we perform the given task at the lowest possible cost through effective supervision and planning. Further, our Company constantly endeavours to improve our service processes, and will increase service activities to optimize the utilization of resources, skill up-gradation of workers, modernization of procedures to attain reduction in cost and achieve efficiency. We also analyse our existing material procurement policy and service processes to identify the areas of bottlenecks and take corrective measure wherever possible. This helps us in improving efficiency and putting resources to optimal use.

### **MANUFACTURING PROCESS**

#### **Raw Material procurement**

S. No.	Raw Material	Source
<b>LED Display System</b>		
1.	LED Module	The module required for our manufacturing our products are sourced from China. This is not domestically manufactured.
2.	RGB SMD 3 in 1 LED	The RGB SMD 3 in 1 LED required for our manufacturing our products are sourced from China. This is not domestically manufactured.
3.	Alloy Die Cast Cabinet	The Alloy Die Cast Cabinet required for our manufacturing our products are sourced from domestic market from Delhi NCR region and imported from China.
4.	Switch Mode Power Supply	The Switch Mode Power Supply required for our manufacturing our products are sourced from China. This is not domestically manufactured.
5.	Controller / Driver	The Controller / Driver required for our manufacturing our products are sourced from China. This is not domestically manufactured.
<b>Hearing Aids</b>		
1.	Balanced Armature Receiver	The Balanced Armature Receiver required for our manufacturing our products are sourced from China. This is not domestically manufactured.
2.	MEMS Microphone	The MEMS Microphone required for our manufacturing our products are sourced from China. This is not domestically manufactured.
3.	DSP Amplifier assembly	The DSP Amplifier assembly required for our manufacturing our products are sourced from China. This is not domestically manufactured.
4.	T-Coil	The T-Coil required for our manufacturing our products are sourced from China. This is not domestically manufactured.
5.	Zinc air Batteries	The T-Coil required for our manufacturing our products are sourced from China. This is not domestically manufactured.
6.	Housing Kit	The Housing Kit required for our manufacturing our products are sourced from domestic market from Delhi NCR region and imported from China.

The purchases from our top ten suppliers are as under:

Particulars	December 31, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount	Amount	Amount	Percentage (%)	Amount	Percentage (%)	Amount	Percentage (%)
<b>Top 10 suppliers</b>	8,815.40	96.33%	6,996.85	90.67%	6,033.04	93.58%	3,325.88	64.92%

<b>Top 5 suppliers</b>	7,184.52	78.51%	5,176.21	67.08%	5,712.31	88.60%	3,079.50	60.11%
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### Quality control and tests at each stage of the manufacturing process:

Our quality team is responsible for the checking and supervising of test at each stage of production process. Our manufacturing process has been documented a Quality Management System (QMS) in accordance with the requirements of the ISO 9001:2015 Standard and applicable regulatory requirements. This is not a stand-alone system, but is integrated within Osel’s operating discipline which encompasses the policies, requirements, and work processes of Technical Development, Production Planning, Quality Control, Operations, Customer Service, Shipping, Sales & Marketing and Quality Assurance. Developed and endorsed by company management, the QMS ensures that customers’ receive quality, reliability and integrity in the products and services. The QMS calls for precise adherence to specifications, as well as legal and quality requirements, as applicable. Our products quality is maintained through systems of standardization and process control. Service quality covers all aspects of customer transactions and is ensured by the function that is providing the service.

The products are inspected at various stages starting from raw material inspecting, manufacturing inspection and outgoing quality control, the details of which have been provided below:

- a) **Incoming Inspection:** Our quality team is responsible for the checking and supervising of our raw material. Each raw material received in stores passes through quality inspection as per item/component specifications and sampling plan. Only QC approved items are taken into stock for further issuance to production.
- b) **In Process Inspection:** In our manufacturing process, first part approval is done to validate the produced product and then bulk production approval is given by quality team. Process inspection is done during running production as per sampling plan & frequency.
- c) **Outgoing Quality Control:** Each finished product is QC checked and tested as per the product specifications and sampling plan. Product Serial no. are assigned and transferred to stores after packaging for onwards dispatch. Records are kept for reference.

### List of quality control equipment and its usages

Machine Name	Number of Machines	Used in	Owned /Leased	Application
LCR Meter TH2816A	1	Quality Control (SMT, LED & Hearing Aid)	Owned	For checking SMD components value
FONIX 8000 Hearing Aid Analyser	1	Quality Control Hearing Aid	Owned	Acoustic parameters checking
Digital Multimeter	1	Quality Control (Common)	Owned	Dimensional Measurement
Vernier Caliper	1	Quality Control (Common)	Owned	Dimensional Measurement
Surface Resistivity meter	1	Quality Control (Common)	Owned	To measure ESD surface
Digital Micrometer	1	Quality Control (Common)	Owned	Dimensional Measurement
Weighing Machine Digital	1	Quality Control Hearing Aid	Owned	Weight measurement
FONIX 7000 Hearing Aid Analyser	1	Quality Control Hearing Aid	Owned	Acoustic parameters checking
Lamp Magnifier	2	Quality Control (Common)	Owned	identifying small component and circuit track by magnification

### Research and Development

To ensure that we supply quality products which meet the applicable standards, we have set up a Research and Development facility (“**R&D facility**”), which consists of our quality assurance and quality control teams who check and conduct various tests in our ‘in-house laboratory’ on the raw materials and our products at various stages starting from receiving of raw materials to the finished products manufactured by us.

Our in-house R&D facility complemented by our quality assurance and quality control department has enabled us to expand our business in domestic market and export LED display systems internationally. We sell our hearing aids domestically only. Our quality control and quality assurance team carry out various technical and manual tests to ensure they do not suffer rejections and meet international standards for international brands, thereby generating value for us.

### **LED Display system development process flow**

**Specification Definition:** Define pixel pitch, resolution, brightness, and other key specs based on the application.

**Component Selection:** Choose appropriate LEDs, driving ICs, power supplies, and connectors.

**Schematic Design:** Develop detailed schematics including all components and their interconnections.

**PCB Layout:** Design the PCB, ensuring proper trace routing, thermal management, and signal integrity.

**Prototype Development:** Manufacture a small batch of prototypes for initial testing.

**Testing and Iteration:** Perform rigorous testing and iterate on the design based on feedback and test results.

**Mass Production:** Once the design is validated, move to mass production ensuring quality control at each stage.

### **Hearing Aid development process flow**

**Specification Definition:** Define target audience, types of hearing loss to be addressed, form factor, battery life, connectivity options, and other key specs.

**Component Selection:** Choose appropriate microphones, receivers (speakers), amplifiers, DSP (Digital Signal Processor) chips, Bluetooth modules, batteries, and connectors

**Schematic Design:** Develop detailed schematics including all components and their interconnections, ensuring that power supply, signal processing, and audio pathways are clearly defined.

**PCB Layout:** Design the PCB, focusing on compactness, proper trace routing for minimizing noise and interference, thermal management, and signal integrity

**Prototype Development:** Manufacture a small batch of prototypes for initial testing, ensuring the mechanical design aligns with the electronic components.

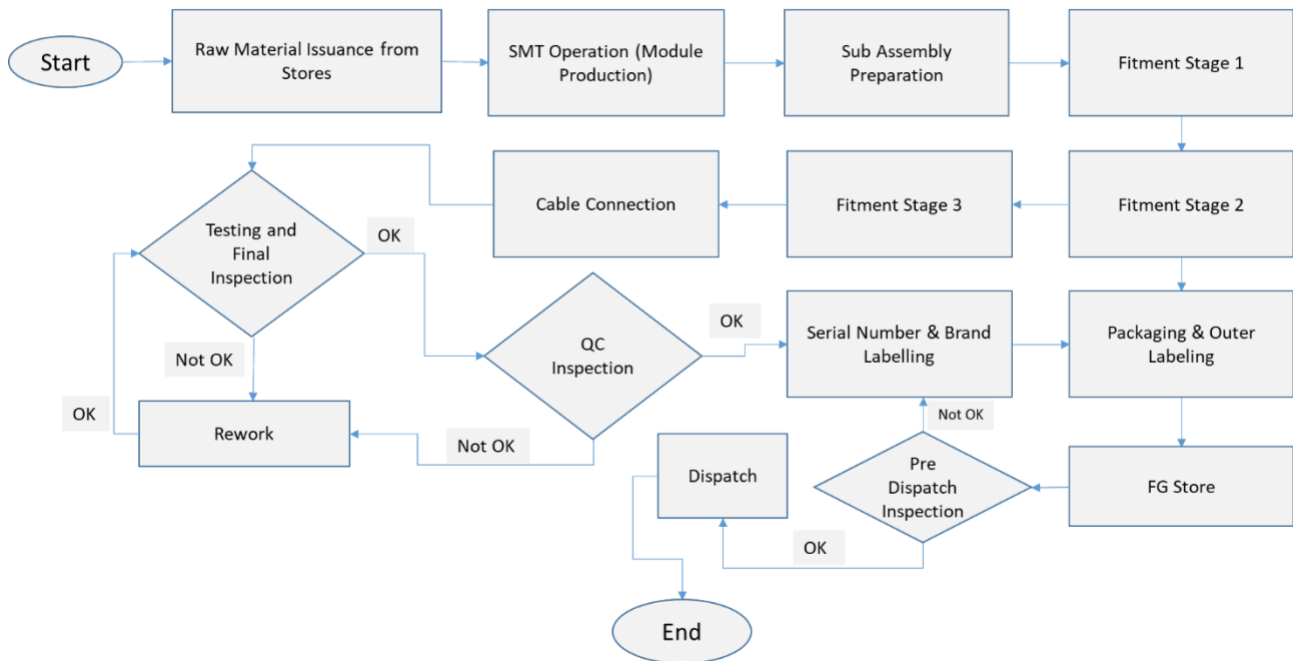
**Testing and Iteration:** Perform comprehensive testing on various parameters such as sound quality, battery life, wireless connectivity, and durability. Iterate on the design based on feedback and test results.

**Mass Production:** Once the design is validated and all tests are passed, move to mass production. Implement stringent quality control measures to ensure consistency and reliability.

## **MANUFACTURING PROCESS FLOW**

### **LED Display System Manufacturing Process**

### LED Display Manufacturing Process Flow Diagram



Description of our manufacturing process:

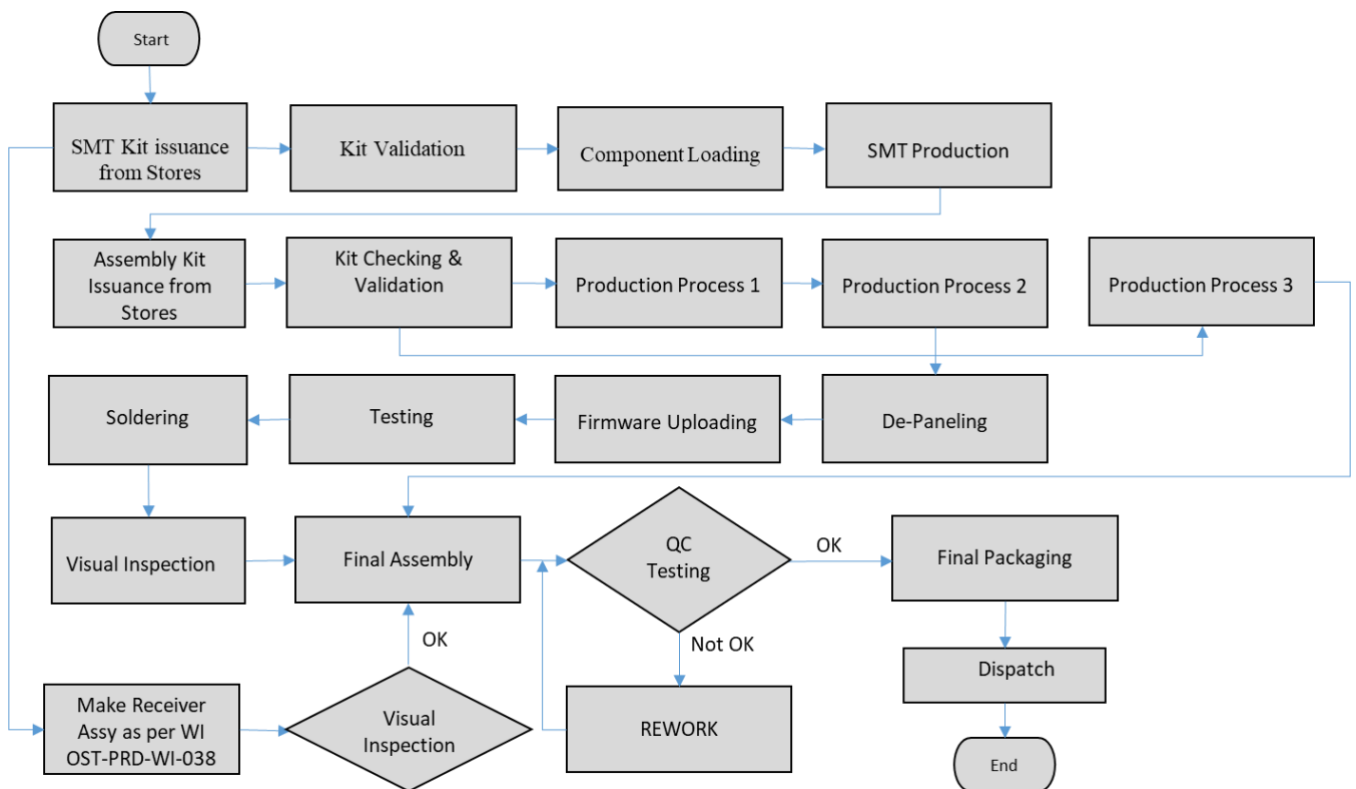
- **Raw Material Issuance from Stores** : On the basis production plan for the day of the respective Order confirmation document and respective Order BoM (Bill of Material), the required raw material is issued from stores
- **SMT Operation**: LED Modules are manufactured in SMT lines. The complete SMT Operation comprises of various stages i.e. Bare PCB Printing, Component mounting, Baking (Reflow), Testing, Ageing, Serial and Batch no. allocation, final QC inspection and warehousing.
- **Sub Assembly Preparation** : As per the Bill of Material, Prepare required quantities of Sub Assemblies like FRC Cable, Power Cable, Network Cable, Power Supplies connections
- **Fitment Stage 1**: The Power Supplies and Receiving Card fitment on Mica plate is done
- **Fitment Stage 2**: LED Modules are fitted on the cabinet. Module alignment is ensured after complete fitment
- **Fitment Stage 3**: The Mica plate with Power supplies and receiving card are fitted on the cabinet. Axial Fan is fitted on cabinet doors
- **Cable Connection**: Complete harness and cable connections are done
- **Testing and Inspection**: Visual and electrical inspection is done as per the defined test parameters. The completed product is tested for functionality. and offered to Quality Functions for final check. If found any non-conformance, the product is sent back to the respective stage for necessary rework followed by re-test and re-inspection. If found passed, offered to Quality control functions for further checks.
- **Quality Control Inspection** : Quality Control takes the reference of the quality plan & sampling plan and carry out thorough testing and inspection of the product. Here again, the non-conforming pcs are



sorted out, send to rework / non conforming area depending upon the nature of defect. The conforming units are forwarded for next process.

- **Serial No. and Brand Labeling:** Here, serial numbers / batch numbers assignment and brand labeling is done.
- **Packaging & Outer Labeling:** The completed unit is subjected to final packaging and outer label affixing and moved to finished goods store through Finished Goods Transfer Note document.
- **FG Store:** QC passed finished goods are received here and stored for onwards dispatch as per dispatch plan after Pre-Dispatch Inspection.

### Hearing Aid Manufacturing Process



1. **SMD Kit issuance from Stores:** SMD Components are issued from Raw Material Stores.
2. **Kit Validation:** The issued components are thoroughly checked and validated for correct part with respect to Bill of Material.
3. **Component Loading:** All SMD components are loaded on the various feeders of mounting machine and validated for correctness.
4. **SMT Production:** Production activity of PCB Amplifier is carried out through various SMT operations like Printing of Bare PCBs, Mounting of components through Pick and Place machine, baking, Testing and Inspection, Ageing, Screwing, Masking, Final QC, Labelling & Transfer to Stores stock.
5. **Assembly Kit Issuance from Stores:** The components related to sub-assemblies and final assemblies are issued from stores as per production plan.
6. **Kit Checking and Validation:** The issued components are checked and validated for correctness by production.

7. **Production Process 1, 2 :** Soldering of wires on receiver terminals, PCBA visual inspection
8. **De-Panelling:** The multiple unit parts of PCBA panel are separated to make it individual PCBA
9. **Firmware Uploading:** Here firmware /software is uploaded on the PCBAs using HI-Pro and Programming cable.
10. **Testing:** The PCBA duly firmware uploaded is tested with the help of Testing Jig for its functional aspects. The non-conforming units are sent back for re-programming / Rework.
11. **Soldering:** Components like Battery connector, T Coil, Mic & receiver assembly are soldered on PCBA
12. **Visual Inspection:** The complete component sub assembly is inspected for any soldering defect, component missing or wrong connections.
13. **Production Process 3:** Brand logo, BIS marking and serial numbers are printed on Outer housing and battery compartment.
14. **Receiver Assembly:** Receiver sub assembly is prepared using Receiver, Metal Connector and White tube and black jacket and after visual inspection, same is passed on to Final assembly.
15. **Final Assembly:** Complete assembly of Hearing aid using PCBA receiver assembly and Housing Front and Back.
16. **Quality Control Testing:** Finished hearing aid is tested on Hearing Aid analyser test equipment as per test parameters. The non-conforming pcs are sent for further defect analysis.
17. **Final Packaging:** Packaging of finished product and related accessories like Ear tips, Batteries, user manual is done in Plastic box, Monocartons. Finally packed products are handed over to FG stores for onwards dispatch.
18. **Dispatch:** FG stores dispatch the product as per order and dispatch plan

<b>SWOT ANALYSIS</b>	
<p><b><u>Strengths</u></b></p> <ul style="list-style-type: none"> <li>• State-of-the-art manufacturing plant equipped with latest machineries and technology to design, manufacture and assemble our products</li> <li>• Experienced and technically advanced manpower</li> <li>• Established relationships with our clients reflected by repeated orders.</li> <li>• Strong brand recognition and reputation for excellence in manufacturing of customized products.</li> <li>• Strong relationship with international suppliers of raw materials.</li> <li>• Well-equipped R&amp;D and quality control process</li> </ul>	<p><b><u>Weakness</u></b></p> <ul style="list-style-type: none"> <li>• Dependence on a small pool of key personnel</li> <li>• Limited financial resources, which may hinder the ability to invest in new technologies or talent</li> <li>• Limited marketing resources, which can make it difficult to compete with larger players with greater marketing budgets</li> <li>• Dependence on import of raw materials</li> </ul>
<p><b><u>Opportunities</u></b></p> <ul style="list-style-type: none"> <li>• Government initiative and focus on digital India</li> <li>• Conversion of static OOH to digital DOOH for advertisement industry</li> <li>• Increasing demand for digital signages</li> <li>• 6.3% of population suffering from hearing loss needing hearing aids.</li> <li>• Significant opportunity for domestic manufacturer of hearing aids having low cost.</li> </ul>	<p><b><u>Threats</u></b></p> <ul style="list-style-type: none"> <li>• Intense competition from large players</li> <li>• Rapidly evolving technology, which requires continuous investment to stay competitive</li> <li>• High import of raw materials from China</li> <li>• Regulatory changes or legal challenges, which can impact the ability to distribute content or access certain markets</li> </ul>

## **EQUIPMENT USED IN MANUFACTURING PROCESS**

Our Company employs the following:

Machine Name	Number of Machines	Used in	Owned /Leased	Application
Loader (Part of SMT Line) Auto PCB Loader (HY390)	1	SMT Production (common machine for LED and Hearing aid)	Owned	Loading PCB on the conveyor
Auto PCB Unloader DFQA450	1	SMT Production (common machine for LED and Hearing aid)	Owned	Unloading PCB
A5S Fully automatic timing Solder Paste Printer (Part of SMT Line)	2	SMT Production (common machine for LED and Hearing aid)	Owned	Printing of solder paste over Bare panel of Printed Circuit Board
Panasonic Pick and Place (SMT Line Mounter 1)	1	SMT Production (common machine for LED and Hearing aid)	Owned	Mounting of componants on barePCB
Panasonic Pick and Place (SMT Line Mounter 2)	2	SMT Production (common machine for LED and Hearing aid)	Owned	Mounting of componants on barePCB
Automatic SMD connector mounting (Part of SMT Line)	1	SMT Production (common machine for LED and Hearing aid)	Owned	Mounting of connectors on barePCB
Link conveyor (Part of SMT Line)	5	SMT Production (common machine for LED and Hearing aid)	Owned	Conveyor (Part of SMT Machine Line)
Re-Flow oven (JTRE-1203) (Part of SMT Line)	1	SMT Production (common machine for LED and Hearing aid)	Owned	Baking of solder paste on PCB
Re-Flow oven (JTRE-1203) (Part of SMT Line)	1	SMT Production (common machine for LED and Hearing aid)	Owned	Baking of solder paste on PCB
Single lane Conveyor (Part of SMT Line)	3	SMT Production (common machine for LED and Hearing aid)	Owned	Conveyor (Part of SMT Machine Line)
Shuttle conveyor (Part of SMT Line)	3	SMT Production (common machine for LED and Hearing aid)	Owned	Conveyor (Part of SMT Machine Line)
Automatic machine for inserting lead screws into potentiometer housing (WCQ-541-1W)	1	LED Production	Owned	Screw insertion and tightning
Pressure mask machine	1	LED Production	Owned	Masking on LED modules
Module packaging blister Shrink Wrapping machine	1	LED Production	Owned	Shrink Packaging machine
Carton Packing Machine (WMZ- 2530)	1	LED Production	Owned	Carton strapping
Industrial Refrigerator for solder paste storage47/5000	1	SMT Production (common machine for LED and Hearing aid)	Owned	Storage of solder paste in controlled environment
Baking Oven FD1100720500	2	SMT Production (common machine for LED and Hearing aid)	Owned	for drying, curing, or baking components in temperature controlled environment chamber
Solder paste mixer	1	SMT Production (common machine for LED and Hearing aid)	Owned	Mixing of Solder paste for making consistent emulsion
Marking Machine S.No.772 Lazer Printer	1	Production (LED & Hearing Aid)	Owned	For laser printing on
Air Compressor 8975010868 (G11FF A 10TM 500L AIR COMPR)	1	Production (LED & Hearing Aid)	Owned	Generation of compressed air
Pad Printing Machine	1	Production (LED & Hearing Aid)	Owned	Printing machine
Spectral Radiance Colorimeter	1	LED Production	Owned	measure luminance, spectral distribution and colorimetric parameters

Machine Name	Number of Machines	Used in	Owned /Leased	Application
Dr. Storage Dry Chamber	1	SMT Production (common machine for LED and Hearing aid)	Owned	Maintains the Moisture and Temperature level
Barcode Printer	2	Production (LED & Hearing Aid)	Owned	For printing Labels

### Capacity Utilization

Our Company is engaged in manufacturing of LED display system and hearing aids. Set forth below is the detail of the installed and utilized capacity of our manufacturing unit for the last three years:

Financial Year	Hearing Aids			LED Display System		
	Installed Capacity (in Units PA)	Utilized Capacity (in Units PA)	Percentage of utilization (%)	Installed Capacity (in SQFPA)	Utilized Capacity (in SQFPA)	Percentage of utilization (%)
2020-21	4,00,000	97,637	24.41	15,000	3,700	24.67
2021-22	4,00,000	42,380	10.60	15,000	4,900	32.67
2022-23	4,00,000	1,14,298	28.57	15,000	6,200	41.33
December 31, 2023	3,00,000	95,186	31.73	11,250	5,025	44.67

### COLLABORATIONS / JOINT VENTURES

As on date of this Red Herring Prospectus, we have not entered into any technical or financial collaborations or agreements.

### EXPORT AND EXPORT OBLIGATION

Our Company does not have any export obligation as on date.

### CORPORATE SOCIAL RESPONSIBILITY

We as a responsible corporate citizen are committed to take up different developmental projects, as part of our Corporate Social Responsibility (“CSR”) initiatives towards improving the quality of lives of the underprivileged sections of the society and other stakeholders. Our CSR strategies are aligned to national priorities to meet the basic needs of the local community. Our CSR policy defines the framework for implementing CSR activities in compliance with Section 135 of the Companies Act, 2013 and rules framed thereunder. The CSR committee has been constituted as per the applicable act. We demonstrate our commitment towards our communities by committing our resources and energies to social development and we have aligned our CSR programs with Indian legal requirements. In furtherance of the same, we endeavor undertake CSR activities such as, sustainable environment development, promoting gender equality, ensuring care for senior citizens and differently abled persons, maintaining cleanliness by installing dustbins, constructing portable toilets, etc.

#### Power

Our Company requires power for the normal requirement of the Offices and manufacturing facility for operations, lighting, systems etc. Adequate power is available which is met through the electric supply.

#### Water

Water is required for human consumption at office and adequate water sources are available from municipal water supply. The requirements are fully met at the existing premises.

#### Human Resources

Our Company believe that our employees are key contributors to our business success and its ability to maintain growth depends to a large extent on our strength in attracting, training, motivating and retaining employees. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for its kind of business.

As on March 31, 2024, our Company has 68 employees on payroll. A division-wise break-up of our employees is provided below:

<b>Department</b>	<b>Number of employees</b>
Senior Management	3
Accounts and Finance	7
Human Resources and Administration	3
Legal and Compliance	2
Sales & Marketing	12
IT And RD Department	8
LED Installation	17
Manufacturing	13
Store	3
<b>Total</b>	<b>68</b>

In addition to the above, we also employ contract labour in our manufacturing process through registered labour contractors. As on March 31, 2024, we have employed 20 contract labour in our manufacturing facility.

## MARKETING

Our success lies in the strength of our relationship with our clients and providing client specific products to achieve the clients objective. We continuously make follow-ups to clients, set-up meetings and track record, in order to garner clients, also focus on direct understanding of client's requirements. Due to strong network and expertise in the industry, we have been able to get repeated orders from our existing clients. The efficiency of the marketing and sales network is critical success factor of our Company. Our business development team also play an instrumental role in creating and expanding the sales network of our Company and increasing our customer base. Our sales teams have helped us in achieving a mix of clientele spread across multiple industries and multiple geographies.

The details of our customer base and marketing strategy are elucidated below:

- *LED Display System:* Within our B2B framework, we cater to various governments and corporates by supplying LED display system tailored to the precise specifications of their requirement. We do not have any long-term supply agreement with our customers. We have a strong long-term relationship with large clients. We also sale our LED display system through distributors and resellers Pan India.
- *Hearing Aids:* Operating within our B2B framework, we cater to various governments through tender offer and also undertake white label manufacturing for others.

## INSURANCE

Our Company has the following insurance policies in insure its offices, manufacturing facility and assets:




<b>S. No.</b>	<b>Insurer</b>	<b>Description of Property Insured</b>	<b>Policy No.</b>	<b>Expiry date</b>	<b>Insured Amount (₹ in Lakhs)</b>
1.	Tata AIG General Insurance Company Limited	Mediclaime insurance policy for 47 of our Employees	0239767730	August 8, 2024	141.00
2.	Universal Sampo General Insurance Co. Limited	Insurance of finished stock	2124/72775271/00/000	February 2, 2025	2,500.00

S. No.	Insurer	Description of Property Insured	Policy No.	Expiry date	Insured Amount (₹ in Lakhs)
3.	Bajaj Allianz General Insurance Company Limited	Fire, burglary insurance for our office at Signature Tower, 1st Floor Plot No 3, Sector Knowledge Park-III, Sector 34, Gautam Buddha Nagar, Noida – 201 307, Uttar Pradesh, India	OG-25-9906-4093-00000008	June 19, 2025	100.00
4.	Bajaj Allianz General Insurance Company Limited	Fire, burglary insurance for office No.- 712, Naurang House K.G. Marg, Connaught Place, Central Delhi, New Delhi- 110 001, Delhi, India	OG-25-9906-4093-00000009	June 19, 2025	20.00
5.	Bajaj Allianz General Insurance Company Limited	Fire, burglary insurance for our office at Plot No. 21, Sector Knowledge Park III, Greater Noida, Dist. G. B. Nagar, Uttar Pradesh	OG-25-9906-4093-00000010	June 19, 2025	25.00

## INTELLECTUAL PROPERTY RELATED APPROVALS

### Trademarks:

Our Company has registered the following trademarks:

Sr. No.	Particulars of Trademark	Registration No.	Class	Date of Registration	Validity
1.		3957682	10	September 27, 2018	September 27, 2028
2.		4497805	9	May 8, 2020	May 8, 2030
3.		4428910	9	February 3, 2020	February 3, 2030

## OFFICER AND FACILITIES

Our Registered Office is located at

Office No.- 712, Naurang House K.G. Marg,  
Connaught Place, Central Delhi, New Delhi- 110 001,  
Delhi, India.

Our office is equipped with computer systems, servers, relevant software and other communication equipment's, uninterrupted power supply, internet connectivity, security and other facilities, which are required for our business operations to function smoothly.

We also have our Corporate Office and manufacturing facility located at:

Signature Tower, 1st Floor Plot No 3,  
Sector Knowledge Park-III, Noida Sector 34,  
Gautam Buddha Nagar, Noida – 201 307,  
Uttar Pradesh, India.

### Land and Property

Our company does not own any freehold property as on the date of this DRHP.

Further, we carry out our business operations from leasehold properties, details of which are as under:

Sr. no.	Details of the Deed/Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
1.	Lease deed dated January 17, 2019 with Wegmans Industries Private Limited	Signature Tower, 1st Floor Plot No 3, Sector Knowledge Park-III, Sector 34, Gautam Buddha Nagar, Noida – 201 307, Uttar Pradesh, India	Rs. 4,89,886 per month exclusive of GST	10 years	Corporate Office
2.	Leave and License agreement dated February 2, 2024 with Mukesh Kumar Bansal	Office No.- 712, Naurang House K.G. Marg, Connaught Place, Central Delhi, New Delhi- 110 001, Delhi, India	Rs. 40,000 per month	11 months	Registered Office
3.	Tripartite sub-lease deed dated February 20, 2023 between Greater Noida Industrial Development Authority (“Lessor”) and Prasandi Infotech Park Private Limited (“Lessee”) and Osel Devices Limited (“Sub-Lessee”)	Plot No. 21, Sector Knowledge Park III, Greater Noida, Dist. G. B. Nagar, Uttar Pradesh.	Rs. 9,77,88,000	90 years	Manufacturing facility and corporate office under construction

## **KEY INDUSTRIAL REGULATIONS AND POLICIES**

*The following description is an overview of certain sector-specific relevant laws and regulations in India which are applicable to the operations of our Company and its business. The description of laws and regulations set out below is not exhaustive and is only intended to provide general information to Bidders. The information in this section is neither designed nor intended to be a substitute for professional legal advice and investors are advised to seek independent professional legal advice.*

*The statements below are obtained from publications available in the public domain based on the current provisions of applicable Indian law, and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by legislative, regulatory, administrative, quasi-judicial or judicial decisions/actions and our Company are under no obligation to update the same.*

### **A. INDUSTRY RELATED LAWS AND REGULATIONS**

#### ***The National Policy on Electronics, 2019 (“NPE”)***

The NPE is issued by, Ministry of Electronics and Information Technology, Government of India. The Policy envisions positioning India as a global hub for Electronics System Design and Manufacturing - (ESDM) by encouraging and driving capabilities in the country for developing core components, including chipsets, and creating an enabling environment for the industry to compete globally.

#### ***The Medical Devices Rules, 2017 (“MDR, 2017”)***

The Medical Devices Rules (MDR), 2017 (Amended in 2020), under the Drugs & Cosmetics Act, 1940 notified by the Ministry of Health & Family Welfare (“**MoHFW**”), regulates the Clinical Investigation, Manufacture, Import, Sale and Distribution of the medical devices in the country. International forums such as WHO, IMDRF and MDSAP have prescribed global standards for risk-classification, nomenclature, QMS and post-market surveillance, which have been adopted by India as part of the MDR 2017. The manufacturing of low-risk Class A and low-moderate risk Class B are regulated by the State Licensing Authority (“**SLA**”) while the Central Licensing Authority (“**CDSCO**”) regulates the moderate high-risk Class C and high-risk Class D medical devices. Further, the CDSCO regulates the import and clinical investigation of all medical devices while the SLA regulates the sale of medical devices. Further, vide Notification No. GSR 102(E) dated 11.02.2020, the registration of these devices has been kept voluntary for a period of 18 months w.e.f. 1st April 2020, post which the registration of Class A & B devices shall be mandatory within 12 months and registration of Class C & D devices shall be mandatory within 24 months, after 18 months of voluntary registration period is over, thereafter, all medical devices will need to be licensed under the Medical Devices Rules, 2017 as amended by Medical Devices (Amendment) Rules, 2020, except 37 categories of medical devices. Subsequent to the request of the Industries, CDSCO has notified that Licensing of Class A & B Medical Devices will be effective from 01.10.2022 and Licensing of Class C & D Medical Devices will be effective from 01.10.2023. A wide range of regulatory approvals necessitated by the variety of sciences and industry segments related to the medical devices sector creates high compliance and regulatory burden. The transition period in licensing by the CDSCO is an added challenge as manufacturers have to adjust to new processes over a predetermined timeframe.

#### ***National Medical Devices Policy, 2023 (the “Policy”)***

The medical devices sector in India is an essential and integral constituent of the Indian healthcare sector. It forms an important pillar in the healthcare delivery system along with healthcare providers, pharmaceuticals and healthcare insurance industry, thereby helping achieve the key objectives of the National Health Policy (NHP), 2017. The medical devices constitute a multi-disciplinary sector, with the following broad classification: (a) Electronic equipment (b) Implants; (c) Consumables and Disposables (d) Surgical instruments and (e) In-Vitro Diagnostic Reagents. Further, there are categories of devices across 24+1 (IVD) sub-categories as per the CDSCO. The policy is envisaged to provide the required support and directions to strengthen the medical devices industry into a competitive, self-reliant, resilient and innovative industry that caters to the healthcare needs of not only India but also of the world. The Policy envisions to place the Indian medical devices sector on an accelerated growth path with a patient-centric approach to meet the evolving healthcare needs of patients by building an innovative and globally competitive industry in India, supported by world class infrastructure in alignment with PM Gati Shakti, enabling ecosystem, streamlined regulatory



framework and quality manpower. This will ensure access to patent-centric, innovative and affordable healthcare products of excellent quality for better healthcare outcomes. This aim is to emerge as the global leader in the manufacturing and innovation of medical devices by achieving 10-12% share in the expanding global market over the next 25 years.

The Policy will facilitate the growth of the medical devices sector that not only serves the needs of the Indian market but that of global market as well. The Policy lays down a roadmap for accelerated growth of the medical devices sector while promoting safety and quality to systematically achieve the following missions:

*Access & Universality:* To strongly advocate for universal access to good quality Medical Devices for ensuring quality healthcare services to all at all ages, by responding to and aligning with public health strategies.

*Affordability:* To enhance the domestic manufacturing capacity and capability for newer technologies, so as to make the medical devices affordable and thereby, reducing the out-of-pocket expenditure on diagnostics, thus reducing the lifetime cost of disease burden. 3.2.3. *Quality:* To ensure the quality of the products manufactured in the country to be given utmost importance and more focus in order to enhance global positioning, acceptability and competitiveness. *Patient centered & Quality Care:* To improve the quality of care by improving clinical outcomes and convenience of the patients, through early diagnosis of diseases and increased accuracy in treatment.

*Preventive & Promotive Health:* To make people more aware and vigilant, enabling them to lead a healthier lifestyle by achieving extensive application of medical devices in early screening and diagnosis for early detection / prevention and management of diseases.

*Security:* To ensure the Medical Devices Security (on par with Drug and food security of the country), by development of strong local manufacturing capabilities including for components and ancillary industry and to develop a resilient supply chain for inputs or raw materials, with optimal level of external dependency

*Research and Innovation:* To create an eco-system in tune with evolving times and needs to encourage and sustain the innovation in the Sector, such as technology driven medical devices with miniaturization / nano-technology / telecommunication technologies / IoTs & AI and precision and Individualized care for preventive, promotive, diagnostic, curative, rehabilitative, geriatric and palliative healthcare.

*Skilled manpower:* To facilitate the future-ready skilled manpower aligned to the multi-disciplinary nature of medical device technologies.

### ***Bureau of Indian Standards Act, 2016 (“BIS Act”)***

The BIS Act provides for the establishment of the Bureau of Indian Standards (“BIS”) for the harmonious development of the activities of standardisation, conformity assessment and quality assurance of goods, articles, processes, systems and services. The BIS Act for the functions of the BIS which includes, among others, (a) recognizing as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) specifying a standard mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) undertake testing of samples for purposes other than for conformity assessment and (d) undertake activities related to legal metrology. The BIS Act empowers the Central Government in consultation with the BIS to order compulsory use of standard mark for any goods or process if it finds it expedient to do so in public interest. The BIS Act also provides the penalties in case there is a contravention of the provisions of the BIS Act.

### ***Information Technology Act, 2000***

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

April 2011, the Department of Information Technology under the Ministry of Communications and Information Technology notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules 2011 under Section 43A of the IT Act and the Information Technology (Intermediaries Guidelines) Rules, 2011 under Section 79(2) of the IT Act.

### ***Factories Act, 1948 (“Factories Act”)***

The Factories Act pertains to the regulation of labour in factories. The term ‘factory’ is defined as any premises where 10 or more workers are working, or were working on any day in the preceding 12 months, and in any part of which a manufacturing process is ordinarily carried on with the aid of power, or where 20 more workers are working, or were working on any day in the preceding 12 months, and in any part of which a manufacturing process is ordinarily carried on without the aid of power. The state governments are empowered to make rules requiring the registration or licensing of factories or any class of factories. The Factories Act requires the occupier of the factory to ensure, as far as is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory. The occupier is required to ensure: (i) that the plants and systems of work at the factory are safe and without risks to health; (ii) safety and absence of risks to health in connection with the use, handling, storage and transport of articles and substances; (iii) the provision of such information, instruction, training and supervision as are necessary to ensure the health and safety of all workers at work, and; (iv) the maintenance of safe working conditions and working environment.

### ***Municipality Laws***

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective States of India have enacted laws empowering the municipalities to issue trade license for operating stores and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

### ***Transfer of Property Act, 1882***

The Transfer of Property Act, 1882 (the “***T.P. Act***”) governs the transfer of property, including immovable property, between natural persons excluding a transfer by operation of law. The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. The T.P. Act also provides for the rights and liabilities of the vendor and purchaser in case of a transaction relating to sale of property and the lessor and lessee if the transaction involves lease of land, as the case may be.

### ***Sale of Goods Act, 1930***

The Sale of Goods Act, 1930 (the “***Sale of Goods Act***”) governs contracts relating to the sale of goods. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract for sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for the sale of goods.

### ***Indian Stamp Act, 1899***

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the Union list mentioned in the Seventh Schedule of the Constitution of India, is governed by the provisions of the Indian Stamp Act, 1899 (the “***Act***”), all others instruments are required to be stamped, as per the rates laid down by the State Governments. Stamp duty is required to be paid on such category of transaction documents laid down under the various laws of the states, which denotes that stamp duty was paid before the document became legally binding. The stamp duty has to be paid on such documents or instruments and at such rates which have been specified in the First Schedule of the Act. Instruments as mentioned in the said schedule of the Act, if are not duly stamped are not admissible in the court of law as valid evidence for the transaction

contained therein. The Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the relevant authorities and validated by imposing of penalty on the parties. The amount of penalty payable on such instruments may vary from state to state.

#### **B. TAX RELATED LAWS**

The tax related laws that are applicable to our Company include the Customs Act, 1962, the Income Tax Act, 1961, the Income Tax Rules, 1962 and GST which includes the Central Goods and Services Tax Act, 2017, various State Goods and Services Tax legislations, and the Integrated Goods and Services Tax Act, 2017.

#### **C. ENVIRONMENT RELATED LAWS**

##### ***The Water (Prevention and Control of Pollution) Act, 1974***

The Water (Prevention and Control of Pollution) Act, 1974 (“**Water Act**”) aims to prevent and control water pollution by factories and manufacturing units and to maintain and restore the quality and wholesomeness of water. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, using of any new or altered outlet for the discharge of sewage or causing new discharge of sewage, must obtain the consent of the relevant state pollution control board, which is empowered to establish standards and conditions that are required to be complied with.

##### ***Air (Prevention and Control of Pollution) Act, 1981***

The Air (Prevention and Control of Pollution) Act, 1981 (“**Air Act**”) provides for the prevention, control and abatement of air pollution. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant. The state pollution control board must decide on the application within a period of 4 months of receipt of such application. The consent may contain certain conditions relating to specifications of pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the state pollution control board.

##### ***E-Waste Management Rules, 2016 (the “E-Waste Rules”)***

The E-Waste Rules apply to every manufacturer, producer, consumer, bulk consumer, collection centres, dealers, e-retailer, refurbisher, dismantler and recycler involved in manufacture, sale, transfer, purchase, collection, storage and processing of ewaste or electrical and electronic equipment as classified under the E-Waste Rules, including their components, consumables, parts and spares which make the product operations. The E-Waste Rules mandate that a manufacturer must obtain an authorisation from the state pollution control board and also submit annual returns to the same Authority. Producers of such e-waste also have extensive responsibilities and obligations and may come under the scrutiny of either the central pollution control board or the state pollution control board. The manufacturer, producer, importer, transporter, refurbisher, dismantler and recycler shall be liable for all damages caused to the environment or a third party due to improper handling and management of the e-waste and may have to pay financial penalties as levied for any violation of the provisions under these rules by the state pollution control board with the prior approval of the central pollution control board.

##### ***Plastic Waste Management (PWM) Rules, 2016 and amendments thereto***

The government of India, through the Ministry of Environment, Forest and Climate Change notified the new Plastic Waste Management Rules, 2016 (through a Gazette notification dated 18 March, 2016). This supersedes the Plastic Waste (Management and Handling) Rules, 2011 that governed such activities earlier. This provides the framework for how plastic waste generators, local bodies, manufacturers, importers etc., to manage plastic waste.

##### ***Municipal Solid Wastes (Management and Handling) Rules, 2000 (“Waste Management Rules, 2000”) as superseded by Solid Waste Management Rules, 2016 (“Waste Management Rules, 2016”)***

The Waste Management Rules, 2000 applied to every municipal authority responsible for collection, segregation, storage, transportation, processing and disposal of municipal solid wastes. Any municipal solid waste generated in a city or a town was required to be managed and handled in accordance with the compliance criteria and the procedure laid down in Schedule II of the Waste Management Rules, 2000. The Waste Management Rules, 2000 made the persons or establishments generating municipal solid wastes responsible for ensuring delivery of wastes in accordance with the collection and segregation system as notified by the municipal authority. The Waste Management Rules, 2000 have been superseded by the Waste Management Rules, 2016 which stipulate various duties of waste generators which, inter alia, include segregation and storage of waste generated by them in the manner prescribed in the Waste Page | 108 Management Rules, 2016; separate storage of construction and demolition waste and payment of user fee for solid waste management as specified in the bye-laws of the local bodies.

#### ***The Batteries Waste Management Rules, 2022 (“BWM Rules”)***

The BWM Rules define functions of a producer, consumer and public waste management authorities. Under the BWM Rules, a ‘producer’ is defined to mean an entity which engages in (a) manufacture and sale of battery including refurbished battery, including in equipment, under its own brand; or (b) sale of battery including refurbished battery, including in equipment, under its own brand produced by other manufacturers or suppliers; or (c) import of battery as well as equipment containing battery. The BWM Rules function basis the concept of Extended Producer Responsibility (EPR) where the producers (including importers) of batteries are responsible for collection and recycling / refurbishment of waste batteries and use of recovered materials from wastes into new batteries. EPR mandates that all waste batteries be collected and sent for recycling / refurbishing and it prohibits disposal in landfills and incineration. The BWM Rules mandate producers to submit the EPR Plan (quantity, weight of battery along with dry weight of battery materials) to the Central Pollution Control Board by 30th June of every year, for the battery manufactured in the preceding financial year. The producers are responsible to adhere to the prohibitions and labelling requirements prescribed in Schedule I and ensuring safe handling of battery or waste battery such that no damage to human health or environment occurs.

### **D. INTELLECTUAL PROPERTY LAWS**

#### ***Trade Marks Act, 1999***

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

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

### **E. FOREIGN TRADE RELATED LAWS**

#### ***Foreign Trade (Development and Regulation) Act, 1992, as amended (“Foreign Trade Act”).***

The Foreign Trade Act empowered the Central Government to make provisions for the development and regulation of foreign trade by way of facilitating imports into as well as augmenting exports from the country and in all other matters related to foreign trade. The government has also been given a wide power to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. It is authorised to periodically formulate the Indian Foreign Trade Policy, 2015-20 (“**Foreign Trade Policy**”) and amend it thereafter whenever it deems fit. All exports and imports are required to be in compliance with

this policy. The Foreign Trade Policy provides for certain schemes for the promotion of export of finished goods and import of inputs. The Foreign Trade Act, read with the Foreign Trade Policy, also provides that no person or company can make exports or imports without having obtained an importer exporter code (IEC) number unless such person or company is specifically exempted. The IEC shall be valid until it is cancelled by the issuing authority.

### ***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 FEMA Rules and the Consolidated FDI Policy. In terms of the Consolidated 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 Consolidated FDI Policy, the work of granting government approval for foreign investment under the Consolidated FDI Policy and FEMA has now been entrusted to the concerned administrative ministries/departments.

The FEMA Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except for things done or omitted to be done before such supersession. 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. Provided that 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 the Indian 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 not exceed 24 per cent of paid-up equity capital on a fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent shall be called the individual and aggregate limit, respectively.

With effect from April 1, 2020, the aggregate limit shall be the sectoral caps applicable to Indian companies as laid out in paragraph 3(b) of Schedule I of FEMA Rules, with respect to paid-up equity capital on fully diluted basis or such same sectoral cap percentage of paid-up value of each series of debentures or preference shares or share warrants. Further, in accordance with Press Note No. 4 (2020 Series), dated October 15, 2020 issued by the DPIIT, 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 Consolidated FDI Policy.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by 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 as specified by SEBI; and (iv) such other conditions as may be specified by SEBI from time to time.

## **F. EMPLOYMENT RELATED LAWS**

In order to rationalize and reform labour laws in India, the Government of India has notified four labour codes which are yet to come into force as on the date of this Draft Red Herring Prospectus, namely, (i) the Code on Wages, 2019 which will repeal the Payment of Bonus Act, 1965, Minimum Wages Act, 1948, Equal Remuneration Act, 1976 and the Payment of Wages Act, 1936, (ii) the Industrial Relations Code, 2020 which

will repeal the Trade Unions Act, 1926, Industrial Employment (Standing Orders) Act, 1946 and Industrial Disputes Act, 1947, (iii) the Code on Social Security, 2020 which will repeal certain enactments including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Maternity Benefit Act, 1961, Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and the Payment of Gratuity Act, 1972 and (iv) the Occupational Safety, Health and Working Conditions Code, 2020 which will repeal certain enactments including the Factories Act, 1948, Motor Transport Workers Act, 1961 and the Contract Labour (Regulation and Abolition) Act, 1970.

Certain portions of the Code on Wages, 2019 and Code on Social Security, 2020, have come into force upon notification by the Ministry of Labour and Employment. The remaining provisions of these codes shall become effective as and when notified by the Government of India. A brief summary of the aforementioned laws have been provided below:

#### ***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 mainly in relation to the constitution of the advisory board.

#### ***The Occupational Safety, Health and Working Conditions Code, 2020***

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

#### ***The Industrial Relations Code, 2020***

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

#### ***The Code on Social Security, 2020***

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. The Central Government has notified certain provisions of this code mainly in relation to the constitution of the advisory board.

#### ***Contract Labour (Regulation and Abolition) Act, 1970, as amended (the "CLRA Act")***

The CLRA Act requires the principal employer of an establishment in which twenty or more workmen are employed or were employed on any day of the preceding twelve months as contract labour, to make an application to the concerned officer for registration of the establishment. In the absence of registration, contract labour cannot be employed in the establishment. Likewise, every contractor who employs or who employed on any day of the preceding twelve months twenty or more workmen, is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. The CLRA Act imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA Act.

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

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

***Employees (Provident Fund and Miscellaneous Provisions) Act, 1952, as amended (the “EPF Act”)***

The EPF Act applies to factories employing over 20 employees and such other establishments and industrial undertakings as notified by the GoI from time to time. It requires all such establishments to be registered with the state provident fund commissioner and requires such employers and their employees to contribute in equal proportion to the employees’ provident fund the prescribed percentage of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the State provident fund commissioner.

***The 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 (“**SHWW Act**”) provides for the protection of women at workplace and prevention of sexual harassment at workplace. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favours or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee, which shall always be presided upon by a woman.

**G. GENERAL CORPORATE AND OTHER ALLIED LAWS**

Apart from the above list of laws which is inclusive in nature and not exhaustive – general laws like the Indian Contract Act, 1872, Specific Relief Act, 1963, Negotiable Instruments Act, 1881, Sale of Goods Act, 1930, Consumer Protection Act, 1986, Anti-Trust law such as Competition Act, 2002 and corporate Acts namely Companies Act, 2013 are also applicable to the Company.

## **HISTORY AND CERTAIN CORPORATE MATTERS**

Our Company was incorporated on August 14, 2006 as a private limited company under the name and style of ‘*Innovative Infratech Soutlions Private Limited*’, under the Companies Act, 1956, pursuant to a certificate of incorporation dated August 14, 2006 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, in order to rectify the transposition error in the name of our Company, pursuant to a resolution passed by our Board of Directors in its meeting held on November 6, 2013, and by the Shareholders in their Extraordinary General Meeting held on November 8, 2013, the name of our Company was changed to ‘*Innovative Infratech Solutions Private Limited*’ and a fresh certificate of incorporation dated November 22, 2013 was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, pursuant to a resolution passed by our Board of Directors in its meeting held on November 13, 2023, and by the Shareholders in their extraordinary general meeting held on December 15, 2023, in order to reflect the main business activity of the Company and for better branding, the name of our Company was changed to ‘*Osel Devices Private Limited*’ and a fresh certificate of incorporation dated January 16, 2024 was issued by the Registrar of Companies, Delhi and Haryana at Delhi. Further, our Company was converted into a public limited company pursuant to a resolution passed by our Board of Directors in its meeting held on March 15, 2024, and by the Shareholders in an extraordinary general meeting held on March 22, 2024 and consequently the name of our Company was changed to ‘*Osel Devices Limited*’ and a fresh certificate of incorporation dated May 2, 2024 was issued by the Registrar of Companies, Central Processing Centre. The corporate identification number of our Company is U72200DL2006PLC152027.

### **Change in registered office of our Company**

The Registered Office of our Company at the time of incorporation was situated at A-308, Shivalik, Malviya Nagar, New Delhi- 110 017, Delhi, India.

The details of changes made to our Registered Office post incorporation of our Company are provided below:

<b>S. No.</b>	<b>Effective date of change</b>	<b>Details of change</b>	<b>Reason(s) for change</b>
1.	January 1, 2011	The registered office of our Company was changed from A-308, Shivalik, Malviya Nagar, New Delhi- 110 017, Delhi, India to 1899- B, Kotla Mubarakpur, Opp. B-50, South-X Part-I, New Delhi, South Delhi, 110 003, Delhi, India.	For administrative convenience
2.	May 30, 2011	The registered office of our Company was changed from 1899- B, Kotla Mubarakpur, Opp. B-50, South-X Part-I, New Delhi, South Delhi, 110 003, Delhi, India to D-478, 2 <sup>nd</sup> Floor, Near Ramphal Chowk, Sector -7, Dwarka – 110 075, Delhi, India.	For administrative convenience
3.	August 1, 2011	The registered office of our Company was changed from D-478, 2 <sup>nd</sup> Floor, Near Ramphal Chowk, Sector -7, Dwarka – 110 075, Delhi, India to D-411, 1 <sup>st</sup> Floor, Near Ramphal Chowk, Sector -7, Dwarka, West Delhi – 110 075, Delhi, India.	For administrative convenience
4.	April 5, 2019	The registered office of our Company was changed from D-411, 1 <sup>st</sup> Floor, Near Ramphal Chowk, Sector -7, Dwarka, West Delhi – 110 075, Delhi, India to B-1/104, Jain Park Uttam Nagar, New Delhi, West Delhi- 110 059, Delhi, India.	For administrative convenience
5.	August 1, 2021	The registered office of our Company was changed from B-1/104, Jain Park, Uttam Nagar New Delhi, West Delhi- 110 059, Delhi, India to Flat No- 202, F/F Back Side, Plot No- 10/2/3, Govind, Kripa Apartment, Om Vihar Phase-1-A, Uttam Nagar, New Delhi, West Delhi- 110 059, Delhi, India.	For administrative convenience
6.	February 1, 2024	The registered office of our Company was changed from Flat No- 202, F/F Back Side, Plot No- 10/2/3, Govind, Kripa Apartment, Om Vihar Phase-1-A, Uttam Nagar, New Delhi, West Delhi- 110 059, Delhi, India to Office No.- 712, Naurang House K.G. Marg, Connaught Place, Central Delhi, New Delhi- 110 001, Delhi, India.	For administrative convenience

### **Main Objects of our Company**

The main objects of our Company are as follows:



1. To engage in the business of trading manufacturing & development of computer software, hardware and other related services pertaining to media and technology.
2. To carry on the business of infrastructure development and facilities.
3. To engage in the business of trading, manufacturing development, designing, marketing, selling, distribution Import, Export & servicing of audio visual and fire security equipments.
4. To carry on the business of exporters, importers, servicing, designing, marketing, selling, distribution and licensing of computer software and hardware of any description, particularly those used in or in connection with electronic data processing equipment, computers, microprocessor based systems and data processing & consultancy services of computer time sharing and CAD/CAM services for preparing, collecting, storing, processing and transmitting data of every kind in India as well as abroad.
5. To carry on the business of system integration and to provide services for event management, office management and advertising and marketing through electronic media.
6. To establish bureaus for providing computer services to process data and development systems of all kinds by processing jobs and hiring out, machine time, machines and to assists to setup, operate and supervise the operation of the data processing divisions of other company or organizations in India or abroad.
7. To impart education in the field of information and computer technology, data processing, development of computer software and hardware and to establish & run computer training centre either in India or abroad independently or under franchise and to take any type of franchise related thereto from any other companies/institutions/universities/organizations in India and abroad.

#### Amendments to the Memorandum of Association

The following amendments have been made to the Memorandum of Association of our Company in the last ten (10) years:

Date of shareholder's resolution	Nature of amendments
November 12, 2018	Clause V of the MoA was amended to increase the authorised share of our Company from ₹1,00,000 divided into 10,000 Equity Shares of ₹ 10 each to ₹ 50,00,000 consisting of 5,00,000 Equity Shares of ₹ 10 each.
June 6, 2019	Clause V of the MoA was amended to increase the authorised share of our Company from ₹ 50,00,000 consisting of 5,00,000 Equity Shares of ₹ 10 each to ₹ 3,00,00,000 consisting of 30,00,000 Equity Shares of ₹ 10 each.
December 15, 2023	The name of our Company was changed from 'Innovative Infratech Solutions Private Limited' to 'Osel Devices Private Limited', accordingly Clause I of the MoA was amended to reflect the change of name of our Company.
January 17, 2024	Clause V of the MoA was amended to increase the authorised share of our Company from ₹ 3,00,00,000 consisting of 30,00,000 Equity Shares of ₹ 10 each to ₹ 20,00,00,000 consisting of 2,00,00,000 Equity Shares of ₹ 10 each .
March 22, 2024	Our Company was converted into a public limited company and consequently the name of our Company was changed to 'Osel Devices Limited'. Accordingly, Clause I of the MoA was amended to reflect the name of our Company, post its conversion.

#### Corporate profile of our Company

For details regarding the description of our Company's activities, services, market, growth, technology, managerial competence, standing with reference to prominent competitors, launch of key services, entry in new geographies or exit from existing markets, major distributors and customers, segment, marketing and competition, please refer to the chapters titled "Our Business", "Our Management" and "Management's Discussion and Analysis of Financial Position and Results of Operations" on pages 124, 164 and 227 respectively, of this Draft Red Herring Prospectus.

#### Major Events and Milestones

The table below sets forth some of the key events, milestones in our history since its incorporation.

Year	Events
2019	Our Company inaugurated new LED display and hearing aids manufacturing plant at our Corporate Office.

## **Awards and Accreditations**

The table below sets forth some of the key awards received by our Company in its history since its incorporation.

<b>Year</b>	<b>Events</b>
2020	Our Company was awarded with a gold trophy which declared us as the start-up of the year by the Association Chambers of Commerce and Industry of India at the 7 <sup>th</sup> MSMEs National Excellence Awards.
2024	Our Company received a certificate from Ministry of Micro, Small & Medium Enterprises certifying that we qualify for the red bronze certification under the MSME Sustainable (ZED) Certification Scheme.
2024	Our Whole-time Director - Mukesh Kumar Sinha received an award from Embassy of the Federal Democratic Republic of Ethiopia, New Delhi for outstanding achievements and contributions in the field of MSME development during the International Ambassador Meet 2024.

## **Time and Cost Overrun**

Our Company has not experienced any significant time and cost overrun in setting up projects.

## **Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks**

As of date of this Draft Red Herring Prospectus, there are no defaults or rescheduling of borrowings from financial institutions or banks or conversion of loans into equity in relation to our Company.

## **Details regarding material acquisition or disinvestments of business / undertakings, mergers, amalgamation**

Our Company has not made any business acquisition, merger and amalgamation or disinvestment of business in the last ten years.

## **Revaluation of assets**

Our Company has neither revalued its assets nor has issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves in the last ten years.

## **Holding Company**

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

## **Subsidiaries of our Company**

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary.

## **Associate or Joint ventures of our Company**

As on the date of this Draft Red Herring Prospectus, our Company does not have any associate or joint ventures.

## **Strategic and Financial Partners**

As on date of this Draft Red Herring Prospectus our Company does not have any strategic and financial partners.

## **Shareholders and Other Agreements**

There are no shareholders and other material agreements, apart from those entered into in the ordinary course of business carried on or intended to be carried on by us.

## **Agreements with key managerial personnel or a Director or Promoters or any other employee of the Company**

There are no agreements entered into except in the ordinary course of business by a Key Managerial Personnel or Director or Promoters or any other employee of our Company, 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 dealings in the securities of our Company.

**Guarantees given by Promoters offering its shares in the Offer for Sale**

Except as stated in “*Financial Indebtedness*” on page 223 of this Draft Red Herring Prospectus, our Promoters have not given any guarantees on behalf of our Company.

**Material Agreements**

Our Company has not entered into any material agreements with strategic partners, joint venture partners and/or financial partners, other than in the ordinary course of business of our Company.

## OUR MANAGEMENT

### Our Board of Directors

In accordance with our Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be less than three (3) and not more than fifteen (15). As on date of this Draft Red Herring Prospectus, we have six (6) Directors on our Board, which includes one (1) Managing Director, two (2) Whole-time Directors, one of whom is a woman director of our Company and three (3) Independent Directors, one of whom is also a woman director.

Set forth below, are details regarding our Board as on the date of this Draft Red Herring Prospectus:

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p><b>Rajendra Ravi Shanker Mishra</b></p> <p><b>DIN:</b> 01628136</p> <p><b>Date of Birth:</b> October 17, 1976</p> <p><b>Designation:</b> Managing Director</p> <p><b>Address:</b> T-1901, Plumeria Garden Estate, Omicron 3, Opposite Unitech Horizon, Knowledge Park - I, Gautam Buddha Nagar, Greater Noida – 201 310, Uttar Pradesh, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> A period of three (03) years with effect from January 16, 2024 until January 15, 2027</p> <p><b>Period of Directorship:</b> Director since Incorporation</p> <p><b>Nationality:</b> Indian</p>	47	<p style="text-align: center;"><i>Indian Companies</i></p> <ol style="list-style-type: none"> <li>1. Limitless Mobility Solutions Private Limited</li> <li>2. Osel Technology Private Limited</li> <li>3. Arte Global Skills Recruitment Private Limited</li> </ol> <p style="text-align: center;"><i>Foreign Companies</i></p> <p style="text-align: center;">Nil</p> <p style="text-align: center;"><i>Limited Liability Partnerships</i></p> <p style="text-align: center;">Nil</p>
<p><b>Jyotsna Jawahar</b></p> <p><b>DIN:</b> 08278091</p> <p><b>Date of Birth:</b> February 28, 1990</p> <p><b>Designation:</b> Whole-time Director and Chief Financial Officer</p> <p><b>Address:</b> T-1901, Plumeria Garden Estate, Omicron 3, Opposite Unitech Horizon, Knowledge Park - I, Gautam Buddha Nagar, Greater Noida – 201 310, Uttar Pradesh, India</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> A period of three (03) years with effect from January 16, 2024 until January 15, 2027</p> <p><b>Period of Directorship:</b> Director since May 10, 2019</p> <p><b>Nationality:</b> Indian</p>	34	<p style="text-align: center;"><i>Indian Companies</i></p> <p style="text-align: center;">Osel Technology Private Limited</p> <p style="text-align: center;"><i>Foreign Companies</i></p> <p style="text-align: center;">Osel Technology INC</p> <p style="text-align: center;"><i>Limited Liability Partnerships</i></p> <p style="text-align: center;">Nil</p>
<p><b>Mukesh Kumar Sinha</b></p> <p><b>DIN:</b> 05330700</p> <p><b>Date of Birth:</b> January 7, 1969</p>	55	<p style="text-align: center;"><i>Indian Companies</i></p> <ol style="list-style-type: none"> <li>1. DPLR AI Digital Solutions Private Limited</li> <li>2. PRLD AI Digital Solutions Private</li> </ol>

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p><b>Designation:</b> Whole-time Director</p> <p><b>Address:</b> Flat Number I - 1404, 14<sup>th</sup> Floor, Tower-I, Ajnara Grand Heritage, Plot No. GH 01/B, Sector 74, Gautam Buddha Nagar, Noida – 201 301, Uttar Pradesh, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> A period of three (03) years with effect from January 16, 2024 until January 15, 2027</p> <p><b>Period of Directorship:</b> Director since December 1, 2023</p> <p><b>Nationality:</b> Indian</p>		<p>Limited</p> <p>3. Ayushman Healthy Lifestyle Private Limited</p> <p><i>Foreign Companies</i></p> <p>Nil</p> <p><i>Limited Liability Partnerships</i></p> <p>Nil</p>
<p><b>Saurav Upadhyay</b></p> <p><b>DIN:</b> 05350001</p> <p><b>Date of Birth:</b> December 15, 1985</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> Sonbarsa, Sonbarsa, Ballia, Sonbarsa – 277 208, Uttar Pradesh, India</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> A period of five (05) years with effect from January 16, 2024 until January 15, 2029</p> <p><b>Period of Directorship:</b> Director since January 16, 2024</p> <p><b>Nationality:</b> Indian</p>	38	<p><i>Indian Companies</i></p> <p>1. North Eastern Carrying Corporation Limited</p> <p>2. Fanem Medical Devices India Private Limited</p> <p>3. Trijal Digital Media Private Limited</p> <p><i>Foreign Companies</i></p> <p>Nil</p> <p><i>Limited Liability Partnerships</i></p> <p>Nil</p>
<p><b>Hitu Gambhir Mahajan</b></p> <p><b>DIN:</b> 07043618</p> <p><b>Date of Birth:</b> January 13, 1980</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> House 33-B, First Floor, Near PNB Bank, , Malviya Nagar, S.O. South Delhi – 110 017, Delhi, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> A period of five (05) years with effect from January 16, 2024 until January 15, 2029.</p> <p><b>Period of Directorship:</b> Director since January 16, 2024</p> <p><b>Nationality:</b> Indian</p>	44	<p><i>Indian Companies</i></p> <p>1. Forcas Studio Limited</p> <p>2. Soberbio Consulting Private Limited</p> <p><i>Foreign Companies</i></p> <p>Nil</p> <p><i>Limited Liability Partnerships</i></p> <p>Nil</p>
<p><b>Sreerama Murthy Garuda</b></p> <p><b>DIN:</b> 07240632</p> <p><b>Date of Birth:</b> December 18, 1972</p>	51	<p><i>Indian Companies</i></p> <p>1. Kehar Foods International India Private Limited; and</p> <p>2. Saivaaru Hygiene Private Limited</p>

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> F-407, Wing 2, Koltepatil Mirablis, Opp. Relaince Smart Super Market, Hormavu Agara Road, Horamavu, Bengaluru – 560 113, Karnataka, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> A period of five (05) years with effect from January 16, 2024 until January 15, 2029</p> <p><b>Period of Directorship:</b> Director since January 16, 2024</p> <p><b>Nationality:</b> Indian</p>		<p><i>Foreign Companies</i></p> <p>Nil</p> <p><i>Limited Liability Partnerships</i></p> <p>Nil</p>

### Brief Biographies of our Directors

**Rajendra Ravi Shanker Mishra**, aged 47 years, is one of the Promoters and Managing Director of our Company. He attended B S F Institute of Technology to pursue a diploma course in computer science in engineering. He has been associated with our Company since its incorporation. He is responsible for overall supervision, risk assessment and business development of our Company. He heads the LED Division of our Company and has played an instrumental role in expanding our product portfolio, clientele and market reach. He has vast knowledge and experience in the field of manufacturing and development of LED screens and hearing aid development for over 18 years.

**Jyotsna Jawahar**, aged 34 years, is one of the Promoters, Whole-time Director and Chief Financial Officer of our Company. She holds a bachelor's degree in business management from Andhra University. She also holds post graduate diploma in management (marketing & finance) from Balaji Institute of Management & Human Resource Development, Pune. In the past, she was associated with ICICI Bank Limited in the capacity of manager- II and holds an experience of over a decade in accounts and finance management. She has been associated with our Company since May 10, 2019 in the capacity of director and was appointed as the Chief Financial Officer of our Company with effect from January 17, 2024. She heads the Accounts and Finance division of our Company. During Fiscal Year 2024, she has drawn remuneration of ₹ 6.00 lakhs.

**Mukesh Kumar Sinha**, aged 55 years, is a Whole-time Director of our Company. He attended Ranchi University to pursue bachelor's degree in science. He also attended Rajendra Prasad Institute of Communication & Management, Bombay to pursue a diploma in industrial relations & personnel management. In the past, he was associated with Dr. Reddy's Laboratories Limited in the capacity of a professional service representative, Allergan Indian Private Limited in the capacity of sales officer and with HOYA Medical India Private Limited in the capacity of the director and country manager. He has experience of more than 30 years in healthcare, med-tech and electronic industry. He heads the hearing-aid division of our Company and is responsible for technology development, client management and project management in the said division. He has been associated with our Company since December 1, 2023.

**Saurav Upadhyay**, aged 38 years, is an Independent Director of our Company. He attended V.B.S Purvanchal University, Jaunpur to attend bachelor's degree in commerce. He is a associate member of the Institute of Company Secretaries of India. He is a partner at Saurav Upadhyay & Associates and has 2 years of experience in secretarial work. He has been associated with our Company since January 16, 2024.

**Hitu Gambhir Mahajan**, aged 44 years, is an Independent Director of our Company. She attended University of Delhi to pursue bachelor's degree in science (home science). She holds a post graduate diploma in advertising and marketing from Institute for Media Studies and Information Technology. She is having more than 16 years of experience in marketing, sales, branding and advertising. In the past, she was associated with Annapurna Swadisht Limited, in the capacity of an Independent Director. Currently, she is associated with Ontrack System and Support Private Limited, in the capacity of vice president sales – north. She has been associated with our Company since January 16, 2024.

**Sreerama Murthy Garuda**, aged 51 years, is an Independent Director of our Company. He holds a bachelor's degree in arts from Sri Sathya Sai Institute of Higher Learning. He attended Andhra University to pursue master's degree in business administration. He also has completed senior management programme from Indian Institute of Management, Calcutta. In the past, he has worked in Aircel Limited Spice Retail Limited . Currently, he is associated with Solbuggy Connect Private Limited in the capacity of business development associate and with Won Company in the capacity of go to market consultant. He has been associated with our Company since January 16, 2024.

#### **As on the date of the Draft Red Herring Prospectus**

- A. None of the above-mentioned Directors are on the RBI List of wilful defaulters or Fraudulent Borrowers.
- B. Neither Promoters nor persons forming part of our Promoter Group, our directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
- C. None of the Promoters, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- D. None of our Directors are/were director of any company whose shares were delisted from any stock exchange(s) during his/her tenure.
- E. None of Promoters or Directors of our Company are a fugitive economic offender.
- F. None of our Directors are/were director of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.
- G. In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence.

#### **Relationship between our Directors**

Except for Rajendra Ravi Shanker Mishra, who is the spouse of Jyotsna Jawahar, none of our Directors are related to each other.

#### **Arrangements and Understanding with Major Shareholders**

None of our Key Managerial Personnel, Senior Management or Directors have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others pursuant to which any of the directors was selected as a director or member of senior management.

#### **Payment or Benefit to officers of our Company**

Except as stated otherwise in this Draft Red Herring Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in two preceding years, or given or is intended to be paid or given to any of our Company's officers except remuneration of services rendered as Directors, officers or employees of our Company.

#### **Service Contracts**

Other than the statutory benefits that the KMPs are entitled to, upon their retirement, Directors and the Key Managerial Personnel of our Company have not entered into any service contracts pursuant to which they are entitled to any benefits upon termination of employment or retirement.

#### **Borrowing Powers of our Board**

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Our Company has, pursuant to a special resolution passed at the Extra-Ordinary General Meeting held on April 23, 2024, resolved that in accordance with the provisions of the Companies Act, 2013, our Board is authorised to borrow, from time to time, such sum or sums of moneys as the Board which together with the moneys already borrowed by our Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed at any time the aggregate of the paid-up capital of our Company, its free reserves and securities

premium of our Company, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/moneys borrowed by the Board of Directors and outstanding at one time shall not exceed ₹ 2,531.62 lakhs.

### **Terms of appointment and remuneration of our Managing Directors**

#### ***Rajendra Ravi Shanker Mishra***

Pursuant to a resolution passed by the Board of Directors at the meeting held on January 17, 2024 and approved by the Shareholders of our Company at an EGM held on January 17, 2024, Rajendra Ravi Shanker Mishra was designated as the Managing Director of our Company for a period of three (3) years with effect from January 16, 2024 along with the terms of remuneration, in accordance with Sections 196, 197, 203 and Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder. The terms and conditions approved by the Board of Directors and the Shareholders have been summarised below:

<b>Basic Salary</b>	7.50 lakhs per month
<b>Perquisites</b>	<p>Category A:</p> <ul style="list-style-type: none"> <li>(i) Medical Reimbursement for self and family as per the rules of the Company;</li> <li>(ii) Leave Travel Reimbursement of domestic &amp; foreign along with the family as per the rules of Company</li> </ul> <p>Category B:</p> <ul style="list-style-type: none"> <li>(i) Contribution to Provident Fund, Superannuation Fund, Annuity Fund, or Gratuity as per the rules of the Company;</li> <li>(ii) Encashment of leave as per the rules of the Company.</li> </ul> <p>Category C:</p> <ul style="list-style-type: none"> <li>(i) Car, telephone at residence and mobile phone for use on Company's business</li> </ul>
<b>Minimum Remuneration</b>	Minimum remuneration in compliance with the limits specified in Section 197 & 198 with Schedule V of the Companies Act, 2013, as may be applicable for the time being in force.

### **Terms of appointment and remuneration of our Whole-time Directors**

#### ***Jyotsna Jawahar***

Pursuant to a resolution passed by the Board of Directors at the meeting held on January 17, 2024 and approved by the Shareholders of our Company at an EGM held on January 17, 2024, Jyotsna Jawahar was designated as the Whole-time Director of our Company for a period of three (3) years with effect from January 16, 2024 along with the terms of remuneration, in accordance with Sections 196, 197, 203 and Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder. The terms and conditions approved by the Board of Directors and the Shareholders have been summarised below:

<b>Basic Salary</b>	2.00 lakhs per month
<b>Perquisites</b>	<p>Category A:</p> <ul style="list-style-type: none"> <li>(iii) Medical Reimbursement for self and family as per the rules of the Company;</li> <li>(iv) Leave Travel Reimbursement of domestic &amp; foreign along with the family as per the rules of Company</li> </ul> <p>Category B:</p> <ul style="list-style-type: none"> <li>(iii) Contribution to Provident Fund, Superannuation Fund, Annuity Fund, or Gratuity as per the rules of the Company;</li> <li>(iv) Encashment of leave as per the rules of the Company.</li> </ul> <p>Category C:</p> <ul style="list-style-type: none"> <li>(i) Car, telephone at residence and mobile phone for use on Company's business</li> </ul>
<b>Minimum Remuneration</b>	Minimum remuneration in compliance with the limits specified in Section 197 & 198 with Schedule V of the Companies Act, 2013, as may be applicable for the time being in force.

#### ***Mukesh Kumar Sinha***



Pursuant to a resolution passed by the Board of Directors at the meeting held on January 17, 2024 and approved by the Shareholders of our Company at an EGM held on January 17, 2024, Mukesh Kumar Sinha was designated as the Whole-time Director of our Company for a period of three (3) years with effect from January 16, 2024 along with the terms of remuneration, in accordance with Sections 196, 197, 203 and Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder. The terms and conditions approved by the Board of Directors and the Shareholders have been summarised below:

<b>Basic Salary</b>	5.00 lakhs per month
<b>Perquisites</b>	<p>Category A:</p> <p>(v) Medical Reimbursement for self and family as per the rules of the Company;</p> <p>(vi) Leave Travel Reimbursement of domestic &amp; foreign along with the family as per the rules of Company</p> <p>Category B:</p> <p>(v) Contribution to Provident Fund, Superannuation Fund, Annuity Fund, or Gratuity as per the rules of the Company;</p> <p>(vi) Encashment of leave as per the rules of the Company.</p> <p>Category C:</p> <p>(i) Car, telephone at residence and mobile phone for use on Company's business</p>
<b>Minimum Remuneration</b>	Minimum remuneration in compliance with the limits specified in Section 197 & 198 with Schedule V of the Companies Act, 2013, as may be applicable for the time being in force.

#### Remuneration details of our Directors

##### (i) Remuneration of our Executive Directors

The aggregate value of the remuneration paid to the Executive Directors in Fiscal 2024 is as follows:

S. No.	Name of the Director	Remuneration (₹ in lacs)
1.	Rajendra Ravi Shanker Mishra	67.50
2.	Jyotsna Jawahar	6.00
3.	Mukesh Kumar Sinha	20.00

Our Executive Directors were not paid sitting fee in Fiscal 2024 for attending meetings of the Board of Directors and its committees.

##### (ii) Sitting fee details of our Independent Directors

S. No.	Name of the Director	Remuneration
1.	Saurav Upadhyay	Nil
2.	Hitu Gambhir Mahajan	Nil
3.	Sreerama Murthy Garuda	Nil

Our Board of Directors in their meeting held on January 17, 2024 have fixed ₹ 10,000/- as sitting fee for Independent Directors, for attending meetings of the Board of Directors and its committees.

#### Payment or benefit to Directors of our Company

Except as disclosed in this Draft Red Herring Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of the Executive Directors except the normal remuneration for services rendered as a Director of our Company. Additionally, there is no contingent or deferred compensation payable to any of our Directors.

#### Remuneration paid to our Directors by our Subsidiary

As on the date of this Draft Red Herring Prospectus, our Company does not have a subsidiary.

#### Loans to Directors

There are no loans that have been availed by the Directors from our Company that are outstanding as on the date of this Draft Red Herring Prospectus.

#### Shareholding of Directors in our Company

Except as stated below, none of our Directors holds any Equity Shares of our Company as on the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of Director	Number of Equity Shares	% of the pre-Issue Equity Share Capital
1)	Rajendra Ravi Shanker Mishra	1,15,37,828	98.50%
2)	Jyotsna Jawahar	62	0.00%

**\* Our Articles of Association do not require our Directors to hold any qualification Equity Shares in the Company.**

#### **Interest of our Directors**

Rajendra Ravi Shanker Mishra and Jyotsna Jawahar are the Promoters of our Company and therefore are interested in our Company to the extent (i) that they have promoted our Company; (ii) their shareholding in our Company; (iii) the dividends payable thereon; and (iv) any other distributions in respect of their shareholding in our Company.

Additionally, our Promoters may be interested in transactions entered into by our Company with other entities (i) in which our Promoters hold shares, or (ii) in which our Promoters are partners or directors; or (iii) which are controlled by our Promoters. For further details of interest of our Promoters in our Company, see “*Restated Financial Information –Note 27 – Related Party Disclosures pursuant to Accounting Standard - 18*” on page 188.

Except as disclosed in “*Financial Statements*” and “*Financial Indebtedness*” on page 188 and 223, respectively in this Draft Red Herring Prospectus, our Promoters and members of our Promoter Group have (i) not extended any personal guarantees and (ii) have not provided their personal properties, for securing the repayment of the bank loans obtained by our Company.

Our Executive Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our see “*Terms of appointment and remuneration of our Executive Directors*” above.

Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or kartas or coparceners or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to this Issue. Except as disclosed in “*Financial Information*” and “*Our Promoters and Promoter Group*” beginning on Page Nos. 188 and 181, respectively of this Draft Red Herring Prospectus, our Directors are not interested in any other company, entity or firm.

Except as stated in “*Restated Financial Information –Note 27 – Related Party Disclosures pursuant to Accounting Standard - 18*” on page 188 of this Draft Red Herring Prospectus, our Directors do not have any other interest in the business of our Company.

#### **Interest as to property**

Except as mentioned in “*Our Business - Land and Property*” and “*Restated Financial Information –Note 27 – Related Party Disclosures pursuant to Accounting Standard - 18*” from the chapter titled “*Restated Financial Information*” on Page Nos. 150 and 188 of this Draft Red Herring Prospectus our Directors do not have any interest in any property acquired or proposed to be acquired by our Company.

#### **Bonus or Profit Sharing Plan for our Directors**

None of our Directors are a party to any bonus or profit sharing plan.

#### **Changes in our Board during the Last Three Years**

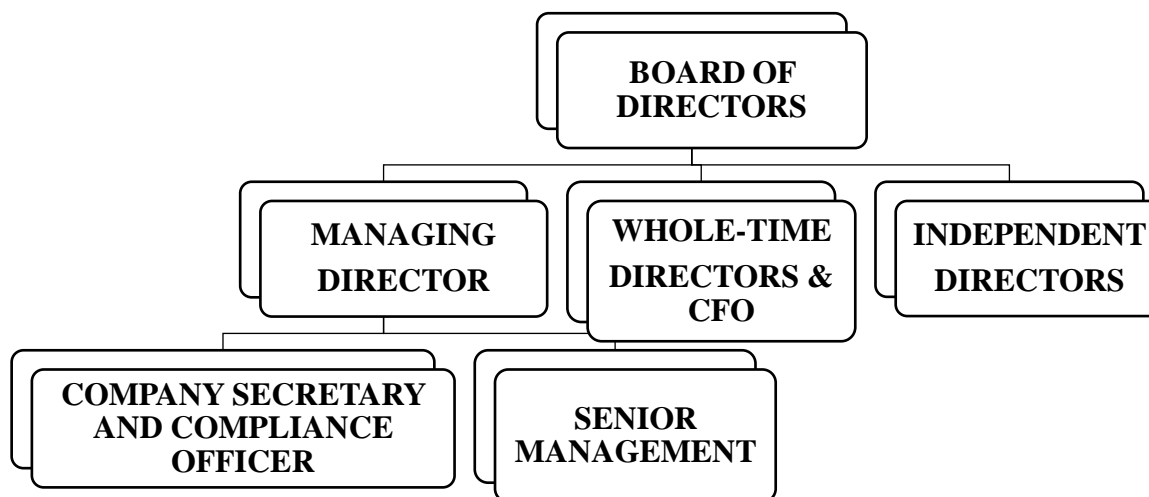
Except as disclosed below, there have been no changes in our Board during the last three years.

Name of Director	Date of Appointment	Date of Cessation	Reasons for Change/ Appointment
Rajendra Ravi Shanker Mishra	January 16, 2024	-	Appointed as Managing Director
Jyotsna Jawahar	January 16, 2024	-	Appointed as Whole-time Director
Mukesh Kumar Sinha	January 16, 2024	-	Appointed as Whole-time Director

Name of Director	Date of Appointment	Date of Cessation	Reasons for Change/ Appointment
Saurav Upadhyay	January 16, 2024	-	Appointed as Independent Director
Hitu Gambhir Mahajan	January 16, 2024	-	Appointed as Independent Director
Sreerama Murthy Garuda	January 16, 2024	-	Appointed as Independent Director

### Management Organization Structure

Set forth is the management organization structure of our Company:



### Corporate Governance

As our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, as on date of this Draft Red Herring Prospectus, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (LODR) Regulations, 2015 are not applicable to our Company. In additions to the applicable provisions of the Companies Act, 2013 will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges. However, our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

### Committees of our Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- a) Audit Committee;
- b) Stakeholders' Relationship Committee;
- c) Nomination and Remuneration Committee; and
- d) Corporate Social Responsibility Committee.

Details of each of these committees are as follows:

## AUDIT COMMITTEE

The Audit Committee was constituted *vide* Board resolution dated February 20, 2024 pursuant to Section 177 of the Companies Act, 2013. As on the date of this Draft Red Herring Prospectus, the Audit Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Sreerama Murthy Garuda	Chairman	Independent Director
Hitu Gambhir Mahajan	Member	Independent Director
Mukesh Kumar Sinha	Member	Whole-time Director

Our Company Secretary and Compliance officer acts as the secretary of the Committee.

### **The scope of Audit Committee shall include but shall not be restricted to the following:**

#### **A. 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;
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 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 utilised for purposes other than those stated in the Issue 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 of directors of the Company (the “**Board**” or “**Board of Directors**”) 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) monitoring the end use of funds raised through public offers and related matters;
- (21) 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;

- (22) reviewing the functioning of the whistle blower mechanism;
- (23) monitoring the end use of funds raised through public offers and related matters;
- (24) 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;
- (25) 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;
- (26) 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;
- (27) To formulate, review and make recommendations to the Board to amend the Terms of Reference of Audit Committee from time to time;
- (28) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and
- (29) carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations, Companies Act, 2013, uniform listing agreements and/or any other applicable law, as and when amended from time to time.”

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Management letters / letters of internal control weaknesses issued by the statutory auditors;
3. Internal audit reports relating to internal control weaknesses;
4. The appointment, removal and terms of remuneration of the chief internal auditor;
5. 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.
6. review the financial statements, in particular, the investments made by any unlisted subsidiary;
7. Such information as may be prescribed under the Companies Act and SEBI Listing Regulations.

The Audit Committee shall meet at least four times a year with maximum interval of four months between two meetings, and shall have the authority to investigate into any matter in relation to the items specified under the terms of reference or such other matter as may be referred to it by the Board and for this purpose, shall have full access to information contained in the records of the Company and shall have power to seek information from any employee, obtain external professional advice, and secure attendance of outsiders with relevant expertise if necessary.

## **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on February 20, 2024. As on the date of this Draft Red Herring Prospectus the Nomination and Remuneration Committee comprises of:

<b>Name of the Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Sreerama Murthy Garuda	Chairperson	Independent Director
Hitu Gambhir Mahajan	Member	Independent Director
Saurav Upadhyay	Member	Independent Director

Our Company Secretary and Compliance officer acts as the secretary of the Committee.

The Nomination and Remuneration Committee shall be responsible for, among other things, the following, in supersession of the previous terms of reference of the Nomination and Remuneration Committee:

- (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**”).

For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;
- b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
- c. consider the time commitments of the candidates.

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 the performance of the 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 shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
- (5) Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (6) To recommend, implement, design, execute, approve schemes of ESPS, ESOP, SAR, Sweat Equity and do all other activities.
- (7) Recommend to the board, all remuneration, in whatever form, payable to senior management;
- (8) Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.”
- (9) Analysing, monitoring and reviewing various human resource and compensation matters;

- (10) 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;
- (11) 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;
- (12) Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;
- (13) Administering, monitoring and formulating detailed terms and conditions of the employee stock option scheme, if any, of the Company;
- (14) 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;
- (15) Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, if applicable;
- (16) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
  - (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; 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; and
- (17) Performing 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.
- (18) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  1. use the services of an external agencies, if required;
  2. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  3. consider the time commitments of the candidates.

The quorum for a meeting of the Nomination and Remuneration Committee shall either be two members or one-third of the members of the Nomination and Remuneration Committee, whichever is greater, with at least one independent director present.

The Nomination and Remuneration Committee shall meet at least once in a year.

The Chairperson of the Nomination and Remuneration Committee shall be present at general meetings of the Company to answer the shareholders' queries, however, it shall be up to the chairperson to decide who shall answer the queries. In the absence of the Chairperson, any other member of the Nomination and Remuneration Committee may be authorised by the Chairperson in this behalf.

#### **STAKEHOLDERS' RELATIONSHIP COMMITTEE**



The Stakeholders' Relationship Committee has been formed by the Board of Directors, at the meeting held on February 20, 2024. As on the date of this Prospectus the Stakeholders' Relationship Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Sreerama Murthy Garuda	Chairman	Independent Director
Hitu Gambhir Mahajan	Member	Independent Director
Mukesh Kumar Sinha	Member	Whole-time Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

***Terms of Reference for the Stakeholders' Relationship Committee:***

The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required by the under applicable law, the following:

- (1) Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings *etc*;
- (2) Review of measures taken for effective exercise of voting rights by shareholders;
- (3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent; and
- (4) Considering and specifically looking into various aspects of interest of shareholders, debenture holders and other security holders;
- (5) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- (6) 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;
- (7) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- (8) 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.
- (9) To approve, register, refuse to register transfer or transmission of shares and other securities;
- (10) To sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;
- (11) Allotment and listing of shares;
- (12) To authorise affixation of common seal of the Company;
- (13) To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
- (14) To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
- (15) Carrying out any other functions contained in the Companies Act, 2013 and/or equity listing agreements (if applicable), as and when amended from time to time; and
- (16) To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

The Stakeholders Relationship Committee shall meet at least once in a year.

The Chairperson of the Stakeholders Relationship Committee shall be present at general meetings of the Company, or in the absence of the Chairperson, any other member of the Stakeholders Relationship Committee authorised by the Chairperson in this behalf.

**Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee has been formed by the Board of Directors, at the meeting held on February 20, 2024. As on the date of this Prospectus the Stakeholders' Relationship Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Rajendra Ravi Shanker Mishra	Chairman	Managing Director
Sreerama Murthy Garuda	Member	Independent Director
Jyotsna Jawahar	Member	Whole-time Director

Corporate Social Responsibility Committee is authorised to perform the following functions:

- 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;
- 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;
- g. The Corporate Social Responsibility Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its corporate social responsibility policy, which shall include the following:
  1. the list of corporate social responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act;
  2. the manner of execution of such projects or programmes as specified in the rules notified under the Companies Act;
  3. the modalities of utilisation of funds and implementation schedules for the projects or programmes;
  4. monitoring and reporting mechanism for the projects or programmes; and
  5. details of need and impact assessment, if any, for the projects undertaken by the Company;
- h. 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.

### **Compliance with SME Listing Regulations**

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on Emerge Platform of NSE.

### **Our Key Managerial Personnel**

In addition to our Managing Director and Chief Financial Officer whose details have been provided under paragraph above titled 'Brief Profile of our Directors', set forth below are the details of our Key Managerial Personnel as on the date of filing of this Draft Red Herring Prospectus:

**Sandeep Kumar**, aged 46 years, is the Company Secretary and Compliance Officer of our Company. He attended Ch. Charan Singh University, Meerut to pursue bachelor's degree in law. He also holds master's degree in law from Kurukshetra University, Kurukshetra. He is an associate member of the Institute of Company Secretaries of India. He is having an experience of 2 years in the field of corporate law compliances and legal matters, He has been associated with our Company since January 17, 2024 and shall be responsible for heading the secretarial and compliance division of our Company. During Fiscal Year 2024, he has drawn remuneration of ₹ 0.50 lakhs.

All our Key Managerial Personnel are permanent employees of our Company.

### **Our Senior Managerial Personnel**

Apart from our Managing Directors, Chief Financial Officer and Company Secretary and Compliance Officer, whose details have been provided under paragraph above titled 'Brief Profile of our Directors' and 'Our Key Managerial Personnel', set forth below are the details of our Senior Managerial Personnel as on the date of filing of this Draft Red Herring Prospectus:

**Kunhammed V K**, aged 56 years, is Head Sales of our Company. He holds diploma in electrical engineering from State Board of Technical Education. In the past he was associated with Hashel General Trading Dubai in the capacity of General Manager; with Abdul Jalil Industrial Development Dubai in the capacity of business development manager & branch head; with Gulf Metal Craft – Jebal Ali Free zone – Dubai in the capacity of Senior sales Engineer; and with Bahri & Mazroei Trading co. (BMTC) in the capacity of Sales Engineer. He is having an experience of 23 years in the field of marketing and sales. He has been associated with our Company since January 28, 2019. He has received a remuneration of ₹ 11.40 lakhs during Fiscal 2024.

**Nagendra Kumar Tiwari**, aged 33 years is Team Lead Research of our Company. He holds bachelor's degree in technology from Uttar Pradesh Technical University. In the past, he has worked in KS Infosystems Private Limited. He is having an experience of 7 years in research and development of visual software. He has been associated with our Company since June 24, 2019. During Fiscal Year 2024, he has drawn remuneration of ₹ 18.00 lakhs.

**Ritesh Kumar**, aged 47 years, is the Head Operations of our Company. He holds bachelor's degree in arts from University of Delhi. In the past he was associated with Koenig Solutions Limited in the capacity of Manager-IT. He has experience of more than a decade in information technology, recruitment, human resource management and operational management. He has experience of more than 20 years in the field of information technology. He has been associated with our Company since December 24, 2018. During Fiscal Year 2024, he has drawn remuneration of ₹ 4.50 lakhs.

**Yogesh Joshi**, aged 55 years, is Senior Production Manager of our Company. He attended Government Polytechnic, Ghaziabad to pursue diploma in mechanical engineering. In the past he was associated with Moser Baer India Limited in the capacity of senior supervisor and with A.P. Industrial Components Limited in the capacity of inspector- quality assurance. He has an experience of more than two decades in production supervision and quality assurance. He has been associated with our Company since March 4, 2019. During Fiscal Year 2024, he has drawn remuneration of ₹ 7.20 lakhs.

### **Relationship of Key Managerial Personnel and Senior Management with our Directors, Promoters and / or other Key Managerial Personnel and Senior Management**

In addition to the disclosure made under the heading "Relationship between our Directors", none of our Key Managerial Personnel and Senior Management are related to each other or to any of our Directors.

### **Shareholding of the Key Managerial Personnel and Senior Management**

None of the Key Management Personnel and Senior Management hold shareholding in our Company. Except:

Sr. No.	Name of SMP	Number of Equity Shares	% of Equity Share Capital
1)	Ritesh Kumar	62	0.00%
2)	Yogesh Joshi	62	0.00%
3)	Kunhammed V K	62	0.00%

### **Bonus or Profit Sharing Plan for our Key Managerial Personnel and Senior Management**

None of our Key Managerial Personnel and Senior Management is a party to any bonus or profit sharing plan.

### **Payment or benefit to Key Managerial Personnel and Senior Management of our Company**

Except as disclosed in this Draft Red Herring Prospectus, no amount or benefit has been paid or given within two preceding years or is intended to be paid or given to any of the Key Managerial Personnel and Senior Management except the normal remuneration for services rendered by them. Additionally, there is no contingent or deferred compensation payable to any of our Key Managerial Personnel and Senior Management.

### **Interest of Key Managerial Personnel and Senior Management**

Except as disclosed in this Draft Red Herring Prospectus, none of our Key Managerial Personnel and Senior Management have any interest in our Company other than to the extent of the remuneration, equity shares held by them 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 business.

Further, there is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel and Senior Management have been appointed.

### **Changes in Key Managerial Personnel and Senior Management in the Last Three Years**

In addition to the changes specified under “*Changes in our Board during the Last Three Years*”, set forth below, are the changes in our Key Managerial Personnel and Senior Management in the last three years immediately preceding the date of filing of this Draft Red Herring Prospectus:

<b>Name</b>	<b>Designation</b>	<b>Date of change</b>	<b>Reason</b>
Sandeep Kumar	Company Secretary and Compliance Officer	January 17, 2024	Appointment
Jyotsna Jawahar	Chief Financial Officer	January 17, 2024	Appointment

The attrition of the Key Management Personnel and Senior Management is as per the industry standards.

### **Employees’ Stock Option Plan**

As on date of this Draft Red Herring Prospectus, our Company does not have any employee stock option plan or purchase schemes for our employees.

### **Loans taken by Directors / Key Management Personnel and Senior Management**

Our Company has not granted any loans to the Directors and/or Key Management Personnel and Senior Management as on the date of this Draft Red Herring Prospectus.

## OUR PROMOTERS AND PROMOTER GROUP

### Our Promoters

The Promoters of our Company are Rajendra Ravi Shanker Mishra and Jyotsna Jawahar.

The details of the shareholding of our Promoters, as on date of this Draft Red Herring Prospectus has been provided below:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Offer Equity Share Capital
1.	Rajendra Ravi Shanker Mishra	1,15,37,828	98.50 %
2.	Jyotsna Jawahar	62	0.00%
<b>Total</b>		<b>1,15,37,890</b>	<b>98.50 %</b>

For details, please see “*Capital Structure – Build-up of Promoters’ shareholding, Minimum Promoters’ Contribution and lock-in – Build-up of the Equity Shareholding of our Promoters in our Company*” on page 76.

### Details of our Promoters are as follows:

#### *Rajendra Ravi Shanker Mishra*



Rajendra Ravi Shanker Mishra, aged 47 years, is the Promoter and Managing Director of our Company. He resides at T-1901, Plumeria Garden Estate, Omicron-3, Greater Noida, Opposite Unitech Horizon, Knowledge Park - I, Kasana, Gautam Buddha Nagar, Greater Noida – 201 310, Uttar Pradesh, India.

The Permanent Account Number of Rajendra Ravi Shanker Mishra is AFHPM0701L.

For complete profile of Rajendra Ravi Shanker Mishra, along with details of his date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see “*Our Management*” on page 164.

#### *Jyotsna Jawahar*



Jyotsna Jawahar, aged 34 years, is the Promoter, Whole-time Director and Chief Financial Officer of our Company. She resides at T-1901, Plumeria Garden Estate, Omicron 3, Opposite Unitech Horizon, Knowledge Park - I, Gautam Buddha Nagar, Greater Noida – 201 310, Uttar Pradesh, India.

The Permanent Account Number of Jyotsna Jawahar is ALLPJ0245L.

For complete profile of Jyotsna Jawahar, along with details of her date of birth, educational qualifications, professional experience, positions/ posts held in the past and other directorships and special achievements, please see “*Our Management*” on page 164.

Our Company confirms that the permanent account numbers, bank account numbers, passport numbers, Aadhaar card numbers and driving license numbers of our Promoters, shall be submitted to the Stock Exchange at the time of filing of this Draft Red Herring Prospectus.

## Change in control of our Company

There has been no change in the management or control of our Company during the last five years preceding the date of this Draft Red Herring Prospectus.

## Other ventures of our Promoters

Our Promoters are involved in other ventures and business activities in different capacities as listed below:

*Rajendra Ravi Shanker Mishra*

S. No.	Name of the entity	Nature of interest / position
1.	Limitless Mobility Solutions Private Limited	Director and Shareholder
2.	OSEL Technology Private Limited	Director and Shareholder

*Jyotsna Jawahar*

S. No.	Name of the entity	Nature of interest / position
1.	OSEL Technology Private Limited	Director and Shareholder
2.	Osel Technology INC	Director and Shareholder

Except as stated above and except as disclosed in “– Promoter Group” below and in “Our Management” on pages 184 and 164, our Promoters are not involved in any other ventures.

## Interests of Promoters

- (a) Our Promoters are interested in our Company to the extent (i) that they have promoted our Company; (ii) their shareholding in our Company; (iii) the dividends payable thereon; and (iv) any other distributions in respect of their shareholding in our Company.

Additionally, our Promoters may be interested in transactions entered into by our Company with other entities (i) in which our Promoters hold shares, or (ii) in which our Promoters are partners or directors; or (iii) which are controlled by our Promoters. For further details of interest of our Promoters in our Company, see “Restated Financial Information –Note 27 – Related Party Disclosures pursuant to Accounting Standard - 18” on page 188.

- (b) Further, Rajendra Ravi Shanker Mishra and Jyotsna Jawahar, are also interested in our Company in the capacity of Managing Director and Whole-time Director and Chief Financial Officer, respectively, and may be deemed to be interested in the remuneration payable to them and the reimbursement of expenses incurred by them in the said capacity. For further details, see “Our Management” on page 164. For further details of interest of our Promoters in our Company, see “Restated Financial Information –Note 27 – Related Party Disclosures pursuant to Accounting Standard - 18” on page 188.
- (c) Except as disclosed in “Restated Financial Statements” and “Financial Indebtedness” on page 188 and 223, respectively in this Draft Red Herring Prospectus, our Promoters and members of our Promoter Group have (i) not extended any personal guarantees and (ii) have not provided their personal properties, for securing the repayment of the bank loans obtained by our Company.
- (d) Except for the interest held by our Promoters in our Promoter Group entities, our Promoters do not have any interest in any venture that is involved in activities similar to those conducted by our Company.
- (e) No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are interested, in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as a director or Promoter or otherwise for services rendered by the Promoters, or by such firm or company, in connection with the promotion or formation of our Company.
- (f) Except as disclosed in “Restated Financial Information –Note 27 – Related Party Disclosures pursuant to Accounting Standard - 18” on page 188 there has been no payment or benefits by our Company to our Promoters 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 as on the date of this Draft Red Herring Prospectus.

- (g) We confirm that there are no conflict of interest between the suppliers of raw materials and third party service providers (crucial for operations of our Company) and our Promoters and Promoter Group.

#### **Interest in property, land, construction of building and supply of machinery**

Our Promoters do not have any interest in any property acquired by our Company in the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction by our Company with respect to the acquisition of land, construction of building or supply of machinery.

#### **Payment or benefits to Promoter or Promoter Group**

Except as disclosed above and as stated in “*Restated Financial Information – Note 27 – Related Party Disclosures pursuant to Accounting Standard - 18*” on page 188 there has been no payment or benefits by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Draft Red Herring Prospectus.

#### **Companies or firms with which our Promoters have disassociated in the last three years**

Our Promoters have not dissociated themselves from any companies or firms in the three years preceding the date of this Draft Red Herring Prospectus.

#### **Material guarantees**

As on the date of this Draft Red Herring Prospectus, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares.

#### **Other confirmations**

Our Promoters are not Wilful Defaulters or a Fraudulent Borrowers.

Our Promoters are not Fugitive Economic Offenders.

Our Promoters and members of the Promoter Group have not been prohibited from accessing the capital markets under any order or direction passed by SEBI.

Our Promoters are not, and have not been in the past, promoters or directors of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI.

#### **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*

S. No.	Name of member of our Promoter Group	Relationship with our Promoter
<b><i>Rajendra Ravi Shanker Mishra</i></b>		
1	Gulab Mishra	Father
2	Manjula Mishra	Mother
3	Jyotsna Jawahar	Spouse
4	Jyoti Jha	Sister
5	Perna Mishra	Sister
6	Akshat Mishra	Son
7	-	Daughter
8	Jawahar Lal	Spouse's Father

S. No.	Name of member of our Promoter Group	Relationship with our Promoter
9	Ranjana Sharma	Spouse's Mother
10	Rahul Jawahar	Spouse's Brother
11	Rashmi	Spouse's Sister
<b><i>Jyotsna Jawahar</i></b>		
1.	Jawahar Lal	Father
2.	Ranjana Sharma	Mother
3.	Rajendra Ravi Shanker Mishra	Spouse
4.	Rahul Jawahar	Brother
5.	Rashmi	Sister
6.	Akshat Mishra	Son
7.	-	Daughter
8.	Gulab Mishra	Spouse's Father
9.	Manjula Mishra	Spouse's Mother
10.	Jyoti Jha	Spouse's Sister
11.	Prerna Mishra	Spouse's Sister

***Entities forming part of the Promoters' Group:***

Except as stated below, no other company, firm or HUF are forming part of the promoters' group:

S. No.	Name of entities
1.	Osel Technology Private Limited
2.	Osel Technology INC
3.	Limitless Mobility Solutions Private Limited

***Other Confirmations***

Neither our Promoters nor members of the Promoters' Group have been declared as wilful defaulters by the RBI or any other governmental authority nor there are any violations of securities laws committed by them in the past or are currently pending against them.

Our Promoters have not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

Neither Promoters nor entities forming part of our Promoters' Group have been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoter and members of the Promoters' Group are not and have never been promoter, directors or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of this Draft Red Herring Prospectus against our Promoter.



## **OUR GROUP COMPANIES**

In terms of the SEBI ICDR Regulations, pursuant to a resolution of our Board dated June 18, 2024, and the applicable accounting standards (Accounting Standard 18 and Indian Accounting Standard 24), for the purpose of identification of “group companies” in relation to the disclosure in Offer Documents, our Company has considered the companies with which there have been related party transactions in the last three years, as disclosed in the section titled “*Financial Information*” on page 188 of this Draft Red Herring Prospectus.

Accordingly, pursuant to the said resolution passed by our Board of Directors and the materiality policy adopted, for determining our Group Companies, Osel Technology Private Limited and Limitless Mobility Solutions Private Limited have been identified and considered as the Group Companies of our Company.

### **A. Details of our Group Company**

#### **1. Osel Technology Private Limited**

##### *Registered Office address*

The registered office of Osel Technology Private Limited is situated at T-1901, Plumeria Garden Estate, 19 FLR, Omicron 3, Opp Unitech Horizon, Gautam Buddha Nagar, Greater Noida - 201 310, Uttar Pradesh, India.

##### *Financial Performance*

The Financial Performance of Osel Technology Private Limited as on the date of this Draft Red Herring Prospectus is as follows:

(₹ in Lakhs)

<b>Particulars</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Equity capital	1.00	1.00	1.00
Reserves and surplus (excluding revaluation)	2.46	(0.45)	(0.41)
Sales/ Revenue from Operations	415.62	-	-
Profit/(Loss) after tax	2.92	(0.04)	(0.06)
Earnings per share (₹) (Basic)	29.15	(0.43)	(0.64)
Earnings per share (₹) (Diluted)	29.15	(0.43)	(0.64)
Net Worth available to equity shareholders	3.46	0.55	0.59
Net asset value per share (₹)	34.60	5.45	5.88

#### **2. Limitless Mobility Solutions Private Limited**

##### *Registered Office address*

The registered office of Limitless Mobility Solutions Private Limited is situated at 1899-B, Kotla Mubarakpur, Opp. B-50, South-X Part-I, New Delhi - 110 003, Delhi, India.

##### *Financial Performance*

The Financial Performance of Limitless Mobility Solutions Private Limited as on the date of this Draft Red Herring Prospectus is as follows:

(₹ in Lakhs)

<b>Particulars</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Equity capital	1.00	1.00	1.00
Reserves and surplus (excluding revaluation)	(108.41)	(109.44)	(115.57)
Sales/ Revenue from Operations	897.64	475.91	566.26
Profit/(Loss) after tax	1.03	6.13	6.49
Earnings per share (₹) (Basic)	10.28	61.34	64.86
Earnings per share (₹) (Diluted)	10.28	61.34	64.86
Net Worth available to equity shareholders	(107.41)	(108.44)	(114.57)
Net asset value per share (₹)	(1,074.11)	(1,084.39)	(1,145.73)

## **B. Litigation**

Our Group Companies are not party to any litigation which may have material impact on our Company.

## **C. Common pursuits**

There are no common pursuits between our Group Companies and our Company, except for the common business. While, Osel Technology Private Limited and Limitless Mobility Solutions Private Limited are engaged in the same business as our Company, however they do not compete with our Company and accordingly, there is no conflict of interest between our Company and Osel Technology Private Limited and Limitless Mobility Solutions Private Limited. Furthermore, our Company and our Group Companies will adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when they arise. For risks relating the same, please see – “*Risk Factors – 11 - Our Group Company is engaged in a similar line of business as our Company and may compete with us*” on page 32.

## **D. Related business transactions within our Group Companies and significance on the financial performance of our Company**

Other than the transactions disclosed in the chapter titled “*Restated Financial Information*” on Page No. 188 of this Draft Red Herring Prospectus, there are no other related business transactions between our Group Companies and our Company.

## **E. Business Interest**

Other than the transactions disclosed in the chapter titled “*Restated Financial Information*” on Page No. 188, our Group Companies have no business interests in our Company.

## **F. Nature and extent of interest of our Group Company**

### *a) In the promotion of our Company*

Our Group Companies do not have any interest in the promotion of our Company.

### *b) In the properties acquired by us in the preceding three years before filing this Draft Red Herring Prospectus or proposed to be acquired by our Company*

Our Group Companies are not interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

### *c) In transactions for acquisition of land, construction of building and supply of machinery*

Our Group Companies are not interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

### *d) We confirm that there are no conflict of interest between the suppliers of raw materials and third party service providers (crucial for operations of our Company) and our Group Company and its directors.*

## **DIVIDEND POLICY**

The declaration and payment of dividends, if any, will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited to, net operating profit after tax, working capital requirements, capital expenditure requirements, cash flow required to meet contingencies, outstanding borrowings, and applicable taxes including dividend distribution tax payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of, or may enter into, to finance our fund requirements for our business activities. As on the date of this Draft Red Herring Prospectus, our Company does not have a formal dividend policy.

Upon listing of the Equity Shares of our Company and subject to the SEBI Listing Regulations, we may be required to formulate a dividend distribution policy which shall be required to include, among others, details of circumstances under which the shareholders may or may not expect dividend, the financial parameters that shall be considered while declaring dividend, internal and external factors that shall be considered for declaration of dividend, policy as to how the retained earnings will be utilized and parameters that shall be adopted with regard to various classes of shares, as applicable.

Our Company has not declared any dividends during the nine months period ended December 31, 2023 and the last three Financial Years. Further, our Company has not declared any dividend in the current Fiscal. There is no guarantee that any dividends will be declared or paid in future. For details in relation to the risk involved, please refer section titled “*Risk Factors*” on Page No. 26 of this Draft Red Herring Prospectus.

*(The remainder of this page is intentionally left blank)*

**SECTION VI – FINANCIAL INFORMATION**

**RESTATED FINANCIAL INFORMATION**

<b>S. No.</b>	<b>Details</b>	<b>Page Number</b>
1.	Examination Report on Restated Financial Statements for the nine months period ended December 31, 2023 and for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021	189
2.	Restated Financial Statements for the nine months period ended December 31, 2023 and for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021	192

*(The remainder of this page is intentionally left blank)*

**INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL STATEMENTS  
OF OSEL DEVICES LIMITED (FORMERLY KNOWN AS INNOVATIVE  
INFRATECH SOLUTION PRIVATE LIMITED)**

The Board of Directors  
**OSEL DEVICES LIMITED**  
Office no. 712, Naurang House  
K.G Marg, Cannaught Place  
Delhi - 110001

Dear Sir

1. We have examined the attached Restated Statement of Assets and Liabilities of **OSEL DEVICES LIMITED (FORMERLY KNOWN AS INNOVATIVE INFRATECH SOLUTION PRIVATE LIMITED)** (the "Company" or the "Issuer") as at 31<sup>st</sup> December 2023, 31<sup>st</sup> March, 2023, 31<sup>st</sup> March 2022, 31<sup>st</sup> March, 2021, the related Restated Statement of Profit & Loss and the Restated Cash Flow Statement for the nine months/year ended 31<sup>st</sup> December 2023, 31<sup>st</sup> March, 2023, 31<sup>st</sup> March 2022 and 31<sup>st</sup> March 2021, the Summary Statement of Significant Accounting Policies, and other explanatory information annexed to this report for the purpose of inclusion in the offer document prepared by the Company (collectively the "**Restated Summary Statements**" or "**Restated Financial Statements**"). These Restated Summary Statements have been prepared by the Company and approved by the Board of Directors of the Company in connection with the Initial Public Offering (IPO) in EMERGE Platform of NSE.

2. These Restated Summary Statements have been prepared in accordance with the requirements of:

(i) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");

(ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and

(iii) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

3. The Restated Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the nine months/year ended 31<sup>st</sup> December 2023, 31<sup>st</sup> March, 2023, 31<sup>st</sup> March 2022, and 31<sup>st</sup> March 2021 which has been approved by the Board of Directors.

4. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Offer Document to be filed with Securities and Exchange Board of India, relevant stock exchanges and Registrar of Companies, in connection with the proposed IPO. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in the Significant Accounting Policies and Notes to Accounts as set out in Restated Financial Information. The Board of Directors of the Company's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the company complies with the Act, ICDR Regulations and the Guidance Note.

**5. We have examined such Restated Financial Statements taking into consideration:**

- a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter;
- b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
- c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statement; and,
- d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

In accordance with the requirements of Part I of Chapter III of Act including rules made therein, ICDR Regulations, Guidance Note and Engagement Letter, we report that:

(i) The “**Statement of Assets and Liabilities as Restated**” as set out in this report, of the company as at 31<sup>st</sup> December 2023, 31<sup>st</sup> March, 2023, 31<sup>st</sup> March 2022, and 31<sup>st</sup> March 2021 are prepared by the Company and approved by the Board of Directors. These Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the financial statements of the company, as in our opinion were appropriate and more fully Described in Significant Accounting Policies and Notes to Accounts as set out in this Report.

(ii) The “**Statement of Profit and Loss as Restated**” as set out in this report, of the Company for the nine months/year ended 31<sup>st</sup> December 2023, 31<sup>st</sup> March,2023, 31<sup>st</sup> March 2022, and 31<sup>st</sup> March 2021 are prepared by the Company and approved by the Board of Directors. These Restated Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the financial statements of the company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in this Report.

(iii) The “**Statement of Cash Flow as Restated**” as set out in this report, of the Company for the nine months/year ended 31<sup>st</sup> December 2023, 31<sup>st</sup> March,2023, 31<sup>st</sup> March 2022, and 31<sup>st</sup> March 2021 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in this Report.

6. Based on the above, we are of the opinion that the Restated Financial Statements have been made after incorporating:

a) Adjustments for the changes in accounting policies retrospectively in respective financial year to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any.

b) Adjustments for prior period and other material amounts in the respective financial years to which they relate and there are no qualifications which require adjustments.

c) There are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments except as disclosed in the notes to accounts.

d) There were no qualifications in the Audit Reports issued by the Statutory Auditors for the year ended on 31<sup>st</sup> March 2023, 31<sup>st</sup> March, 2022and 31<sup>st</sup> March, 2021, which would require adjustments in this Restated Financial Statements of the Company.

e) These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in this report.

(f) The Company has not paid any dividend since its incorporation

7. The preparation and presentation of the Restated Financial Statements referred to above are based on the Audited financial statements of the Company as per Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, and other accounting principles generally accepted in India for the year ended 31<sup>st</sup> March 2023 are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.

8. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

10. In our opinion, the above financial information contained in Annexure of this report read with the respective Significant Accounting Polices and Notes to Accounts as set out are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.

11. Audit for the nine months/year ended 31<sup>st</sup> December, 2023, 31<sup>st</sup> March, 2023, 31<sup>st</sup> March 2022, and 31<sup>st</sup> March 2021 has been conducted by us.

12. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

***For Kumar Samantaray & Associates.***  
*Chartered Accountants*  
Firm Registration No. 020310N

**CA Rajesh Kumar**  
***(Partner)***  
Membership No: 504344

Place: Delhi  
Dated: June 18, 2024  
UDIN: 24504344BKAQRV5239

**OSEL DEVICES LIMITED**

**Formerly known as (Innovative Infratech Solutions Private Limited)**

**CIN: U72200DL2006PLC152027**

**Annexure I- Restated Statement of Assets and Liabilities**  
(Amount in INR lakhs, unless otherwise stated)

PARTICULARS	Note Nos.	As at	As at	As at	As at
		31 December 2023	31 March 2023	31 March 2022	31 March 2021
<b>A) EQUITY AND LIABILITIES</b>					
<b>1. Shareholders' Funds</b>					
(a) Share Capital	1	186.10	186.10	186.10	136.10
(b) Reserves and Surplus	2	1,929.42	1,042.90	576.90	364.59
<b>Total (A)</b>		<b>2,115.52</b>	<b>1,229.00</b>	<b>763.00</b>	<b>500.69</b>
<b>2 Share Application Money Pending Allotment (B)</b>					
<b>3. Non Current Liabilities</b>					
(a) Long-Term Borrowings	3a	825.21	88.53	151.49	305.22
(b) Deferred Tax Liabilities (Net)	4	64.30	36.66	28.68	23.89
(c) Long Term Provision	5	13.26	-	-	-
<b>Total (C)</b>		<b>902.77</b>	<b>125.19</b>	<b>180.17</b>	<b>329.11</b>
<b>4. Current Liabilities</b>					
(a) Short-Term Borrowings	3b	2,423.67	1,693.76	711.38	680.05
(b) Trade Payables	6				
(i) total outstanding dues of micro enterprises and small enterprises; and		-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		3,376.55	1,618.13	1,523.27	511.77
(c) Other Current Liabilities	7	285.19	22.52	52.90	178.05
(d) Short Term Provisions	8	352.66	213.49	81.45	56.97
<b>Total (D)</b>		<b>6,438.07</b>	<b>3,547.90</b>	<b>2,369.00</b>	<b>1,426.84</b>
<b>Total Equity and Liabilities (A+B+C+D)</b>		<b>9,456.37</b>	<b>4,902.09</b>	<b>3,312.17</b>	<b>2,256.64</b>
<b>B) ASSETS</b>					
<b>1. Non Current Assets</b>					
(a) Property, plant and equipment and Intangible assets	9				
(i) Tangible Assets		1,858.88	651.87	538.29	570.81
(ii) Intangible Assets		-	-	-	-
<b>Total (A)</b>		<b>1,858.88</b>	<b>651.87</b>	<b>538.29</b>	<b>570.81</b>
(b) Deferred Tax Asset (Net)	4	-	-	-	-
<b>Total (A)</b>		<b>1,858.88</b>	<b>651.87</b>	<b>538.29</b>	<b>570.81</b>
<b>2. Current Assets</b>					
(a) Inventories	10	2,433.52	1,815.21	1,027.31	395.22
(b) Trade Receivables	11	4,248.80	1,283.43	1,130.35	701.89
(c) Cash and Bank Balances	12	341.64	102.15	530.79	454.05
(d) Short-Term Loans and Advances	13	560.61	1,021.82	42.34	52.45
(e) Other Current Assets	14	12.91	27.63	43.10	82.22
<b>Total (B)</b>		<b>7,597.49</b>	<b>4,250.23</b>	<b>2,773.89</b>	<b>1,685.83</b>
<b>Total Assets (A+B)</b>		<b>9,456.37</b>	<b>4,902.09</b>	<b>3,312.17</b>	<b>2,256.64</b>

The above statement should be read with Basis of Preparation, Significant Accounting Policies and Notes to Restated Financial Information appearing in Annexure IV and Adjustments to Audited Financial Statements appearing in Annexure V and Reconciliation of restated Equity/ Networth appearing in Annexure VI.

This is the Restated Statement of Assets and Liabilities referred to in our report of even date.

**For Kumar Samantaray & Associates**  
Chartered Accountants  
Firm Registration No: 020310N

**For OSEL DEVICES LIMITED**  
Formerly known as (Innovative Infratech Solutions Private Limited)

**Rajesh Kumar**  
Partner  
Membership Number: 504344  
Place: Delhi  
Date: June 18, 2024  
UDIN: 24504344BKAQVR5239

**Rajendra Ravi S.Mishra**  
Managing Director  
DIN: 01628136

**Jyotsna Jawahar**  
Whole-Time Director & CFO  
DIN: 08278091



**OSEL DEVICES LIMITED**  
**Formerly known as (Innovative Infratech Solutions Private Limited)**  
**CIN: U72200DL2006PLC152027**

**Annexure II- Restated Statement of Profit and Loss**

(Amount in INR lakhs, unless otherwise stated)

PARTICULARS	Note Nos.	For the period ended 31 December 2023	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>1 Income</b>					
(a) Revenue from Operations	15	10,606.56	8,188.68	6,524.53	5,744.40
(b) Other Income	16	7.41	6.90	30.96	24.48
<b>Total Income</b>		<b>10,613.97</b>	<b>8,195.58</b>	<b>6,555.49</b>	<b>5,768.88</b>
<b>2 Expenditure</b>					
(a) Cost of Material Consumed	17	8,847.06	7,288.49	6,081.99	5,110.09
(b) Purchases of Stock-in-Trade	18	-	-	-	-
(c) Changes in Inventories of Finished Goods	19	(314.54)	(359.34)	(267.07)	(8.33)
(d) Employee Benefit Expenses	20	278.95	194.82	80.08	158.14
(e) Finance Cost	21	257.49	113.53	110.03	50.16
(f) Depreciation & Amortization	22	71.35	58.12	56.15	50.93
(g) Other Expenses	23	209.99	203.24	195.76	206.14
<b>Total Expenditure</b>		<b>9,350.29</b>	<b>7,498.86</b>	<b>6,256.94</b>	<b>5,567.13</b>
<b>3 Profit/(Loss) before Exceptional and Extra Ordinary Item</b>		<b>1,263.68</b>	<b>696.72</b>	<b>298.55</b>	<b>201.75</b>
Exceptional Items		-	-	-	-
<b>4 Profit/(Loss) Before Tax (2-4)</b>		<b>1,263.68</b>	<b>696.72</b>	<b>298.55</b>	<b>201.75</b>
<b>5 Tax Expense:</b>					
(a) Tax Expense for Current Year		349.52	222.73	81.45	56.97
(b) Short/ (Excess)Provision of Tax Earlier Year					
(b) Deferred Tax		27.64	7.98	4.79	8.77
<b>Net Current Tax Expenses</b>		<b>377.16</b>	<b>230.71</b>	<b>86.24</b>	<b>65.74</b>
<b>6 Profit/(Loss) for the period from continuing operations (5-6)</b>		<b>886.52</b>	<b>466.00</b>	<b>212.31</b>	<b>136.01</b>
<b>Earnings Per Share</b>					
Basic and Diluted [Nominal Value of INR 10 Per Share]		47.64	25.04	11.41	9.99

The above statement should be read with Basis of Preparation, Significant Accounting Policies and Notes to Restated Financial Information appearing in Annexure IV and Adjustments to Audited Financial Statements appearing in Annexure V and Reconciliation of restated Equity/ Networth appearing in Annexure VI.

This is the Restated Statement of Profit and Loss referred to in our report of even date.

**For Kumar Samantaray & Associates**  
**Chartered Accountants**  
**Firm Registration No: 020310N**

**For OSEL DEVICES LIMITED**  
**Formerly known as (Innovative Infratech Solutions Private Limited)**

**Rajesh Kumar**  
**Partner**  
**Membership Number: 504344**  
**Place: Delhi**  
**Date: June 18, 2024**  
**UDIN: 24504344BKAQRV5239**

**Rajendra Ravi S.Mishra**  
**Managing Director**  
**DIN: 01628136**

**Jyotsna Jawahar**  
**Whole-Time Director & CFO**  
**DIN: 08278091**

**Sandeep Kumar**  
**Company Secretary**

<b>OSEL DEVICES LIMITED</b>				
Formerly known as (Innovative Infratech Solutions Private Limited)				
CIN : U92490MH2013PLC352652				
Annexure III- Restated Statement of Cash Flows				
<i>(Amount in INR lakhs, unless otherwise stated)</i>				
Particulars	For the period ended 31st December 2023	For the year ended 31st March 2023	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>A. Cash flow from operating activities</b>				
Net profit before tax and after prior period item	1263.68	696.72	298.55	201.75
<b>Adjustments for:</b>				
Depreciation	71.35	58.12	56.15	50.93
Interest Income	(7.41)	(5.36)	(26.13)	(23.32)
Finance costs	257.49	113.53	110.03	50.16
<b>Operating profit before working capital changes</b>	<b>1585.11</b>	<b>863.01</b>	<b>438.60</b>	<b>279.52</b>
<b>Adjustments for:</b>				
(Increase) / decrease in inventories	(618.31)	(787.90)	(632.09)	(21.37)
(Increase) / decrease in trade receivables	(2,965.37)	(153.08)	(428.46)	285.54
(Increase) / decrease in trade advances	461.21	(979.48)	10.11	(11.73)
(Increase) / decrease in other current assets	14.71	15.47	39.12	133.56
(Increase) / decrease in Other Non Current Assets				
Increase / (decrease) in trade payables	1,758.42	94.86	1,011.50	(1,120.19)
Increase / (decrease) in other current liabilities	262.67	(30.38)	(125.15)	158.10
Increase / (decrease) in short term provisions	3.14	-	-	-
Increase / (decrease) in long term provisions	13.26	-	-	-
<b>Cash generated from operations</b>	<b>514.82</b>	<b>(977.50)</b>	<b>313.63</b>	<b>(296.58)</b>
Income taxes (paid)/ Refund Received	213.48	90.69	56.97	36.67
<b>Net cash provided / (used) by operating activities (A)</b>	<b>301.34</b>	<b>(1,068.19)</b>	<b>256.66</b>	<b>(333.25)</b>
<b>B. Cash flows from investing activities</b>				
Purchase or construction of fixed assets and capital advances	(1,278.36)	(171.70)	(23.63)	(6.74)
Sale of Fixed Asset				3.48
Interest received	7.41	5.36	26.13	23.32
<b>Net cash provided / (used) by investing activities (B)</b>	<b>(1,270.96)</b>	<b>(166.34)</b>	<b>2.50</b>	<b>20.05</b>
<b>C. Cash flow from financing activities</b>				
Finance costs paid	(257.49)	(113.53)	(110.03)	(50.16)
Increase in Security Premium				
Proceeds from issue of share capital			50.00	39.10
Proceeds/ Repayment from borrowings	1466.59	919,417,0876	(122.40)	513.46
<b>Net cash provided / (used) by financing activities (C.)</b>	<b>1,209.11</b>	<b>805.89</b>	<b>(182.43)</b>	<b>502.40</b>
<b>Net increase / (decrease) in cash and cash equivalents (A + B + C)</b>	<b>239.49</b>	<b>(428.64)</b>	<b>76.74</b>	<b>189.21</b>
<b>Cash and cash equivalents at the beginning of period</b>	<b>102.15</b>	<b>530.79</b>	<b>454.05</b>	<b>264.84</b>
<b>Cash and cash equivalents at the end of period</b>	<b>341.64</b>	<b>102.15</b>	<b>530.79</b>	<b>454.05</b>
<b>Notes to cash flow statement</b>				
1. Components of cash and cash equivalents :				
	<b>For the year ended 31st December 2023</b>	<b>For the year ended 31 March 2023</b>	<b>For the year ended 31 March 2022</b>	<b>For the year ended 31 March 2021</b>
Cash in hand	1.00	0.48	3.06	3.54
Balances with banks:				
- On current accounts	12.84	34.88	71.80	1.18
- In Fixed Deposit Account	327.79	66.79	455.93	449.33
<b>For OSEL DEVICES LIMITED</b>				
Formerly known as (Innovative Infratech Solutions Private Limited)				
<b>For Kumar Samantaray &amp; Associates</b>		<b>Rajendra Ravi S.Mishra</b>		<b>Jyotsna Jawahar</b>
<b>Chartered Accountants</b>		<b>Managing Director</b>		<b>Whole-Time Director &amp; CFO</b>
<b>Firm Registration No: 020310N</b>		<b>DIN: 01628136</b>		<b>DIN: 08278091</b>
<b>Rajesh Kumar</b>		<b>Sandeep Kumar</b>		
<b>Partner</b>		<b>Company Secretary</b>		
<b>Membership Number: 504344</b>				
<b>Place: Delhi</b>				
<b>Date: June 18, 2024</b>				
<b>UDIN: 24504344BKAQRV5239</b>				

## **OSEL Devices Limited (Formerly known as Innovative Infratech Solution Private Limited)**

### **Annexure IV- Basis of Preparation, Significant Accounting Policies**

#### **1.1 Company Review and Nature of Operations:**

The Company was incorporated on August 14, 2006 as a private limited company under the name and style of '*Innovative Infratech Solutions Private Limited*', under the Companies Act, 1956, pursuant to a certificate of incorporation dated August 14, 2006 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, in order to rectify the transposition error in the name of the Company, pursuant to a resolution passed by the Board of Directors in its meeting held on November 6, 2013, and by the Shareholders in their Extraordinary General Meeting held on November 8, 2013, the name of the Company was changed to '*Innovative Infratech Solutions Private Limited*' and a fresh certificate of incorporation dated November 22, 2013 was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, pursuant to a resolution passed by the Board of Directors in its meeting held on November 13, 2023, and by the Shareholders in their extraordinary general meeting held on December 15, 2023, in order to reflect the main business activity of the Company and for better branding, the name of the Company was changed to 'Osel Devices Private Limited' and a fresh certificate of incorporation dated January 16, 2024 was issued by the Registrar of Companies, Delhi and Haryana at Delhi. Further, the Company was converted into a public limited company pursuant to a resolution passed by the Board of Directors in its meeting held on March 15, 2024, and by the Shareholders in an extraordinary general meeting held on March 22, 2024 and consequently the name of the Company was changed to 'Osel Devices Limited' and a fresh certificate of incorporation dated May 2, 2024 was issued by the Registrar of Companies, Central Processing Centre. The corporate identification number of the Company is U72200DL2006PLC152027.

The primary business of the company is to provide Digital Signage Solutions, Healthcare Solutions, Data Storage Products & Fintech to commercial and/or non-commercial ventures, organizations, bodies or association.

#### **1.2 Basis of Preparation of Financial Statements**

The Restated Statement of Assets and Liabilities of the Company as on December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, and the Restated Statement of Profit and Loss and Restated Statements of Cash Flows for the period ended on December 31, 2023 and year ended on March 31, 2023, March 31, 2022 and March 31, 2021 and the annexure thereto (collectively, the "Restated Financial Statements" have been extracted by the management from the Audited Financial Statements of the Company for the period ended on December 31, 2023 and year ended March 31, 2023, March 31, 2022 and March 31, 2021.

The financial statements have been prepared to comply in all material aspects with the applicable generally accepted accounting principles in India, the applicable accounting standards notified under section 133 of the Companies Act, 2013('the Act') Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act (to the extent notified). These financial statements have been prepared under the historical cost convention method on an accrual basis. Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### **1.3 Use of Estimates**

In preparing the financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of financial statements and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognized in the period the same is determined.

## **1.4 Property Plant and Equipments**

### **Tangible Assets**

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

### **Intangible Assets**

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

## **1.5 Depreciation**

### **Tangible Assets**

Depreciation on tangible assets is provided at straight-line method over the useful lives of assets as prescribed in Part C of schedule II of the Companies Act 2013. Depreciation for assets purchase/ sold during a period is proportionately charged.

In respect of additions or extensions forming an integral part of existing assets and insurance spares, including incremental cost arising on account of translation of foreign currency liabilities for acquisition of Fixed Assets, depreciation is provided as aforesaid over the residual life of the respective assets.

### **Intangible Assets**

Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis as prescribed in Part C of Schedule II of the Companies Act 2013.

## **1.6 Revenue Recognition**

Revenue is recognized only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods, services, and sales during trial run period, adjusted for discounts (net), and gain/loss on corresponding hedge contracts.

## **1.7 Employees' Benefits**

Employee benefit liabilities such as salaries, wages and bonus, etc. that are expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at an undiscounted amount expected to be paid when the liabilities are settled.

### **Post Retirement Employee Benefits**

#### **Gratuity**

##### **(a) Defined contribution plans:**

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees. The Company's contribution to defined contribution plans is recognized in the Restated Consolidated Statement of Profit and Loss in the financial year to which they relate.

##### **(b) Defined benefit plans**

Defined Benefit plans are the plans for which the benefits has been defined for the eligible employees which are meant to be paid to them at the time of retirement.

## **1.8 Impairment of Assets**

At each Balance Sheet date, the Company assesses whether there is any indication that assets may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If the carrying amount of the assets exceeds its recoverable amount, the impairment loss is recognized in the Profit and Loss account to the extent the carrying amount exceeds the recoverable amount. After impairment, depreciation is provided on the impaired amount over the remaining useful life of the asset.

In a subsequent accounting period, if there is an indication that an impairment recognized earlier no longer exists or has decreased, the previously recognized impairment loss is reversed. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging the usual depreciation on the asset without any impairment.

## **1.9 Tax Expense**

Tax expense comprises both current and deferred tax. Current tax is determined in accordance with the provisions of Income Tax Act, 1961. The company has incurred loss during the reporting period, No provision for tax were created for the respective reporting period.

The company provides for deferred tax assets/liability based on the tax effect of timing differences resulting from the recognition of items in the financial statements and in estimating its current income tax provision. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the profit and loss Account using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets on unabsorbed depreciation or carry forward losses, if any, are recognized only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits. In all other cases, deferred tax assets are recognized only to the extent there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

## **1.10 Earning Per Share (EPS)**

Basic earning per share is computed by dividing the net profit after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit or loss attributable to equity share holder by weighted average number of equity and equivalent diluted equity share outstanding during the year except where the result would be antidilutive.

## **1.11 Provisions and Contingencies**

A provision is recognized when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions require to settle are reviewed at each Balance Sheet date and are adjusted to reflect the current best estimate of the obligation. A disclosure of contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of obligation cannot be made.

## **1.12 Foreign Currency Transactions**

**a.** Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

**b.** Monetary items denominated in foreign currencies at the yearend are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the yearend rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.

**c.** Non-monetary foreign currency items are carried at cost.

**d.** In respect of integral foreign operations, all transactions are translated at rates prevailing on the date of transaction or that approximates the actual rate at the date of transaction. Monetary assets and liabilities are restated at the yearend rates. **e.** Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss Statement, except in case of long term liabilities, where they relate to acquisition of Fixed Assets, in which case they are adjusted to the carrying cost of such assets.

### **1.13 Inventories**

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any, except in case of by-products which are valued at net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

Cost of raw materials, process chemicals, stores and spares, packing materials, trading and other products are determined on weighted average basis.

### **1.14 Borrowing Cost**

Borrowing costs attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred. Capitalization of borrowing costs is suspended during the extended period in which active development is interrupted. Capitalization of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. Other borrowing costs are charged to statement of profit and loss as and when incurred.

**Note 1 Share capital**

Particulars	As at	As at	As at	As at
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
<b>Authorised</b>				
Number of shares	3,000,000	3,000,000	3,000,000	3,000,000
Equity shares of Rs.10 each	300.00	300.00	300.00	300.00
<b>Issued</b>				
Number of shares	1,861,000	1,861,000	1,861,000	1,361,000
Equity shares of Rs.10 each fully paid up	186.10	186.10	186.10	136.10
<b>Subscribed &amp; Paid up</b>				
Number of shares	1,861,000	1,861,000	1,861,000	1,361,000
Equity shares of Rs.10 each fully paid up	186.10	186.10	186.10	136.10

**a) Rights, preferences and restrictions attached to equity shares**

The Company has only one class of equity shares having a par value of Rs 10/- per share. Each holder of Equity Shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**b) Reconciliation of the number of equity shares outstanding at the beginning and end of the reporting period / year:**

Particulars	As at	As at	As at	As at
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
Balance at the beginning of the period / year	1,861,000.00	1,861,000.00	1,361,000.00	970,000.00
Add: Shares issued during the year			500,000.00	391,000.00
Less: Shares bought back during the year				
Balance at the end of the period / year	<b>1,861,000.00</b>	<b>1,861,000.00</b>	<b>1,861,000.00</b>	<b>1,361,000.00</b>

**c) Details of shareholders holding more than 5 percent of equity shares in the Company:**

Name of Shareholder	As at	As at	As at	As at
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
Rajendra Ravi S Mishra	1,860,990	1,860,990	1,860,986	1,360,990
% Holding	99.999%	99.999%	99.999%	99.999%

**d) Shareholding of Promoters**

**Shares held by promoters at the end of the period**

*As at 31 December 2023*

Promoter's name	No. of Shares	% of total shares	% change during the period
Rajendra Ravi S Mishra	1,860,990	99.999%	0.00%

**Shares held by promoters at the end of the year**

*As at 31 March 2023*

Promoter's name	No. of Shares	% of total shares	% change during the period
Rajendra Ravi S Mishra	1,860,990	99.999%	0.00%

**Shares held by promoters at the end of the year**

*As at 31 March 2022*

Promoter's name	No. of Shares	% of total shares	% change during the period
Rajendra Ravi S Mishra	1,860,986	99.999%	0.00%

**Shares held by promoters at the end of the year**

*As at 31 March 2021*

Promoter's name	No. of Shares	% of total shares
Rajendra Ravi S Mishra	1,360,990	99.999%

**Note 2 Reserves and surplus**

Particulars	As at	As at	As at	As at
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
<b>a) Surplus in Profit and Loss Account</b>				
Balance as per the last financial statements	1,042.90	576.90	364.59	228.95
Add / Less: Profit / (Loss) for the period / year	886.52	466.00	212.31	136.01
Less: Adjustments for Provision for Tax of Previous Year				(0.37)
Balance as per end of the period / year (C)	<b>1,929.42</b>	<b>1,042.90</b>	<b>576.90</b>	<b>364.59</b>
<b>Total</b>	<b>1,929.42</b>	<b>1,042.90</b>	<b>576.90</b>	<b>364.59</b>

**OSEL DEVICES LIMITED**

CIN: U72200DL2006PLC152027

**Annexure V- Notes to Restated Financial Information (continued)**

(Amount in INR lakhs, except for share data unless otherwise stated)

**Note 3 Borrowings** (Refer note \* for terms and security details)**3a Long-term borrowings**

Particulars	As at	As at	As at	As at
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
<b>Secured Loan</b>				
- From Bank and Financial Institution	960.01	843.20	326.15	446.62
Less: Current Maturity of loans	(134.80)	(760.90)	(174.66)	(141.40)
<b>Unsecured Loan</b>				
Bank & NBFC Borrowings	22.54	127.99	-	-
Less: Current Maturity	(22.54)	(121.75)		
	<b>825.21</b>	<b>88.53</b>	<b>151.49</b>	<b>305.22</b>
<b>Total</b>	<b>825.21</b>	<b>88.53</b>	<b>151.49</b>	<b>305.22</b>

**3b Short-term borrowings**

Particulars	As at	As at	As at	As at
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
<b>Secured Loan</b>				
Cash credit limit/LC availed from Bank *	2175.95	736.97	536.72	538.65
Current Maturity of Loans from Banks and Financial	134.80	760.90	174.66	141.40
	<b>2,310.76</b>	<b>1,497.87</b>	<b>711.38</b>	<b>680.05</b>
<b>Unsecured Loan</b>				
Current Maturity of Loans from Banks and Financial	22.54	121.75	-	-
Loan from Directors	90.37	74.13	-	-
	112.91	195.89	-	-
The above amount includes:				
Secured Borrowings	3,135.97	1,580.17	862.87	985.27
Unsecured Borrowings	112.91	202.12	-	-

**\* Terms & Conditions of borrowing**

Borrowings has taken from Indian Bank having rate of interest 10.65% for Occ facility and 9.30% for MSME Lap facility and tenure is 12 month Repayment: on demand for OCC/LC/BG Facility and Repayment period for MSME Lap is 84 Month.

Adhoc facility sanction from Indian Bank having Interest rate 12.65% and Repayment period is 90 Days from date of disbursement.

**\* Securities**

For WC (OCC/ILC/FLC/IBG) is extension of hypothecation of company's entire current assets and movable fixed assets both present & future, valued at latest audited balance sheet.

Primary- Margin=25% of the RSV of the commercial property

1. Commercial property: C/7-01, 7th Floor, Tower-B, I.T. Square, Plot No-21, Sector Knowledge Park - III, Greater Noida, Gautam Budh Nagar, Uttar Pradesh

Collateral-

1. Equitable Mortgage over leasehold commercial property: C/7-01, 7th Floor, Tower-B, I.T. Square, Plot No-21, Sector Knowledge Park - III, Greater Noida, Gautam Budh Nagar, Uttar Pradesh admeasuring 26976 Sq. Ft. standing in the name of M/s Innovative Infratech Solutions Private Limited

2. Equitable Mortgage over leasehold residential property: Flat No. M-1003, 10th Floor, Plot No GH-01, Sector- Omicron-III, Plumeria Garden Estate, Greater Noida, Uttar Pradesh admeasuring 1737 Sq. Ft. with unidentified leasehold rights in the portion of said land underneath the building standing in the name of Mr Rajendra Ravi Shankar Mishra

3. Equitable Mortgage over leasehold residential property: Flat No. B-702, 10th Floor, Plot No GH-01, Sector- Omicron-III, Plumeria Garden Estate, Greater Noida, Uttar Pradesh admeasuring 2350 Sq. Ft with unidentified leasehold rights in the portion of said land underneath the building standing in the name of Mr Rajendra Ravi Shankar Mishra

4. Equitable Mortgage over leasehold residential property: Flat No. T-1901, 10th Floor, Plot No GH-01, Sector- Omicron-III, Plumeria Garden Estate, Greater Noida, Uttar Pradesh admeasuring 2350 Sq. Ft with unidentified leasehold rights in the portion of said land underneath the building standing in the name of Mr Rajendra Ravi Shankar Mishra

5. Equitable Mortgage over commercial property at office: T-9, 2nd Floor, Gorakh Nath Complex, East Boring Canal Road, Mauza- Dhakanpura, P.S. Kotwali, Town and District- Patna, Bihar standing in the name of Ms Jyotsna Jawahar. Pledge of FDR of Rs. 33.00 Lac until the security perfection of the aforementioned property.

Hypothecation of Plant & Machinery (Stipulated as per Bank of Baroda sanction letter dated 14.11.2022) and all other fixed assets of the Company both present & future, valued at WDV as per the latest audited balance sheet except those specifically financed by any other Bank/ FI.

For Term Loan under MSME Lap is Equitable mortgage over leasehold commercial property at C/7-01, 7th floor, Tower-B IT square plot no 21, sector knowledge park III greater Noida, Gautam Budh Nagar, Uttar pradesh admeasuring 26976 Sq ft, standing in the name of M/s Innovative Infratech Solutions Private Limited.

For NFBWC (ILC/FLC/IBG) charge over documents/goods/asset under LC Counter Indemnity for BG Limit. Letter of credit has been obtained against lien on the fixed deposit.



**OSEL DEVICES LIMITED**  
**CIN: U72200DL2006PLC152027**

**Annexure V- Notes to Restated Financial Information (continued)**  
(Amount in INR lakhs, except for share data unless otherwise stated)

**Note 4 Deferred tax liabilities (Net)**

Opening Balance	36.66	28.68	23.89	15.12
Add: Deferred tax Liability during the year	27.64	7.98	4.79	8.77
Less: reversal of DTL		-	-	-
	<u>64.30</u>	<u>36.66</u>	<u>28.68</u>	<u>23.89</u>
<b>Closing Balance of Deferred Tax (Asset)/ Liability</b>	<u>64.30</u>	<u>36.66</u>	<u>28.68</u>	<u>23.89</u>

**Note 5 Long Term Provisions**

Provision for Gratuity	13.26	-	-	-
	<u>13.26</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Note 6**

**STATEMENT OF TRADE PAYABLES**

Particulars	As at			
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
<b>For Goods &amp; Services</b>				
- Micro, small and medium enterprises	-	-	-	-
- Others	3,376.55	1,618.13	1,523.27	511.77
<b>Total</b>	<b>3,376.55</b>	<b>1,618.13</b>	<b>1,523.27</b>	<b>511.77</b>

There are no amounts which are due to micro and small enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" that has been determined on the basis of information available with the Company. Further the Company has not incurred any interest on these outstanding dues.

Particulars	Not due for payment	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 year	2-3 year	More than 3 Year	
MSME	-	-	-	-	-	-
Others	-	3,360.97	15.58	-	-	3,376.55

Particulars	Not due for payment	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 year	2-3 year	More than 3 Year	
MSME	-	-	-	-	-	-
Others	-	1,618.13	-	-	-	1,618.13
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

The trade payables ageing schedule for the period March 31, 2022 is as follows

Particulars	Not due for payment	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 year	2-3 year	More than 3 Year	
MSME	-	-	-	-	-	-
Others	-	1,391.77	-	-	-	1,391.77
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

The trade payables ageing schedule for the period March 31, 2021 is as follows

Particulars	Not due for payment	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 year	2-3 year	More than 3 Year	
MSME	-	-	-	-	-	-
Others	-	511.77	-	-	-	511.77
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

Disclosure as required under the Micro, Small and Medium Enterprises Development Act, 2006, to the extent ascertained, and as per notification number GSR 679 (E) dated 4th September, 2015

Particulars	As at			
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
(a) Amount remaining unpaid to any supplier at the end of each accounting year:				
Principal and interest	-	-	-	-
<b>Total</b>	-	-	-	-
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-	-	-

**OSEL DEVICES LIMITED**  
**CIN: U72200DL2006PLC152027**  
**Annexure V- Notes to Restated Financial Information (continued)**  
*(Amount in INR lakhs, except for share data unless otherwise stated)*

**Note 7**

**STATEMENT OF OTHER CURRENT LIABILITIES**

Particulars	As at			
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
Duties & Taxes Payable	-	-	20.90	10.40
Expenses Payable	26.89	19.82	29.75	20.40
Customer Advances	254.70	-	-	-
Audit Fee Payable	3.60	2.70	2.25	2.25
Other advances				145.00
<b>Total</b>	<b>285.19</b>	<b>22.52</b>	<b>52.90</b>	<b>178.05</b>

**Note 8**

**STATEMENT OF SHORT TERM PROVISIONS**

Particulars	As at			
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
Provision for Income Tax	349.52	213.49	81.45	56.97
Provision for Government Dues	2.89	-	-	-
Provision for Gratuity	0.24	-	-	-
<b>Total</b>	<b>352.66</b>	<b>213.49</b>	<b>81.45</b>	<b>56.97</b>

OSEL DEVICES LIMITED  
CIN: U72200DL2006PLC152027  
Annexure V- Notes to Restated Financial Information (continued)  
(Amount in INR lakhs, except for share data unless otherwise stated)

**Note 9**

**PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS**

**A. PROPERTY, PLANT AND EQUIPMENT**

PARTICULARS	Computer	Furniture and fixtures	Office Equipment	Plant and Machinery	Vehicle	Land & Building	Total
<b>Year ended December 31, 2023</b>							
<b>GROSS CARRYING AMOUNT</b>							
Opening gross carrying amount	46.82	78.60	16.02	605.92	134.87	-	882.22
Additions			1.04		255.48	1,021.84	1,278.36
Disposals/Adjustment	-	-	-	-			-
<b>Closing Gross Carrying Amount</b>	<b>46.82</b>	<b>78.60</b>	<b>17.06</b>	<b>605.92</b>	<b>390.35</b>	<b>1,021.84</b>	<b>2,160.58</b>
<b>ACCUMULATED DEPRECIATION</b>							
Opening accumulated depreciation	38.25	30.97	13.48	125.53	22.12	-	230.36
Depreciation charged during the year	1.57	5.34	0.63	29.35	22.89	11.57	71.35
Disposals/Adjustments	-						-
<b>Closing Accumulated Depreciation</b>	<b>39.82</b>	<b>36.31</b>	<b>14.11</b>	<b>154.89</b>	<b>45.00</b>	<b>11.57</b>	<b>301.70</b>
<b>Net Carrying Amount</b>	<b>6.99</b>	<b>42.29</b>	<b>2.94</b>	<b>451.03</b>	<b>345.35</b>	<b>1,010.27</b>	<b>1,858.88</b>

PARTICULARS	Computer	Furniture and fixtures	Office Equipment	Plant and Machinery	Vehicle		Total
<b>Year ended March 31, 2023</b>							
<b>GROSS CARRYING AMOUNT</b>							
Opening gross carrying amount	39.63	78.60	15.63	526.59	50.08	-	710.52
Additions	7.19		0.39	79.33	84.79		171.70
Disposals/Adjustment							-
<b>Closing Gross Carrying Amount</b>	<b>46.82</b>	<b>78.60</b>	<b>16.02</b>	<b>605.92</b>	<b>134.87</b>	<b>-</b>	<b>882.22</b>
<b>ACCUMULATED DEPRECIATION</b>							
Opening accumulated depreciation	35.56	23.78	12.68	88.20	12.03	-	172.24
Depreciation charged during the year	2.70	7.19	0.81	37.34	10.09		58.12
Disposals/Adjustments	-						-
<b>Closing Accumulated Depreciation</b>	<b>38.25</b>	<b>30.97</b>	<b>13.48</b>	<b>125.53</b>	<b>22.12</b>	<b>-</b>	<b>230.36</b>
<b>Net Carrying Amount</b>	<b>8.56</b>	<b>47.64</b>	<b>2.54</b>	<b>480.38</b>	<b>112.75</b>	<b>-</b>	<b>651.87</b>

PARTICULARS	Computer	Furniture and fixtures	Office Equipment	Plant and Machinery	Vehicle	-	Total
<b>Year ended March 31, 2022</b>							
<b>GROSS CARRYING AMOUNT</b>							
Opening gross carrying amount	39.63	78.60	15.63	526.59	26.45	-	686.90
Additions					23.63		23.63
Disposals/Adjustment							-
<b>Closing Gross Carrying Amount</b>	<b>39.63</b>	<b>78.60</b>	<b>15.63</b>	<b>526.59</b>	<b>50.08</b>	<b>-</b>	<b>710.52</b>
<b>ACCUMULATED DEPRECIATION</b>							
Opening accumulated depreciation	28.06	16.50	10.57	53.89	7.08	-	116.08
Depreciation charged during the year	7.50	7.28	2.11	34.31	4.95		56.15
Disposals/Adjustments	-						-
<b>Closing Accumulated Depreciation</b>	<b>35.56</b>	<b>23.78</b>	<b>12.68</b>	<b>88.20</b>	<b>12.03</b>	<b>-</b>	<b>172.24</b>
<b>Net Carrying Amount</b>	<b>4.07</b>	<b>54.83</b>	<b>2.95</b>	<b>438.39</b>	<b>38.04</b>	<b>-</b>	<b>538.29</b>

**OSEL DEVICES LIMITED**

CIN: U72200DL2006PLC152027

**Annexure V- Notes to Restated Financial Information (continued)***(Amount in INR lakhs, except for share data unless otherwise stated)***Note 9 (continued)**

PARTICULARS	Computer	Furniture and fixtures	Office Equipment	Plant and Machinery	Vehicle	-	Total
<b>Year ended March 31, 2021</b>							
<b>GROSS CARRYING AMOUNT</b>							
Opening gross carrying amount	39.63	78.14	13.91	526.59	31.43	-	689.69
Additions	-	0.46	1.72	-	4.56	-	6.74
Disposals/Adjustment	-	-	-	-	(9.54)	-	(9.54)
<b>Closing Gross Carrying Amount</b>	<b>39.63</b>	<b>78.60</b>	<b>15.63</b>	<b>526.59</b>	<b>26.45</b>	<b>-</b>	<b>686.90</b>
<b>ACCUMULATED DEPRECIATION</b>							
Opening accumulated depreciation	21.15	9.62	8.76	22.00	9.69	-	71.21
Depreciation charged during the year	6.91	6.88	1.81	31.88	3.46	-	50.93
Disposals/Adjustments	-	-	-	-	(6.06)	-	(6.06)
<b>Closing Accumulated Depreciation</b>	<b>28.06</b>	<b>16.50</b>	<b>10.57</b>	<b>53.89</b>	<b>7.08</b>	<b>-</b>	<b>116.08</b>
<b>Net Carrying Amount</b>	<b>11.57</b>	<b>62.11</b>	<b>5.06</b>	<b>472.70</b>	<b>19.37</b>	<b>-</b>	<b>570.81</b>

**Title Deeds of Immovable Property not held in the Name of Company.**

Particular	Relevant Line Item in Balance Sheet	Description of Item of Property	Gross Carrying Value	Title Deeds held in the name of	Whether the title deed holder is a promoter, director or relative of promoter/director or employee of	Property held since which date
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There is no immovable property whose title deeds are not held other than in the name of the company therefore not applicable.

**Benami Property**

There is no proceeding initiated or pending against the company for holding any benami property under Benami Transaction (Prohibition) Act 1988.

**B. INTANGIBLE ASSETS**

There are no intangible assets owned by the company as at 31st March, 2021; 31st March, 2022 ; 31st March 2023 and 31st December 2023

**Note 10**

**STATEMENT OF INVENTORIES**

Particulars	As at			
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
(As taken, valued and certified by the Management)				
(Valued at Cost or Market value, whichever is lower)				
Finished Goods	1,095.09	780.54	421.20	154.14
Raw Material	973.41	726.08	410.93	158.09
Work in Progress	365.03	308.59	195.19	83.00
<b>Total</b>	<b>2,433.52</b>	<b>1,815.21</b>	<b>1,027.31</b>	<b>395.22</b>

**Note 11**

**STATEMENT OF TRADE RECEIVABLES**

Particulars	As at			
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
Trade receivables - unsecured, considered good (exceeding six months)				
-Related Party	-	-	-	-
-Others	24.08	13.12	-	-
Trade receivables - unsecured, considered doubtful (exceeding six months)	-	-	-	-
Trade receivables - unsecured, considered good (less than six months)				
-Related Party	-	-	90.15	-
-Others	4,224.72	1,270.31	1,040.20	701.89
Trade receivables - unsecured, considered doubtful (less than six months)	-	-	-	-
<b>Total</b>	<b>4,248.80</b>	<b>1,283.43</b>	<b>1,130.35</b>	<b>701.89</b>

The trade receivables ageing schedule for the period December 31, 2023 is as follows

Particulars	Less than 6 months	6 Month to 1 year	1-2 years	2-3 years	More than 3	Total
(i) Undisputed trade receivables – considered good	4,224.72	10.96	13.12	-	-	<b>4,248.80</b>
(ii) Undisputed trade receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

The trade receivables ageing schedule for the period March 31, 2023 is as follows

Particulars	Less than 6 months	6 Month to 1 year	1-2 years	2-3 years	More than 3	Total
(i) Undisputed trade receivables – considered good	1,270.31	13.12	-	-	-	<b>1,283.43</b>
(ii) Undisputed trade receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

The trade receivables ageing schedule for the period March 31, 2022 is as follows

Particulars	Less than 6 months	6 Month to 1 year	1-2 years	2-3 years	More than 3	Total
(i) Undisputed trade receivables – considered good	1,130.35	-	-	-	-	<b>1,130.35</b>
(ii) Undisputed trade receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

The trade receivables ageing schedule for the period March 31, 2021 is as follows

Particulars	Less than 6 months	6 Month to 1 year	1-2 years	2-3 years	More than 3	Total
(i) Undisputed trade receivables – considered good	701.89	-	-	-	-	<b>701.89</b>
(ii) Undisputed trade receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

**OSEL DEVICES LIMITED**

CIN: U72200DL2006PLC152027

**Annexure V- Notes to Restated Financial Information (continued)***(Amount in INR lakhs, except for share data unless otherwise stated)***Note 12****STATEMENT OF CASH & CASH EQUIVALENTS**

Particulars	As at			
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
Cash on hand (As Certified by Management)	1.00	0.48	3.06	3.54
Balances with banks				
- In Current Accounts	12.84	34.88	71.80	1.18
- In Fixed Deposit Account	327.79	66.79	455.93	449.33
<b>Total</b>	<b>341.64</b>	<b>102.15</b>	<b>530.79</b>	<b>454.05</b>

**Note 13****STATEMENT OF SHORT- TERM LOANS AND ADVANCES**

Particulars	As at			
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
Security Deposits	122.04	133.47	0.99	-
Other Advances			-	
-Related Parties	244.04	34.39	41.35	-
-Others	194.53	853.96	-	52.45
<b>Total</b>	<b>560.61</b>	<b>1,021.82</b>	<b>42.34</b>	<b>52.45</b>

**Note 14****STATEMENT OF OTHER CURRENT ASSETS**

Particulars	As at			
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
Deposits	-	-	-	17.29
Balance with Revenue Authorities	11.95	23.25	16.13	45.31
Accrued Interest	-	3.94	26.97	19.23
Prepaid Expenses	0.84	-	-	0.39
Advance to Employees	0.13	0.43	-	-
<b>Total</b>	<b>12.91</b>	<b>27.63</b>	<b>43.10</b>	<b>82.22</b>

OSEL DEVICES LIMITED  
CIN: U72200DL2006PLC152027  
Annexure V- Notes to Restated Financial Information (continued)  
(Amount in INR lakhs, except for share data unless otherwise stated)

**Note 15**

**STATEMENT OF REVENUE FROM OPERATIONS**

Particulars	For the period ended 31 December 2023	For the year ended		
		31 March 2023	31 March 2022	31 March 2021
Revenue from sale of Hearing Aid	6,383.25	6,339.03	2,699.24	4,167.75
Revenue from sale of LED and its spare parts	4,223.31	1,849.65	3,825.29	1,576.65
<b>Total</b>	<b>10,606.56</b>	<b>8,188.68</b>	<b>6,524.53</b>	<b>5,744.40</b>

**Note 16**

**STATEMENT OF OTHER INCOME**

Particulars	For the period ended 31 December 2023	For the year ended		
		31 March 2023	31 March 2022	31 March 2021
Interest on deposits	7.41	5.36	26.13	23.32
Duty Drawback	-	-	0.21	0.62
Misc. Income	-	1.54	4.62	0.54
<b>Total</b>	<b>7.41</b>	<b>6.90</b>	<b>30.96</b>	<b>24.48</b>

**Note 17**

**COST OF MATERIAL CONSUMED**

Particulars	For the period ended 31 December 2023	For the year ended		
		31 March 2023	31 March 2022	31 March 2021
<b>Opening Stock</b>				
Stock of raw material, packing material and consumables at the beginning of the year	726.08	410.93	158.09	149.54
Work in Progress	308.59	195.19	83.00	78.51
<b>Add : Purchases and Direct Expenses</b>	<b>9150.82</b>	<b>7,717.04</b>	<b>6,447.02</b>	<b>5,123.13</b>
<b>Closing Stock</b>				
Stock of raw material, packing material and consumables at the beginning of the year	973.41	726.08	410.93	158.09
Work in Progress	365.03	308.59	195.19	83.00
<b>Total</b>	<b>8,847.06</b>	<b>7,288.49</b>	<b>6,081.99</b>	<b>5,110.09</b>

**Note 18**

**PURCHASES OF STOCK IN TRADE**

Particulars	For the period ended 31 December 2023	For the year ended		
		31 March 2023	31 March 2022	31 March 2021
Purchase of Stock in Trade	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Note 19**

**CHANGES IN INVENTORIES OF FINISHED GOODS**

Particulars	For the period ended 31 December 2023	For the year ended		
		31 March 2023	31 March 2022	31 March 2021
<b>Inventories at the end of the year</b>				
<b>Finished Goods</b>	<b>1,095.09</b>	<b>780.54</b>	<b>421.20</b>	<b>154.14</b>
<b>Inventories at the beginning of the year</b>				
<b>Finished Goods</b>	<b>780.54</b>	<b>421.20</b>	<b>154.14</b>	<b>145.80</b>
<b>Net(Increase)/decrease</b>	<b>(314.54)</b>	<b>(359.34)</b>	<b>(267.07)</b>	<b>(8.33)</b>



**OSEL DEVICES LIMITED**  
**CIN: U72200DL2006PLC152027**  
**Annexure V- Notes to Restated Financial Information (continued)**  
*(Amount in INR lakhs, except for share data unless otherwise stated)*

**Note 20**

**EMPLOYEE BENEFITS EXPENSES**

Particulars	For the period ended		For the year ended	
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
a) Salaries and allowances	215.58	157.36	62.89	142.06
b) Staff welfare expenses	1.97	13.47	7.19	6.08
c) Directors Remuneration	45.00	24.00	10.00	10.00
d) Provident Fund	2.48	-	-	-
e) ESIC	0.41	-	-	-
f) Gratuity	13.50	-	-	-
<b>Total</b>	<b>278.95</b>	<b>194.82</b>	<b>80.08</b>	<b>158.14</b>

**Note 21**

**FINANCE COST**

Particulars	For the period ended		For the year ended	
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
Interest on Borrowings & Bank Charges	257.49	113.53	110.03	50.16
<b>Total</b>	<b>257.49</b>	<b>113.53</b>	<b>110.03</b>	<b>50.16</b>

**Note 22**

**DEPRECIATION AND AMORTIZATION**

Particulars	For the period ended		For the year ended	
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
Depreciation	71.35	58.12	56.15	50.93
<b>Total</b>	<b>71.35</b>	<b>58.12</b>	<b>56.15</b>	<b>50.93</b>

**Note 23**

**OTHER EXPENSES**

Particulars	For the period ended		For the year ended	
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
Audit Fees	1.00	3.00	2.25	2.50
Business Facilitaion Expenses	1.97	0.76	0.61	3.21
Clearing, Forwarding and Freight expenses	12.49	5.06	21.37	4.15
Conveance Expenses	9.66	5.83	4.59	0.22
Electricity, Fuel & Water Expenses	10.02	2.94	1.72	2.82
Legal & Professional Consultancy	26.49	21.79	67.86	63.99
Misc. Expenses	3.21	1.87	5.53	3.28
Foreign Exchange Gain & Loss	26.46	58.38	17.51	3.02
Postage Courier & Office Expenses	17.48	13.39	5.39	7.80
Office Maintenance	11.68	1.70	1.64	1.90
Interest, Fees, Fines & Taxes	5.97	-	-	-
Interest on TDS	-	2.22	2.30	-
GST Late Fees	-	0.10	0.23	-
GST Interest	-	0.27	1.21	-
Tender, Tools & Valuation charges	16.60	3.70	-	-
Discount and Contract Delay Charges	1.16	2.13	1.51	10.13
Printing & Stationery	0.54	0.24	0.37	0.32
Insurance Expenses	1.79	9.20	4.15	1.40
Rent, Rate & Taxes	39.92	47.83	40.45	32.62
Repairs and Maintenance charges	5.69	12.91	15.70	11.62
Research & Service charges	-	-	-	11.58
Software & Subscription charges	0.93	0.50	0.21	26.82
Telephone & Internet Expenses	1.07	1.44	0.32	7.45
Tour & Travelling Expenses	15.86	7.98	0.84	11.31
<b>TOTAL</b>	<b>209.99</b>	<b>203.24</b>	<b>195.76</b>	<b>206.14</b>

**PAYMENT TO AUDITORS AS:**

Particulars	For the period ended		For the year ended	
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
Payment to auditors				
- Audit fees	1.00	3.00	2.25	2.50
<b>Total</b>	<b>1.00</b>	<b>3.00</b>	<b>2.25</b>	<b>2.50</b>

NOTES 24

CONTINGENT LIABILITIES

Particulars	For the period ended		For the year ended	
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
TDS Demand	7.03	7.03	5.52	2.32
DVAT Demand 2012-13 to 2017-18	34.71	34.71	34.71	34.71

NOTES 25

VALUE OF IMPORTS CALCULATED ON C.I.F BASIS

COMMITMENTS

Particulars	For the period ended		For the year ended	
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
Capital Commitments	-	-	-	-
<b>Total</b>	-	-	-	-

Note 26

Disclosure pursuant to Accounting Standard - 15 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013

**Defined Benefit Plan:**

The following are the types of defined benefit plans:

**a Gratuity Plan**

15 days salary for every completed year of service. Vesting period is 5 years and payment is restricted to Rs. 20 lacs. The present value of defined obligation and related current cost are measured using the Projected Credit Method with actuarial valuation being carried out at each balance sheet date.

**b Risk Exposure**

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

<b>Interest Rates Risk</b>	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. Thus the plan exposes the Company to the risk of fall in interest rates. Some times, the fall can be permanent, due to a paradigm shift in interest rate scenarios because of economic or fiscal reasons. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements). Even for funded schemes, a paradigm downward shift in bond yields may affect the reinvestment yields and may increase ultimate costs.
<b>Salary Inflation Risk</b>	The present value of the defined benefit plan is calculated with the assumption of salary escalation rate(SER), which is applied to find the salary of plan participants in future, at the time of separation Higher than expected increases in salary will increase the defined benefit obligation and will have an exponential effect.
<b>Demographic Risk</b>	Demographic assumptions are required to assess the timing and probability of a payment taking place. This is the risk of volatility of results due to unexpected nature of decrements that include mortality, attrition, disability and retirement. The effects of this decrement on the DBO depend upon the combination salary increase, discount rate, and vesting criteria and therefore not very straight forward. It is important not to overstate withdrawal rate because the cost of retirement benefit of a short serving employees will be less compared to long service employees.
<b>Actuarial Risk</b>	It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons: <b>Adverse Salary Growth Experience:</b> Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected. <b>Variability in mortality rates:</b> If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate. <b>Variability in withdrawal rates:</b> If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.
<b>Liquidity Risk</b>	Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.

**Note 26 (continued)**

<b>Asset Liability Mismatch:</b>	This will come into play unless the funds are invested with a term of the assets replicating the term of the liability.
<b>Investment Risk:</b>	For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
<b>Market Risk:</b>	Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.
<b>Legislative Risk/Regulatory Risk:</b>	Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation. The new labour code is a case in point. And the same will have to be recognized immediately in the year when any such amendment is effective.

**Notes forming part of the Restated Statement of Assets and Liabilities as at 31st December, 2023**

(Rs. In Lakhs)

**c Reconciliation of the net defined benefit (asset)/ liability**

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its

Particulars	Gratuity
	As on 31.12.2023
Balance for previous years recorded in this year	-
Current and past Service Cost	13.50
Interest Cost on Defined Benefit Obligation	-
Current year Adjustments	-
Actuarial Gain and Losses arising from	-
Changes in demographic assumptions	-
Changes in financial assumptions	-
Experience Adjustment	-
Benefits Paid	-
Balance at the end of the year	13.50

Note : No provision for gratuity was recorded in the earlier years hence, the entire amount has been recognised in the Profit and Loss Account in the current year.

Particulars	Gratuity
	As on 31.12.2023
Balance for previous years recorded in this year	-
Current and Past Service Cost	13.50
Interest Cost	-
Actuarial Gain or Loss	-
Expenses recognized in Statement of Profit &	13.50

Note : No provision for gratuity was recorded in the earlier years hence, the entire amount has been recognised in the Profit and Loss Account in the current year.

**e Actuarial Assumptions**

Particulars	Gratuity
	As on 31.12.2023
<b>Financial Assumptions</b>	
Discount Rate	7.54%
Salary Escalation Rate	6.50%
<b>Demographic Assumptions</b>	
Mortality Rate	(100 % of IALM 2012-14)
Withdrawal Rate	
Grades Rate from Age 30	5.00%
Grades Rate from Age 44	5.00%
Grades Rate from Age 44	5.00%
<b>Note : Retirement Age 60</b>	

f The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**OSEL DEVICES LIMITED**

CIN: U72200DL2006PLC152027

**Annexure V- Notes to Restated Financial Information (continued)***(Amount in INR lakhs, except for share data unless otherwise stated)***NOTE 27****Related Party Disclosures pursuant to Accounting Standard - 18****1. Names of the related parties with whom transaction were carried out during the years and description of relationship:**

- a) Entities owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise:
1. Limitless Mobility Solutions Pvt Ltd
  2. Osel Technology Pvt Ltd
  3. Osel Technology Inc
- b) Key Managerial Personnels:
1. Rajendra Ravi Shanker Mishra, Managing Director
  2. Jyotsna Jawahar, Whole Time Director
  3. Jyotsna Jawahar, CFO (appointed as on 17.01.2024)
  4. Mukesh Kumar Sinha, Whole Time Director (appointed as on 01.12.2023)
  5. Sandeep Kumar, Company Secretary (appointed as on 17.01.2024)
  6. Saurav Upadhyay, Director (appointed as on 16.01.2024)
  7. Hitu Gambhir Mahajan, Director (appointed as on 16.01.2024)
  8. Sreerama Murthy Garuda, Director (appointed as on 16.01.2024)

**2. Transaction with Key Management Personnel/Directors**

Sr. No.	Nature of Transaction	As at			
		31 December 2023	31 March 2023	31 March 2022	31 March 2021
1	<b>Remuneration</b>				
	Rajendra Ravi Shanker Mishra	45.00	24.00	10.00	10.00
2	<b>Purchase</b>				
	Osel Technology Pvt Ltd	2491.08	415.62	-	-
3	<b>Sales</b>				
	Limitless Mobility Solutions Pvt Ltd	-	-	90.15	193.34
4	<b>Loan/Advances Taken</b>				
	Limitless Mobility Solutions Pvt Ltd	-	-	-	407.24
	Rajendra Ravi Shanker Mishra	26.87	83.58	-	-
5	<b>Business Advances Given</b>				
	Limitless Mobility Solutions Pvt Ltd	137.85	-	41.35	-
	Osel Technology Inc	71.84	-	-	-
6	<b>Loan/Advances Repaid</b>				
	Limitless Mobility Solutions Pvt Ltd	-	-	145.00	-
	Rajendra Ravi Shanker Mishra	10.62	9.44	-	-
7	<b>Repayment of Advances given</b>				
	Limitless Mobility Solutions Pvt Ltd	-	6.96	-	-
8	<b>Amount Received from Debtors</b>				
	Limitless Mobility Solutions Pvt Ltd	-	90.15	-	-

**OSEL DEVICES LIMITED**

CIN: U72200DL2006PLC152027

**Annexure V- Notes to Restated Financial Information (continued)***(Amount in INR lakhs, except for share data unless otherwise stated)***NOTE 27 (continued)****3. Balances Outstanding at the end of the Year**

Sr. No.	Particulars	As at			
		31 December 2023	31 March 2023	31 March 2022	31 March 2021
<b>1</b>	<b>Creditors</b>				
	Osel Technology Pvt Ltd	1766.78	406.12	-	-
<b>2</b>	<b>Debtors</b>				
	Limitless Mobility Solutions Pvt Ltd	-	-	90.15	-
<b>3</b>	<b>Advances received</b>				
	Limitless Mobility Solutions Pvt Ltd	-	-	-	145.00
<b>4</b>	<b>Advances given</b>				
	Limitless Mobility Solutions Pvt Ltd	172.23	34.39	41.35	-
	Osel Technology Inc	71.81	-	-	-
<b>5</b>	<b>Loan Taken from Director</b>				
	Rajendra Ravi Shankar Mishra	90.37	74.13	-	-

**NOTE 28****FOREIGN CURRENCY TRANSACTIONS**

Particulars	As at			
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
<b>IMPORT OF GOODS</b>				
INR	5,253.20	6,885.01	3,390.94	1,766.27
USD	6,313,187.03	8,505,268.61	4,476,483.69	2,390,076.87
<b>CREDITORS</b>				
INR	1,830.52	543.86	205.94	50.75
USD	2,199,879.75	671,844.42	272,770.65	68,670.55
<b>EXPORT OF GOODS</b>				
INR	1.65	4.05	19.52	63.08
USD	1,977.26	5,003.09	121,223.55	85,359.30
<b>DEBTORS</b>				
INR	18.32	18.32	17.11	8.16
USD	22,021.31	22,636.11	22,667.43	11,045.20

NOTES 29  
STATEMENT OF TAX SHELTER

Particulars	For the period ended	For the year ended		
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
<b>A</b> Profit before taxes as restated	1,263.68	696.72	298.55	201.75
- Taxable at normal Rate	1,263.68	696.72	298.55	201.75
- Taxable at special Rate	-	-	-	-
<b>B Book profit</b>				
Profit After Tax	886.52	466.00	212.31	136.01
Add : Income tax	386.32	185.93	87.05	56.97
Add: Deferred Tax	27.64	7.98	4.79	-
Book Profit for MAT	1,300.48	659.91	304.15	192.98
<b>C</b> Normal Tax Rate Applicable %	29.12%	27.82%	27.82%	27.82%
MAT Tax Rate	16.69%	16.69%	16.69%	16.69%
Special Tax Rate Applicable %				
<b>D</b> Tax Impact As per Normal Provision(A*C)	367.98	193.83	83.06	56.13
<b>E</b> Tax Impact As per MAT	217.08	110.15	50.77	32.21
<b>F</b> Tax impact Higher of D or E	367.98	193.83	83.06	56.13
<b>G Adjustments:</b>				
Difference in depreciation	(79.81)	(30.69)	(18.42)	(33.74)
36 disallowance	16.40			1.98
35 to 35E, 32AD, 33AB, 33ABA deductions	-	2.32	3.73	-
<b>Total</b>	<b>(63.41)</b>	<b>(28.37)</b>	<b>(14.69)</b>	<b>(31.77)</b>
<b>H</b> Unabsorbed Loss/(Carried Forward Loss Set off)	-	-	-	-
<b>I</b> Net Adjustment (F) = (D+E)	<b>(63.41)</b>	<b>(28.37)</b>	<b>(14.69)</b>	<b>(31.77)</b>
<b>J</b> Tax Expenses/ (Saving) thereon	(18.46)	(7.89)	(4.09)	(8.84)
	349.52	185.93	78.97	47.29
<b>K</b> Other Adjustments	-	36.80	2.48	9.68
<b>L</b> Total tax expenses (H+I)	349.52	222.74	81.45	56.97

OSEL DEVICES LIMITED  
CIN: U72200DL2006PLC152027

**Annexure V- Notes to Restated Financial Information (continued)**

*(Amount in INR lakhs, except for share data unless otherwise stated)*

**STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES AS RESTATED**

Particulars	As at			
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
<b>A</b> Depreciation as per Companies Act, 2013	71.35	58.12	56.15	50.93
<b>B</b> Depreciation as per Income tax Act, 1961	151.15	88.81	74.00	84.67
Difference in WDV (A-B)	79.81	30.69	17.85	33.74
<b>C</b> Deferred Tax (Asset)/ Liability	<b>23.24</b>	<b>7.98</b>	<b>4.64</b>	<b>8.77</b>
Previous year	141.00	110.31	91.90	58.15
<b>D</b> Total	141.00	110.31	91.90	58.15
<b>E</b> Deferred Tax (Asset)/ Liability (E)	<b>41.06</b>	<b>28.68</b>	<b>24.04</b>	<b>15.12</b>
<b>F</b> Total Deferred Tax (Asset)/ Liability (C+E)	64.30	36.66	28.68	23.89
Restated Closing Balance of Deferred Tax (Asset)/ Liability	<b>64.30</b>	<b>36.66</b>	<b>28.68</b>	<b>23.89</b>
Deferred Tax (Assets)/ Liability as per Balance sheet of Previous Year	<b>36.66</b>	<b>28.68</b>	<b>23.89</b>	<b>15.12</b>
Deferred Tax (Assets)/ Liability should be charged to Profit & Loss	<b>27.64</b>	<b>7.98</b>	<b>4.79</b>	<b>8.77</b>

**Notes:**

1. The aforesaid statement of tax shelters has been prepared as per the restated summary statement of profits and losses of the Company. The permanent/timing differences have been computed considering the acknowledged copies of the income-tax return respective years stated above.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**OSEL DEVICES LIMITED****CIN: U72200DL2006PLC152027****Annexure V- Notes to Restated Financial Information (continued)***(Amount in INR lakhs, except for share data unless otherwise stated)***NOTES 30 STATEMENT OF CAPITALISATION**

Particulars	Pre Issue	Post Issue
	31-Dec-23	
		[.]
<b>Debt</b>		
Short Term Debt	2,423.67	
Long Term Debt	825.21	
<b>Total Debt</b>	<b>3,248.88</b>	
<b>Shareholders' Fund (Equity)</b>		
Share Capital	186.10	
Reserves & Surplus	1,929.42	
Less: Miscellaneous Expenses not w/off	-	
<b>Total Shareholders' Fund (Equity)</b>	<b>2,115.52</b>	
<b>Long Term Debt/Equity</b>	<b>0.39</b>	
<b>Total Debt/Equity</b>	<b>1.54</b>	

**Notes:**

1. Short term debts represents the debts which are expected to be paid/payable within 12 months and includes installment of term loans repayable within 12 months.
2. Long term debts represent debts other than Short term debts as defined above but excludes installment of term loans repayable within 12 months grouped under other current liabilities
3. The figures disclosed above are based on restated statement of assets and liabilities of the Company as at 31st, December 2023. Effect of Increase in Capital after 31st December 2023 not taken.



**OSEL DEVICES LIMITED**  
**CIN: U72200DL2006PLC152027**

**Annexure V- Notes to Restated Financial Information (continued)**  
*(Amount in INR lakhs, except for share data unless otherwise stated)*

**Note 31**

**Impact of restatement adjustments**

Below mentioned is the summary of results of restatement adjustments made to the audited financial statements of the respective period/years and its impact on profits.

Particulars	As at			
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
Net profit after tax as per audited financial statements	886.52	502.81	212.31	141.61
<b>Restatement adjustments:</b>				
<b>For changes in Tax Provision</b>	-	(36.80)	-	(5.60)
<b>Total adjustments</b>	-	(36.80)	-	(5.60)
<b>Restated net profit after tax</b>	<b>886.52</b>	<b>466.00</b>	<b>212.31</b>	<b>136.01</b>

**Annexure VI**

**(a) Reconciliation of restated Equity/ Networth**

Particulars	As at			
	31 December 2023	31 March 2023	31 March 2022	31 March 2021
Equity/ Networth as per audited financials	2,131.92	1,265.81	763.00	506.29
<b>Restatement adjustments:</b>	-	-	-	-
<b>Total adjustments</b>	-	(36.80)	-	(5.60)
<b>Restated Equity/ Networth</b>	<b>2,115.52</b>	<b>1,229.01</b>	<b>763.00</b>	<b>500.69</b>
<b>(b) Explanatory notes for the restatement adjustments</b>				

(i) The amount relating to the income/ expenses have been adjusted in the year to which the same relates to and under which head the same related to.

(ii) Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding item of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per audited financials of the company for all the years.

NOTES 32  
RATIO ANALYSIS

Particulars	Numerator	Denominator	31 December 2023	31-Mar-2023	Variance % (Dec23-Mar-23)	Reason for Major Deviation (Dec23-Mar23)
Current Ratio (no. of times)	Current Assets	Current Liabilities	1.18	1.20	-1.49%	NA
Return on Equity Ratio (%)	Net Profits after taxes	Average Shareholder's Equity	26.51%	23.39%	13.31%	NA
Debt-Equity Ratio (no. of times)	Total Borrowings	Shareholder's Equity	1.54	1.45	5.90%	NA
Debt Service Coverage Ratio (no. of times)	Earning before interest, depreciation and taxes	Debt Service	0.59	0.48	23.62%	NA
Trade Receivables turnover ratio (no. of times)	Net Credit Sales	Average trade receivables	3.83	6.78	-43.49%	Due to increase in trade receivables
Trade payables turnover ratio (no. of times)	Net Credit Purchases	Average trade payables	3.64	4.75	-23.30%	NA
Inventory Turnover Ratio (no. of times)	Revenue from Operations	Average Inventory	4.99	5.76	-13.34%	NA
Net capital turnover ratio (no. of times)	Net Sales	Working Capital	9.15	11.66	-21.54%	NA
Net profit ratio (%)	Net Profits after taxes	Net Sales	8.36%	5.69%	46.87%	Due to a higher growth in profit as compared to the growth of sales.
Return on Capital employed (%)	Earning before interest and taxes	Capital Employed	28.36%	26.91%	5.39%	NA

Particulars	Numerator	Denominator	31-Mar-2023	31-Mar-2022	Variance % (Mar-22-Mar-23)	Reason for Major Deviation (Mar-22-Mar-23)
Current Ratio (no. of times)	Current Assets	Current Liabilities	1.20	1.17	2.31%	
Return on Equity Ratio (%)	Net Profits after taxes	Average Shareholder's Equity	23.39%	33.60%	-30.38%	Due to increase in average shareholders fund
Debt-Equity Ratio (no. of times)	Total Borrowings	Shareholder's Equity	1.45	1.13	28.23%	Due to increase in borrowings
Debt Service Coverage Ratio (no. of times)	Earning before interest, depreciation and taxes	Debt Service	0.48	0.57	-15.08%	
Trade Receivables turnover ratio (no. of times)	Net Credit Sales	Average trade receivables	6.78	7.12	-4.73%	
Trade payables turnover ratio (no. of times)	Net Credit Purchases	Average trade payables	4.75	6.21	-23.56%	
Inventory Turnover Ratio (no. of times)	Revenue from Operations	Average Inventory	5.76	9.17	-37.19%	Due to increase in average Inventory
Net capital turnover ratio (no. of times)	Net Sales	Working Capital	11.66	16.11	-27.65%	Increase in working capital caused the ratio to decrease.
Net profit ratio (%)	Net Profits after taxes	Net Sales	5.69%	3.25%	74.88%	Rise in net profits with simultaneous increase in sales caused the ratio to increase.
Return on Capital employed (%)	Earning before interest and taxes	Capital Employed	26.91%	25.13%	7.07%	

Particulars	Numerator	Denominator	31-Mar-2022	31-Mar-2021	Variance % (Mar-22-Mar-21)	Reason for Major Deviation (Mar-22-Mar-21)
Current Ratio (no. of times)	Current Assets	Current Liabilities	1.17	1.18	-0.90%	
Return on Equity Ratio (%)	Net Profits after taxes	Average Shareholder's Equity	33.60%	32.91%	2.12%	
Debt-Equity Ratio (no. of times)	Total Borrowings	Shareholder's Equity	1.13	1.97	-42.53%	Decrease in total borrowings cause the ratio to have drastic increase.
Debt Service Coverage Ratio (no. of times)	Earning before interest, depreciation and taxes	Debt Service	0.57	0.41	36.42%	Rise in EBIDTA with simultaneous increase in Debt service caused the ratio to decline.
Trade Receivables turnover ratio (no. of times)	Net Credit Sales	Average trade receivables	7.12	6.80	4.72%	
Trade payables turnover ratio (no. of times)	Net Credit Purchases	Average trade payables	6.21	4.78	29.94%	Increase in purchase caused the ratio to increase
Inventory Turnover Ratio (no. of times)	Revenue from Operations	Average Inventory	9.17	14.94	-38.59%	Increase in average inventory caused the ratio to decline.
Net capital turnover ratio (no. of times)	Net Sales	Working Capital	16.11	22.18	-27.35%	Increase in working capital caused the ratio to decrease.
Net profit ratio (%)	Net Profits after taxes	Net Sales	3.25%	2.37%	37.44%	rise in net profits with simultaneous increase in sales caused the ratio to increase.
Return on Capital employed (%)	Earning before interest and taxes	Capital Employed	25.13%	16.95%	48.24%	Rise in EBIT with simultaneous increase in capital employed caused the ratio to increase.

**OSEL DEVICES LIMITED**

CIN: U72200DL2006PLC152027

**Annexure V- Notes to Restated Financial Information (continued)***(Amount in INR lakhs, except for share data unless otherwise stated)***NOTES- 33****STATEMENT OF MANDATORY ACCOUNTING RATIOS**

<b>Particulars</b>	<b>31 December 2023</b>	<b>31 March 2023</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
Net Worth (A)	2,115.52	1,229.00	763.00	500.69
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	1,592.51	868.37	464.73	302.84
Restated profit after tax (B)	886.52	466.00	212.31	136.01
Number of equity share outstanding as on the end of year/period - Refer Note 1(C)	1,861,000	1,861,000	1,861,000	1,361,000
Weighted average number of equity shares outstanding during the year/period (D) - Refer Note 1 (Pre Bonus)	1,861,000	1,861,000	1,861,000	1,361,000
Weighted average number of equity shares outstanding during the year/period (E) - Refer Note 1 & 30( Post Bonus)	11,538,200	11,538,200	11,538,200	11,038,200
Current assets (F)	7,597.49	4,250.23	2,773.89	1,685.83
Current liabilities (G)	6,438.07	3,547.90	2,369.00	1,426.84
Basic earning per share (INR) (B/D) (Pre Bonus)	47.64	25.04	11.41	9.99
Diluted earning per share (INR) (B/E) (Pre Bonus)	47.64	25.04	11.41	9.99
Basic earning per share (INR) (B/E) (Post Bonus)	7.68	4.04	1.84	1.23
Diluted earning per share (INR) (B/E) (Post Bonus)	7.68	4.04	1.84	1.23
Return on net worth (%) (B/A)	41.91%	37.92%	27.83%	27.16%
Net asset value per share - (A/C) (Face value of Rs. 10 each) (Pre Bonus)	113.68	66.04	41.00	36.79
Net asset value per share - (A/G) (Face value of Rs. 10 each) (Post Bonus)	18.33	10.65	6.61	4.54
Current ratio (H/I)	1.18	1.20	1.17	1.18

1) The ratios have been computed as below:

(a) Basic earnings per share (Rs.): Net profit after tax, as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year

(b) Diluted earnings per share (Rs.): Net profit after tax, as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year

(c) Return on net worth (%): Net profit after tax, as restated / Net worth at the end of the period or year

(d) Net assets value per share (Rs.) -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year

(e) Net worth has been calculated as sum of Equity Share Capital and Reserves and surplus (*comprising of Securities Premium, Foreign Currency Translation Reserve and Surplus of Profit and Loss Account*)

**OSEL DEVICES LIMITED**  
**CIN: U72200DL2006PLC152027**  
**Annexure V- Notes to Restated Financial Information (continued)**  
*(Amount in INR lakhs, except for share data unless otherwise stated)*

**Note 34**

<b>Key Performance Indicators</b>	<b>December 31, 2023*</b>	<b>March 31, 2023<sup>#</sup></b>	<b>March 31, 2022<sup>#</sup></b>	<b>March 31, 2021<sup>#</sup></b>
<b>Revenue from Operations</b>	<b>10,606.56</b>	<b>8,188.68</b>	<b>6,524.53</b>	<b>5,744.40</b>
<b>Total Income</b>	<b>10,613.97</b>	<b>8,195.58</b>	<b>6,555.49</b>	<b>5,768.88</b>
<b>Gross Profit<sup>(1)</sup></b>	<b>2,074.05</b>	<b>1,259.53</b>	<b>709.61</b>	<b>642.64</b>
<b>Gross Margin<sup>(2)</sup></b>	<b>19.55%</b>	<b>15.38%</b>	<b>10.88%</b>	<b>11.19%</b>
<b>EBITDA<sup>(3)</sup></b>	<b>1,592.51</b>	<b>868.37</b>	<b>464.73</b>	<b>302.84</b>
<b>EBITDA Margin<sup>(4)</sup></b>	<b>15.01%</b>	<b>10.60%</b>	<b>7.12%</b>	<b>5.27%</b>
<b>Profit After Tax for the Year ("PAT")<sup>(5)</sup></b>	<b>886.52</b>	<b>466.00</b>	<b>212.31</b>	<b>136.01</b>
<b>PAT Margin<sup>(6)</sup></b>	<b>8.36%</b>	<b>5.69%</b>	<b>3.25%</b>	<b>2.37%</b>
<b>ROE<sup>(7)*</sup></b>	<b>26.51%</b>	<b>23.39%</b>	<b>33.60%</b>	<b>32.91%</b>
<b>ROCE<sup>(8)*</sup></b>	<b>28.36%</b>	<b>26.91%</b>	<b>25.13%</b>	<b>16.95%</b>
<b>Net Debt/ EBITDA<sup>(9)</sup></b>	<b>1.83</b>	<b>1.93</b>	<b>0.71</b>	<b>1.75</b>

\*Not Annualized

**1** Gross Profit is calculated as Revenue from Operations less Purchases of stock-in-trade and changes in inventories of finished goods, work-in-progress and stock-in-trade

**2** Gross Margin is calculated as Gross Profit divided by Revenue from Operations

**3** EBITDA is calculated as restated profit before tax plus finance costs, depreciation and amortisation expense less other income

**4** EBITDA Margin is calculated as EBITDA divided by Revenue from Operations

**5** Profit after tax for the year means the profit for the year as appearing in the Restated Financial Information

**6** PAT Margin is calculated as restated profit for the year divided by Revenue from Operations.

**7** Return on Equity (%) is calculated as restated profit for the year divided by average total equity

**8** Return on Capital Employed (%) is calculated as EBIT divided by Capital Employed

**9** Net Debt/EBITDA, Net debt is Total Borrowings less Cash and bank balances

**OSEL DEVICES LIMITED**  
**CIN: U72200DL2006PLC152027**

**Annexure V- Notes to Restated Financial Information (continued)**

*(Amount in INR lakhs, except for share data unless otherwise stated)*

**NOTES 35**

**SUBSEQUENT EVENTS**

The Board of Directors of the Company in the Board meeting dated February, 20 2024 and Shareholders of the company in the Extra Ordinary General Meeting dated February 20,2024 have approved the allotment of 96,77,200 equity shares of the company of face value Rs.10/- each as bonus equity shares credited as fully paid up, to the eligible shareholders of the company holding equity shares of Rs. 10/-whose name appears in the register of members/Beneficial Owners' position of the company on the record date in the ratio of 52:10 equity shares held on the record date, and the bonus issue is made out of free reserves as per the audited books of accounts of the company for the financial year ended 31st March 2023. (Refer Note 33 for impact on EPS)

**NOTES 36**

**SEGMENT REPORTING**

The company operates in one vertical only and the criteria for segment as specified in AS-17 is not satisfied. Therefore,segment reporting is not done.  
No other operating segments have been aggregated to form the above reportable operating segments as per the criteria specified in the AS-17

**NOTES 37**

**OTHER RELEVANT DISCLOSURES**

**Additional regulatory information required by Schedule III of Companies Act, 2013:**

- A. Balance of Debtors & Creditors & Loans & advances Taken & giving are subject to confirmation and subject to consequential adjustments, if any. Debtors & creditors balance has been shown separately and the advances received and paid from/to the parties is shown as advance from customer and advance to suppliers.
- B. The company has no transactions, which are not recorded in the books of accounts and which are surrendered or disclosed as income during the year in the tax assessment or in search or survey or under any other relevant provision of the Income Tax Act, 1961.
- C. The Company has not traded or invested in crypto currency or virtual currency for nine month period ended December 31, 2023 and the year ended March 2023, March 2022 and March 2021.
- D. The Company do not had any transaction for nine month period ended December 31, 2023 and the year ended March 2023, March 2022 and March 2021 with the companies which are struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- E. The company has not been declared as willful defaulter by any bank or from any other lender for nine month period ended December 31, 2023 and the year ended March 2023, March 2022 and March 2021.
- F. The company has registered all the charges which are required to be registered under the terms of the loan and liabilities and submitted Documents with ROC within the period as required by Companies Act, 2013.
- G. As per the information & detail available on records and the disclosure given by the management, the company has complied with the number of layers prescribed under clause (87) of section 2 of the companies act read with the Companies (Restriction on number of layers) Rules 2017.
- H. As per the Information & details available on records and the disclosure given by the management, the company has not advanced, loaned or invested to any other person or entity or foreign entities with the understanding that the intermediary shall directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the company or provided any guarantee, security or like to or on behalf of the company. Further the company has not received any funds from any person, entity including the foreign entity with the understanding that the company shall directly or indirectly lend, invest or guarantee, security or like manner on behalf of the funding party.
- I. Compliance with approved scheme(s) of arrangements: The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- J. The said provisions of Corporate Social Responsibility under section 135 of Companies Act, 2013 are not applicable to the company.

**For Kumar Samantaray & Associates**  
**Chartered Accountants**  
**Firm Registration No: 020310N**

**For OSEL DEVICES LIMITED**  
**Formerly known as (Innovative Infratech Solutions Private Limited)**

**Rajesh Kumar**  
**Partner**  
**Membership Number: 504344**  
**Place: Delhi**  
**Date: June 18, 2024**  
**UDIN: 24504344BKAQRV5239**

**Rajendra Ravi S.Mishra**  
**Managing Director**  
**DIN: 01628136**

**Jyotsna Jawahar**  
**Whole-Time Director & CFO**  
**DIN: 08278091**

**Sandeep Kumar**  
**Company Secretary**

## OTHER FINANCIAL INFORMATION

### Accounting ratios

The accounting ratios derived from Restated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below:

Particulars	(₹ in lakhs)			
	Nine months period ended December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Net Worth (A)	2,115.52	1,229.00	763.00	500.69
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	1,592.51	868.37	464.73	302.84
Restated profit after tax (B)	886.52	466.00	212.31	136.01
Number of equity share outstanding as on the end of year/period - Refer Note 1(C)	1,861,000	1,861,000	1,861,000	1,361,000
Weighted average number of equity shares outstanding during the year/period (D) - Refer Note 1 (Pre Bonus)	1,861,000	1,861,000	1,861,000	1,361,000
Weighted average number of diluted equity shares outstanding during the year/period (E) - Refer Note 1 (Pre Bonus)	1,861,000	1,861,000	1,861,000	1,361,000
Weighted average number of equity shares outstanding during the year/period (E) - Refer Note 1 & 30 (Post Bonus)	11,538,200	11,538,200	11,538,200	11,038,200
Current assets (F)	7,597.49	4,250.23	2,773.89	1,685.83
Current liabilities (G)	6,438.83	3,547.90	2,369.00	1,426.84
Basic earning per share (INR) (B/D) (Pre Bonus)	47.64	25.04	11.41	9.99
Diluted earning per share (INR) (B/D) (Pre Bonus)	47.64	25.04	11.41	9.99
Basic earning per share (INR) (B/E) (Post Bonus)	7.68	4.04	1.84	1.23
Diluted earning per share (INR) (B/E) (Post Bonus)	7.68	4.04	1.84	1.23
Return on net worth (%) (B/A)	41.91%	37.92%	27.83%	27.16%
Net asset value per share - (A/C) (Face value of Rs. 10 each)(Pre Bonus)	113.68	66.04	41.00	36.79
Net asset value per share - (A/G) (Face value of Rs. 10 each)(Post Bonus)	18.33	10.65	6.61	4.54
Current ratio (H/I)	1.18	1.20	1.17	1.18

For further details, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 227.

### Other financial statements

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements of our Company for the nine months period ended December 31, 2023 and for the Fiscals 2023, 2022 and 2021 (“**Audited Financial Statements**”), respectively, are available on our website at [www.oseldevices.com](http://www.oseldevices.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 of our Company and the reports thereon do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. The Audited Financial Statements and the reports thereon should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company or any entity in which our Shareholders have significant influence 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, 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.

## FINANCIAL INDEBTEDNESS

Our Company has availed loans in the ordinary course of its business for the purposes of working capital and other business requirements.

Our Company has obtained the necessary consent required under the loan agreements entered into in connection with and for undertaking activities in relation to the Offer, including effecting a change in our capital structure, change in our shareholding pattern, change in our constitutional documents including amending the Memorandum of Association and Articles of Association of our Company, change in the management or board composition, as applicable.

### SECURED BORROWINGS

As on March 31, 2024, we have availed secured loans of which the total outstanding amount secured loan is ₹ 2,300.73 lakhs as of date, the details of which are as under:

Sr. No.	Lender and Purpose	Date of Sanction	Amount Sanctioned (in ₹ Lakhs)	Amount Outstanding (ason March 31, 2024) (in ₹ Lakhs)	Rate of Interest/ Commission	Tenure / Tenor	Security
<b>1.</b>	<b>Indian Bank</b>						
	OCC- IND SME Secure	June 30, 2023	1,720	1,606.15	Repo + 4.15%	12 months	<b>Primary For Term Loan under MSME LAP:</b> Equitable Mortgage over leasehold commercial property at C/ 7- 01. Seventh Floor. Tower-B. I.T. Square, Plot No-21, Sector Knowledge Park- III, Greater Noida, Gautam Budh Nagar, Uttar Pradesh admeasuring 26976 Sq. Ft. standing in the name of M/s Innovative Infratech Solutions Private Limited  <b>For WC (OCC/ILC/FLC/IBG (Performance):</b> Hypothecation of the Company's entire current assets and movable fixed assets both present & future, valued at latest audited balance sheet  <b>For NFBWC (ILC/FLC/IBG (Performance) except stipulated margin:</b> Charge over documents/goods/assets under LC Counter Indemnity for BG Limit  <b>COLLATERAL</b> Equitable Mortgage over leasehold commercial property at C/ 7- 01, Seventh Floor, Tower-B, I.T. Square, Plot No-21, Sector Knowledge Park- III, Greater Noida, Gautam Budh Nagar,
	ILC		(400)	-	-		
	IBG		(100)	-	-		
	Term Loan-MSME Lap		700	645.17	Repo + 2.80%	84 months	
	Forward Cover @ CCF of 2%		CCF – 10 (Limit – 500)	-	Repo + 2.80%		

Sr. No.	Lender and Purpose	Date of Sanction	Amount Sanctioned (in ₹ Lakhs)	Amount Outstanding (ason March 31, 2024) (in ₹ Lakhs)	Rate of Interest/ Commission	Tenure/ Tenor	Security
							<p>Uttar Pradesh admeasuring 26976 Sq. Ft. standing in the name of M/s Innovative Infratech Solutions Private Limited</p> <p>Equitable Mortgage over leasehold residential property/ Flat No. M-1003. situated on the Tenth Floor admeasuring 1737 Sq. Ft. in the "Plumeria Garden Estate", Plot No GH- 01, Sector-Omicron- III, Plumeria Garden Estate. Greater Noida, Uttar Pradesh along with unidentified leasehold rights in the portion of said land underneath the building standing in the name of Mr Rajendra Ravi Shanker Mishra.</p> <p>Equitable Mortgage over leasehold residential property/ Flat No. T-1901, situated on the Nineteenth Floor admeasuring 2350 Sq. Ft. in the "Plumeria Garden Estate", Plot No GH- 01, Sector-Omicron- III, Plumeria Garden Estate, Greater Noida, Uttar Pradesh along with unidentified leasehold rights in the portion of said land underneath the building standing in the name of Mr Rajendra Ravi Shanker Mishra</p> <p>Equitable Mortgage over commercial property at Office T-9, Second Floor. Gorakh Nath Complex, East Boring Canal Road, Mauza-Dhakanpura, P.S. Kotwali, Town and District- Patna, Bihar standing in the name of Ms Jyotsna Jawahar.</p> <p>Hypothecation of Plant &amp; Machinery (Stipulated as per Bank of Baroda sanction letter dated 14.11.2022) and all other fixed assets of the Company both present &amp;</p>



Sr. No.	Lender and Purpose	Date of Sanction	Amount Sanctioned (in ₹ Lakhs)	Amount Outstanding (ason March 31, 2024) (in ₹ Lakhs)	Rate of Interest/ Commission	Tenure/ Tenor	Security
							<p>future, valued at WDV as per the latest audited balance sheet except those specifically financed by any other Bank/ FI</p> <p>Hypothecation of the Company's entire current assets and movable fixed assets both present &amp; future, valued at latest audited balance sheet (balance available after 100% coverage for WC Limits, i.e., Rs. 17.20 Cr)</p> <p>Pledge of recurring deposit of Rs. 3.00 Lac per month accumulated for a period of 7 months out of stipulated 12 months as per Bank of Baroda last sanction dated 14.11.2022 taken over at face value, the residual period of 5 months excluded and in lieu of the same, additional comfort taken as under: Pledge of recurring deposit of Rs. 5.00 Lac per month for a continuous period of 60 months</p> <p><b>Personal Guarantee:</b> Mr. Rajendra Ravi Shanker Mishra Mrs. Jyotsna Jawahar</p>
<b>Total</b>			<b>2,430</b>	<b>2,251.32</b>			
<b>2.</b>	<b>Bank of Baroda</b>						
	Vehicle Loan	May 17, 2023	44.00	40.08	9.50%	84 months	<p><b>Primary</b> Hypothecation of vehicle TOYOTA KIRLOSKAR MOTOR PRIVATE LIMITED Fortuner valued at Rs. 48,95,830.00</p> <p><b>Personal Guarantee:</b> Mr. Rajendra Ravi Shanker Mishra Mrs. Jyotsna Jawahar</p>
<b>3.</b>	<b>HDFC Bank Limited</b>						
	Vehicle Loan	July 31, 2021	28.50	9.34	7.65%	59 months	The Company hypothecates to and charges in favour of the Bank by way of first and exclusive charge of the Vehicle Audi Q2 40 TFSI Premium Plus 2 as security

Sr. No.	Lender and Purpose	Date of Sanction	Amount Sanctioned (in ₹ Lakhs)	Amount Outstanding (ason March 31, 2024) (in ₹ Lakhs)	Rate of Interest/ Commission	Tenure / Tenor	Security
							for the repayment / payment by the company of the loan granted or to be granted to the Company by the Bank together with all fees, interest, costs and expenses incurred / to be incurred by the Bank and all other monies payable or to become payable by the Company to the Bank
<b>4.</b>	<b>Axis Bank Limited</b>						
	Vehicle Loan	September 30, 2023	177.22	165.48	9.65%	61 months	Vehicle- Range Rover
<b>5.</b>	<b>Toyota Financial Services India Limited</b>						
	Vehicle Loan	September 27, 2022	85.00	62.85	8.10%	60 months	Vehicle- Toyota Vellfire
<b>6.</b>	<b>ICICI Bank Limited</b>						
	Vehicle Loan	December 26, 2019	9.70	1.93	9.00%	60 months	Vehicle- Mahindra Marazzo

#### UNSECURED BORROWINGS

As on March 31, 2024, we have availed unsecured loans of which the total outstanding amount is 8.63 lakhs as March 31, 2024 are as under:

Sr. No.	Nature of Facilities	Tenure	Rate of interest	Sanctioned Amount (₹ In lakhs)	Amount outstanding as on March 31, 2023 (₹ In lakhs)
1	Bajaj Finserv	48 months	17.5%	32.06	8.63
	<b>Total</b>				<b>8.63</b>

## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS**

*The following discussion is intended to convey management's perspective on our financial condition and results of operations for the period ended December 31, 2023 and for the financial years ended March 31, 2023, 2022 and 2021. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled "Financial Statements" and the chapter titled "Financial Statement" on page 188 of the Draft Red Herring Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "Risk Factors" on page 26 of this Draft Red Herring Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer the chapter titled "Forward-Looking Statements" on page 18 of this Draft Red Herring Prospectus. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12-month period ended March 31 of that year.*

*In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Osel Devices Limited, our Company. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for year ended December 31, 2023 and for the financial years ended March 31, 2023, 2022 and 2021 included in this Draft Red Herring Prospectus beginning on page 188 of this Draft Red Herring Prospectus.*

### **BUSINESS OVERVIEW**

Osel is driven by a passion for innovation and a commitment to excellence. As a one of the leading provider of cutting-edge technology solutions, Osel specialize in creating transformative products that empower individuals, businesses, and communities to thrive in a rapidly evolving digital world. Our Company manufacture a comprehensive range of LED display systems and the latest hearing aids, including all major components, at our ultra-modern plant. Osel state-of-the-art manufacturing plant in Greater Noida was inaugurated by Union Minister Shri Pratap Sarangi.

We manufacture comprehensive range of LED display systems. We are equipped with software and hardware capabilities. Our LED display systems are enabled with content management system which allows it to connect to phone or computer and display on screen. Equipped with the latest technology and adhering to rigorous quality control standards, we produce a wide range of high-performance components and systems. This vertical integration ensures consistency and excellence in every product we deliver. The LED display systems manufactured by us have been used by corporate for commercial usage such as advertising media, billboards, corporate meeting rooms, presentations, display promotions, command control centre and front sign boards.

We also manufacture latest hearing aids commonly known as assisted healthcare devices. Our hearing aid are designed to support individuals with disabilities, elderly person and chronic patients, who are having low hearing level, in performing everyday activities more effectively to enhance quality of life. Our major customer for hearing aid is Artificial Limbs Manufacturing Corporation of India. We manufacture Digital Programmable and Non-Programmable Hearing Aids.

Our Company has manufacturing and assembling setup in Greater Nodia at Signature Tower, 1st Floor Plot No 3, Sector Knowledge Park-III, Sector 34, Gautam Buddha Nagar, Noida – 201 307, Uttar Pradesh, India.

Our manufacturing facility in Greater Noida is having production capacity of 15,000 square feet of LED display per annum and 4,00,000 units of Hearing Aid per annum. The manufacturing plant is equipped with Modern Equipment, ensures Quality Control, follows Sustainable Practices and is an Innovation Hub for us. Our manufacturing units consists of two separate line for design, manufacturing and assembling of LED display systems and the latest hearing aids, and R&D facility.

To ensure that we supply quality products which meet the applicable standards, we have set up a Research and Development facility ("R&D facility"), which consists of our quality assurance and quality control teams who check and conduct various tests in our 'in-house laboratory' on the raw materials and our products at various stages starting from receiving of raw materials to the finished products manufactured by us.

For detailed information on the business of our Company please refer to "Our Business" beginning on page numbers 124 of this Draft Red Herring Prospectus.

### **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST AUDITED FINANCIALS**

After the date of last Audited accounts i.e. December 31, 2023, the Directors of our Company confirm that, there have not been any significant material developments.

## FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factor*” beginning on page 26 of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Our commercial success is largely dependent upon our ability to develop and design innovative products suitable for the requirements of our customers. Our inability to effectively utilize and manage our ability to develop and design innovative products would impact our business, revenue and profitability.
- Our Company is reliant on the demand from the healthcare industry for a significant portion of our revenue. Any downturn in the healthcare industry or an inability to increase or effectively manage our sales could have an adverse impact on our Company’s business and results of operations.
- The commercial success of our products depends to a large extent on the success of the products of our end use customers. If the demand for the end use products in which our products are used as a raw materials declines, it could have a material adverse effect on our business, financial condition and results of operations.
- We depend on a few customers of our products, for a significant portion of our revenue, and any decrease in revenues or sales from any one of our key customers may adversely affect our business and results of operations.

We generate our major portion of sales from our operations in certain geographical regions. Any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.

## DISCUSSION ON RESULT OF OPERATION

### *Our Significant Accounting Policies*

For Significant accounting policies please refer Significant Accounting Policies, under Chapter titled “*Restated Financial Statements*” beginning on page 188 of the Draft Red Herring Prospectus.

### *Overview of Revenue & Expenditure*

Our revenue and expenses are reported in the following manner:

#### Revenues

##### ◆ Revenue of operations

Our Company’s revenue is primarily generated from:

- Sale of LED and its spare parts; and
- Sale of Hearing Aids

##### ◆ Other Income

Our other income mainly consists of Interest on deposits, Duty Drawback and misc. income.

The below table show our revenue for the period ended December 31, 2023 for the fiscal 2023, 2022 and 2021:

(₹ In Lakhs)

Particulars	For the period ended December 31, 2023	For the period ended		
		March 31, 2024	March 31, 2023	March 31, 2022
<b>Income</b>				
Revenue from Operations	10,606.56	8,188.68	6,524.53	5,744.40
% of total revenue	99.93%	99.92%	99.53%	99.58%
Other income	7.41	6.90	30.96	24.48

% of total revenue	0.07%	0.08%	0.47%	0.42%
<b>Total Revenue</b>	<b>10,613.97</b>	<b>8,195.58</b>	<b>6,555.49</b>	<b>5,768.88</b>

## Expenditure

Our total expenditure primarily consists of Cost of Material Consumed, Changes in Inventories of Finished Goods, Employee Benefit Expenses, Finance Cost, Depreciation & Amortization and Other Expenses.

### ◆ Cost of Raw Material Consumed

This represents purchases related to raw material, packing material and consumables and other direct expenses.

### ◆ Changes in Inventories of Finished Goods

This represents changes in inventories of finished goods.

### ◆ Employment Benefit Expenses

It includes salaries and allowances, directors' remuneration, contributions to welfare funds, provision for gratuity and other expenses.

### ◆ Other Expenses

It includes Audit Fees, Business Facilitation Expenses, Clearing, Forwarding and Freight expenses, Conveyance Expenses, Electricity, Fuel & Water Expenses, Legal & Professional Consultancy, Misc. Expenses, Foreign Exchange Gain & Loss, Postage Courier & Office Expenses, Office Maintenance, Interest, Fees, Fines & Taxes Interest on TDS, GST Late Fees, GST Interest, Tender, Tools & Valuation charges, Discount and Contract Delay Charges, Printing & Stationery, Insurance Expenses, Rent, Rate & Taxes, Repairs and Maintenance charges, Research & Service charges, Software & Subscription charges, Telephone & Internet Expenses, and Tour & Travelling Expenses.

### ◆ Finance Costs

Our finance costs mainly include interest on borrowing and bank charges.

### ◆ Depreciation

Depreciation includes depreciation and amortization.

## RESULTS OF OUR OPERATION

(₹ In Lakhs)

Particulars	31-Dec-23	31-Mar-23	31-Mar-22	31-Mar-21
<b>Incomes:</b>				
Revenue from Operations	10,606.56	8,188.68	6,524.53	5,744.40
% of total revenue	99.93%	99.92%	99.53%	99.58%
% Increase/(Decrease)	-	25.51%	13.58%	-
Other income	7.41	6.90	30.96	24.48
% of total revenue	0.07%	0.08%	0.47%	0.42%
% Increase/(Decrease)	-	-77.71%	26.47%	-
<b>Total Revenue</b>	<b>10,613.97</b>	<b>8,195.58</b>	<b>6,555.49</b>	<b>5,768.88</b>
% Increase/(Decrease)	29.51%	25.02%	13.64%	-
<b>Expenses:</b>				
Cost of Material Consumed	8,847.06	7,288.49	6,081.99	5,110.09
% of total revenue	83.35%	88.93%	92.78%	88.58%
% Increase/(Decrease)	-	19.84%	19.02%	-
Changes in Inventories of Finished Goods, and Stock-in-Trade	(314.54)	(359.34)	(267.07)	(8.33)
% of total revenue	(2.96%)	(4.38%)	(4.07%)	(0.14%)
% Increase/(Decrease)	-	34.55%	3104.41%	-

Particulars	31-Dec-23	31-Mar-23	31-Mar-22	31-Mar-21
Employee Benefit expenses	278.95	194.82	80.08	158.14
% of total revenue	2.63%	2.38%	1.22%	2.74%
% Increase/(Decrease)	-	143.29%	-49.36%	-
Other Expenses	209.99	203.24	195.76	206.14
% of total revenue	1.98%	2.48%	2.99%	3.57%
% Increase/(Decrease)	-	3.82%	-5.03%	-
<b>Total Expense</b>	<b>9,021.46</b>	<b>7,327.21</b>	<b>6,090.76</b>	<b>5,466.04</b>
% of total revenue	85.00%	89.40%	92.91%	94.75%
% Increase/(Decrease)	-	20.30%	11.43%	-
<b>Profit before Interest, Depreciation and Tax</b>	<b>1,592.51</b>	<b>868.37</b>	<b>464.73</b>	<b>302.84</b>
% of total revenue	15.00%	10.60%	7.09%	5.25%
Depreciation and amortization Expenses	71.35	58.12	56.15	50.93
% of total revenue	0.67%	0.71%	0.86%	0.88%
% Increase/(Decrease)	-	3.51%	10.25%	-
<b>Profit before Interest and Tax</b>	<b>1,521.17</b>	<b>810.25</b>	<b>408.58</b>	<b>251.91</b>
% of total revenue	18.56%	9.89%	6.23%	4.37%
Financial Cost	257.49	113.53	110.03	50.16
% of total revenue	2.43%	1.39%	1.68%	0.87%
% Increase/(Decrease)	-	3.18%	119.36%	-
<b>Profit before Tax and Extraordinary Expenses</b>	<b>1,263.68</b>	<b>696.72</b>	<b>298.55</b>	<b>201.75</b>
% of total revenue	11.91%	8.50%	4.55%	3.50%
Extraordinary Expenses	-	-	-	-
% of total revenue	-	-	-	-
% Increase/(Decrease)	-	-	-	-
<b>Restated Profit/(Loss) before tax</b>	<b>1,263.68</b>	<b>696.72</b>	<b>298.55</b>	<b>201.75</b>
% of total revenue	11.91%	8.50%	4.55%	3.50%
% Increase/(Decrease)	81.38%	133.36%	47.98%	-
<b>Tax expenses/(income)</b>				
Current Tax	349.52	222.73	81.45	56.97
Deferred Tax	27.64	7.98	4.79	8.77
<b>Total tax expenses</b>	<b>377.16</b>	<b>230.71</b>	<b>86.24</b>	<b>65.74</b>
% of total revenue	3.55%	2.82%	1.32%	1.14%
<b>Restated profit/(loss) after Tax</b>	<b>886.52</b>	<b>466.00</b>	<b>212.31</b>	<b>136.01</b>
% of total revenue	8.35%	5.69%	3.24%	2.36%
% Increase/(Decrease)	(90.24)%	119.49%	56.11%	-

\* includes other income

### Segment-wise Revenue Breakup

(₹ in lacs)

Segments	December 31, 2023		March 31, 2023		March 31, 2022		March 31, 2021	
	(₹ in lakhs)	As a % of total Revenue	(₹ in lakhs)	As a % of total Revenue	(₹ in lakhs)	As a % of total Revenue	(₹ in lakhs)	As a % of total Revenue
Revenue from Hearing Aids	6,383.25	60.18%	6,339.03	77.41%	2,699.24	41.37%	4,167.75	72.55%
Revenue from LED Display	4,223.31	39.82%	1,849.65	22.59%	3,825.29	58.63%	1,576.65	27.45%
<b>Total</b>	<b>10,606.56</b>	<b>100.00%</b>	<b>8,188.68</b>	<b>100.00%</b>	<b>6,524.53</b>	<b>100.00%</b>	<b>5,744.40</b>	<b>100.00%</b>

Our income is dependent upon few major customers, details of the same are as following:

(₹ in lacs)

Particulars	December 31, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount	Percentage (%)	Amount	Percentage (%)	Amount	Percentage (%)	Amount	Percentage (%)
Top 10 customers	9,832.68	92.70%	7,687.99	93.89%	6,391.50	97.96%	5,577.13	97.09%

Particulars	December 31, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount	Amount	Amount	Percentage (%)	Amount	Percentage (%)	Amount	Percentage (%)
Top 5 customers	8,729.47	82.30%	6,447.18	78.73%	5,743.48	88.03%	5,060.36	88.09%

### Export Sales

(₹ in lacs)

Country	December 31, 2023		2023		2022		2021	
	Value	%	Value	%	Value	%	Value	%
Mauritius	-	-	0.30	0.00%	210.32	3.22%	44.70	0.78%
Germany	-	-	-	-	-	-	15.96	0.28%
Colombia	-	-	-	-	-	-	1.45	0.03%
Italy	-	-	-	-	-	-	0.57	0.01%
Oman	-	-	-	-	-	-	0.41	0.01%
Belgium	1.64	0.02%	-	-	-	-	-	-
<b>Total Sales</b>	<b>1.64</b>	<b>0.02%</b>	<b>0.30</b>	<b>0.00%</b>	<b>210.32</b>	<b>3.22%</b>	<b>63.08</b>	<b>1.10%</b>

### Capacity Utilization

(₹ in lacs)

Financial Year	Hearing Aid			LED Display System		
	Installed Capacity (in Units PA)	Utilized Capacity (in Units PA)	Percentage of utilization (%)	Installed Capacity (in SQFPA)	Utilized Capacity (in SQFPA)	Percentage of utilization (%)
2020-21	4,00,000	97,637	24.41	15,000	3,700	24.67
2021-22	4,00,000	42,380	10.60	15,000	4,900	32.67
2022-23	4,00,000	1,14,298	28.57	15,000	6,200	41.33
December 31, 2023	3,00,000	95,186	31.73	11,250	5,025	44.67

## REVIEW OF OPERATIONS FOR THE PERIOD ENDED DECEMBER 31, 2023

### Income from Operations

Our revenue from operations for the period ended December 31, 2023 was ₹ 10,606.56 Lakhs which was about 99.93% of the total revenue and which comprises of revenue from sale of LED display, its spare parts and Hearing Aid. During the period ended December 31, 2023, our Company has manufactured 5,025 sq.ft. of LED display and 95,186 hearing aids as against 4,650 sq.ft. of LED displays and 85,723 hearing aids for the corresponding period ended during previous year. The Company has also achieved better price relation during the period ended December 31, 2023 as compared to previous year. This has resulted in increased revenue.

### Other Income

Our other income for the period ended December 31, 2023 was ₹ 7.41 Lakhs which was about 0.07% of the total revenue and which includes interest on deposits, Duty Drawback and misc. income.

### Expenditure

#### Cost of Material Consumed

The Cost of materials consumed for the period ended December 31, 2023 were ₹ 8,847.06 Lakhs. During the period ended December 31, 2023, our Company has manufactured 5,025 sq.ft. of LED display and 95,186 hearing aids as against 4,650 sq.ft. of LED displays and 85,723 hearing aids for the corresponding period ended during previous year. This has resulted in higher cost of material consumed.

#### Changes in Inventories of Finished Goods

The changes in inventories of finished goods for the period ended December 31, 2023 were ₹(314.54) Lakhs.

### **Employee Benefits expenses**

The employee benefits expenses for the period ended December 31, 2023 were ₹ 278.95 Lakhs which was about 2.63% of the total revenue and which includes salaries, wages, bonus and allowances, directors' remuneration, contributions to welfare funds, provision for gratuity and other expenses.

### **Other Expenses**

Other Expenses for the period ended December 31, 2023 were ₹209.99 Lakhs which was about 1.98% of the total revenue and which includes Audit Fees, Business Facilitation Expenses, Clearing, Forwarding and Freight expenses, Conveyance Expenses, Electricity, Fuel & Water Expenses, Legal & Professional Consultancy, Misc. Expenses, Foreign Exchange Gain & Loss, Postage Courier & Office Expenses, Office Maintenance, Interest, Fees, Fines & Taxes Interest on TDS, GST Late Fees, GST Interest, Tender, Tools & Valuation charges, Discount and Contract Delay Charges, Printing & Stationery, Insurance Expenses, Rent, Rate & Taxes, Repairs and Maintenance charges, Research & Service charges, Software & Subscription charges, Telephone & Internet Expenses, and Tour & Travelling Expenses.

### **EBIDTA**

Our EBITDA for the fiscal year period ended December 31, 2023 were ₹1,592.51 Lakhs. During the period ended December 31, 2023, our Company has manufactured 5,025 sq.ft. of LED display and 95,186 hearing aids as against 4,650 sq.ft. of LED displays and 85,723 hearing aids for the corresponding period ended during previous year. The Company has also achieved better price relation during the period ended December 31, 2023 as compared to previous year. Further, the cost of purchase of raw materials for the period ended December 31, 2023 were decreased to 85.68% of the revenue as against 90.99% of the revenue of fiscal 2023. This has resulted in increased revenue and profitability.

### **Financial Costs**

Financial costs for the period ended December 31, 2023 were ₹ 257.49 Lakhs which was about 2.43% of the total revenue and which consists of interest and other finance charges.

### **Depreciation**

Depreciation for the period ended December 31, 2023 were ₹ 71.35 Lakhs which was about 0.67% of the total revenue and which consists of depreciation and amortization expenses.

### **Profit /(Loss) after Tax**

PAT for the period ended December 31, 2023 was ₹ 886.52 Lakhs which was 8.35% of the revenue as against 5.69% of the revenue of fiscal 2023. During the period ended December 31, 2023, our Company has manufactured 5,025 sq.ft. of LED display and 95,186 hearing aids as against 4,650 sq.ft. of LED displays and 85,723 hearing aids for the corresponding period ended during previous year. The Company has also achieved better price relation during the period ended December 31, 2023 as compared to previous year. Further, the cost of purchase of raw materials for the period ended December 31, 2023 were decreased to 85.68% of the revenue as against 90.99% of the revenue of fiscal 2023. This has resulted in increased revenue and profitability.

### **FISCAL YEAR ENDED MARCH 31, 2023 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2022**

#### **Income**

Total revenue has in terms of value and percentage increased by ₹ 1,664.14 Lakhs and 25.51%, from ₹ 6,524.53 Lakhs in the fiscal year ended March 31, 2022 to ₹ 8,188.68 Lakhs in the fiscal year ended March 31, 2023. During the fiscal year March 31, 2023, our Company has manufactured 6,200 sq. ft. of LED display and 1,14,298 hearing aids as against 4,900 sq.ft of LED display and 42,380 hearing aids for the previous year ended March 31, 2022. The Company has also achieved better price relation during the fiscal year ended March 31, 2022 as compared to previous year. Further, the cost of purchase of raw materials for the fiscal year ended March 31, 2023 were decreased to 90.99% of the revenue as against 96.40% of the revenue of fiscal 2022. This has resulted in increased revenue.



## **Expenditure**

Total Expenditure has in terms of value and percentage increased by ₹ 1,851.42 Lakhs and 19.80%, from ₹ 7,498.86 Lakhs in the fiscal year ended March 31, 2022 to ₹ 9,350.29 Lakhs in the fiscal year ended March 31, 2023. Overall expenditure was increased mainly due to increase in manufacturing activity and higher production.

## **Cost of Material Consumed**

Cost of materials consumed has in terms of value and percentage increased by ₹ 1,206.50 Lakhs, from ₹6,081.99 Lakhs in the fiscal year ended March 31, 2022 to ₹7,288.49 Lakhs in the fiscal year ended March 31, 2023. Cost of materials consumed was increased mainly due to increase in manufacturing activity and higher production.

## **Changes in Inventories of Finished Goods**

Changes in Inventories of Finished Goods has decreased by ₹(92.27) Lakhs, from ₹(267.07) Lakhs in the fiscal year ended March 31, 2022 to ₹ (314.54) Lakhs in the fiscal year ended March 31, 2023. Changes in Inventories of Finished Goods was decreased on account of increase in production.

## **Employee Benefit Expenses**

Employee Benefit Expenses has in terms of value and percentage increased by ₹114.74 Lakhs and 143.29% from ₹80.08 Lakhs in the fiscal year ended March 31, 2022 to ₹ 194.82 Lakhs in the fiscal year ended March 31, 2023. The overall employee cost was increased due to increase in staff strength and general increment in salary and incentives to employees.

## **Other Expenses**

Other Expenses has in terms of value and percentage increased by ₹ 7.48 Lakhs and 3.82% from ₹ 195.76 Lakhs in the fiscal year ended March 31, 2022 to ₹ 203.24 Lakhs in the fiscal year ended March 31, 2023. The increase was mainly on account of increase in Audit Fees, Conveyance Expenses, Foreign Exchange Gain & Loss, Postage Courier & Office Expenses, Tender, Tools & Valuation charges, Discount and Contract Delay Charges, Insurance Expenses, Rent, Rate & Taxes and Tour & Travelling Expenses.

## **EBIDTA**

Profit before Interest, Depreciation and Tax has in terms of value and percentage increased by ₹ 403.63 Lakhs and 86.85% , from ₹ 464.73 Lakhs in the fiscal year ended March 31, 2022 to ₹ 868.37 Lakhs in the fiscal year ended March 31, 2023. Profit before Interest, Depreciation and Tax was increased due to increase volume of our business operations and higher volume of sales. During the fiscal year March 31, 2023, our Company has manufactured 6,200 sq. ft. of LED display and 1,14,298 hearing aids as against 4,900 sq.ft of LED display and 42,380 hearing aids for the previous year ended March 31, 2022. The Company has also achieved better price relation during the fiscal year ended March 31, 2022 as compared to previous year. Further, the cost of purchase of raw materials for the fiscal year ended March 31, 2023 were decreased to 90.99% of the revenue as against 96.40% of the revenue of fiscal 2022. This has resulted in increased revenue and higher profitability.

## **Finance Costs**

Finance Costs has in terms of value and percentage increased by ₹ 3.50 Lakhs and 3.18% from ₹ 110.03 Lakhs in the fiscal year ended March 31, 2022 to ₹ 113.53 Lakhs in the fiscal year ended March 31, 2023. Finance Costs was increased mainly due to higher interest outgo on increased borrowings.

## **Depreciation & Amortization Expenses**

Depreciation has in terms of value and percentage increased by ₹ 1.97 Lakhs and 3.51% from ₹ 56.15 Lakhs in the fiscal year ended March 31, 2022 to ₹ 58.12 Lakhs in the fiscal year ended March 31, 2023. Increase in depreciation is due to increase in assets and is general in nature.

## **Net Profit after Tax**

Net Profit has in terms of value and percentage increased by ₹ 253.69 Lakhs and 119.49% from ₹ 212.31 Lakhs in the fiscal year ended March 31, 2022 to ₹ 466.00 Lakhs in the fiscal year ended March 31, 2023. Profit after Tax was increased due to increase volume of our business operations and higher volume of sales. During the fiscal year March 31, 2023, our

Company has manufactured 6,200 sq. ft. of LED display and 1,14,298 hearing aids as against 4,900 sq.ft of LED display and 42,380 hearing aids for the previous year ended March 31, 2022. The Company has also achieved better price relation during the fiscal year ended March 31, 2022 as compared to previous year. Further, the cost of purchase of raw materials for the fiscal year ended March 31, 2023 were decreased to 90.99% of the revenue as against 96.40% of the revenue of fiscal 2022. This has resulted in increased revenue and higher profitability.

## **FISCAL YEAR ENDED MARCH 31, 2022 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2021**

### **Income**

Total revenue has in terms of value and percentage increased by ₹ 780.14 Lakhs and 13.58%, from ₹ 5,744.40 Lakhs in the fiscal year ended March 31, 2021 to ₹ 6,524.53 Lakhs in the fiscal year ended March 31, 2022. The revenue from operation was increased due to increase volume of our business operations and higher volume of sales post pandemic with revival of overall economy and removal of covid related restriction. During the fiscal year March 31, 2022, our Company has manufactured 4,900 sq. ft. of LED display and 42,380 hearing aids as against 3,700 sq.ft of LED display and 97,637 hearing aids for the previous year ended March 31, 2021. Increased production has resulted in increased revenue.

### **Expenditure**

Total Expenditure has in terms of value and percentage increased by ₹ 689.81 Lakhs and 12.39%, from ₹ 5,567.13 Lakhs in the fiscal year ended March 31, 2021 to ₹ 6,256.94 Lakhs in the fiscal year ended March 31, 2022. Overall expenditure was increased mainly due to increase in volume of operation and higher production of LED display and hearing aids.

### **Cost of Material Consumed**

Cost of materials consumed has in terms of value and percentage increased by ₹ 971.89 Lakhs and 19.02%, from ₹ 5,110.09 Lakhs in the fiscal year ended March 31, 2021 to ₹ 6,081.99 Lakhs in the fiscal year ended March 31, 2022. Cost of materials consumed was increased on account of increase in volume of operation and production. During the fiscal year March 31, 2022, our Company has manufactured 4,900 sq. ft. of LED display and 42,380 hearing aids as against 3,700 sq.ft of LED display and 97,637 hearing aids for the previous year ended March 31, 2021.

### **Changes in Inventories of Finished Goods**

Changes in Inventories of Finished Goods has in terms of value and percentage increased by ₹258.73 Lakhs, from ₹(8.33) Lakhs in the fiscal year ended March 31, 2021 to ₹(267.07) Lakhs in the fiscal year ended March 31, 2022. Changes in Inventories of Finished Goods increased on account of increase inventory of finish goods and stock-in-trade to support increased volume of operation and sales.

### **Employee Benefit Expenses**

Employee Benefit Expenses has in terms of value and percentage decreased by ₹(78.06) Lakhs and 49.36%, from ₹158.14 Lakhs in the fiscal year ended March 31, 2021 to ₹ 80.08 Lakhs in the fiscal year ended March 31, 2022. Overall employee cost was decreased due to lower staff strength.

### **Other Expenses**

Other Expenses has in terms of value and percentage was decreased by ₹ (10.38) Lakhs and (5.03)% from ₹ 206.14 Lakhs in the fiscal year ended March 31, 2021 to ₹ 195.76 Lakhs in the fiscal year ended March 31, 2022. The decrease was mainly on account of lower software & subscription charges.

### **EBIDTA**

Profit before Interest, Depreciation and Tax has in terms of value and percentage increased by ₹ 161.90 Lakhs and 53.46% from ₹ 302.84 Lakhs in the fiscal year ended March 31, 2021 to ₹ 464.73 Lakhs in the fiscal year ended March 31, 2022. Profit before Interest, Depreciation and Tax was increased due to increase volume of our business operations and higher volume of sales post pandemic with revival of overall economy and removal of covid related restriction. During the fiscal year March 31, 2022, our Company has manufactured 4,900 sq. ft. of LED display and 42,380 hearing aids as against 3,700 sq.ft of LED display and 97,637 hearing aids for the previous year ended March 31, 2021. Increased production has resulted in increased revenue and profitability.

## Finance Costs

Finance Costs has in terms of value and percentage increased by ₹ 59.87 Lakhs and 119.36% from ₹ 50.16 Lakhs in the fiscal year ended March 31, 2021 to ₹ 110.03 Lakhs in the fiscal year ended March 31, 2022. Finance Costs was increased mainly due to higher interest outgo on increased borrowings.

## Depreciation & Amortization Expenses

Depreciation has in terms of value and percentage increased by ₹ 5.22 Lakhs and 10.25% from ₹ 50.93 Lakhs in the fiscal year ended March 31, 2021 to ₹ 56.15 Lakhs in the fiscal year ended March 31, 2022. Increase in depreciation is due to increase in assets and is general in nature.

## Net Profit after Tax

Net Profit has in terms of value and percentage increased by ₹ 70.71 Lakhs and 49.93% from ₹ 141.61 Lakhs in the fiscal year ended March 31, 2021 to ₹ 212.31 Lakhs in the fiscal year ended March 31, 2022. Profit after Tax was increased due to increase volume of our business operations and higher volume of sales post pandemic with revival of overall economy and removal of covid related restriction. During the fiscal year March 31, 2022, our Company has manufactured 4,900 sq. ft. of LED display and 42,380 hearing aids as against 3,700 sq.ft of LED display and 97,637 hearing aids for the previous year ended March 31, 2021. Increased production has resulted in increased revenue and profitability.

## Cash Flows

(Amount ₹ in lacs)

Particulars	For the period ended December 31, 2023	For the year ended March 31,		
		2023	2022	2021
Net Cash from Operating Activities	301.33	(1,068.19)	256.66	(333.25)
Net Cash from Investing Activities	(1,270.96)	(166.34)	2.50	20.05
Net Cash used in Financing Activities	1,209.11	805.89	(182.43)	502.40

### Cash Flows from Operating Activities

Net cash from operating activities for the period ended December 31, 2023 was at ₹ 301.33 lacs as compared to the EBIDTA at ₹ 1,592.51 lacs. Net cash from operating activities for fiscal 2023 was at ₹ (1,068.19) lacs as compared to the EBIDTA at ₹ 868.37 lacs, while for fiscal 2022, net cash from operating activities was at ₹ 256.66 lacs as compared to the EBIDTA at ₹ 464.73 lacs. For fiscal 2021, the net cash from operating activities was ₹(333.25) lacs compared to EBIDTA of ₹ 302.84 lacs.

### Cash Flows from Investment Activities

Net cash from investing activities for the fiscal 2023 was ₹ (1,270.96) lacs. This negative cash outflow is attributed to increase in land and building for the use of operation. Net cash from investing activities was at ₹ (166.34) lacs to increase in increase in assets. Further, positive Net cash from investing activities was ₹2.50 Lacs and ₹ 20.05 lacs in the fiscal 2022 and 2021 attributed to return on investments.

### Cash Flows from Financing Activities

Net cash from financing activities for the period ended December 31, 2023 was at ₹ 1,209.11 lacs. The positive cash flow was on account of raising of additional fund through borrowings. Net cash from financing activities for fiscal 2023 was at ₹ 805.89 lacs. The positive cash flow was on account of raising of additional fund through borrowings. In fiscal 2022 was ₹ (182.43) lacs due to repayment of loans and borrowings and higher interest outgo. For fiscal 2021, the net cash from financing activities was ₹ 502.40 lacs on account of loans and borrowings.

## OTHER MATTERS

### 1. Unusual or infrequent events or transactions

Except as described in this Draft Red Herring Prospectus, during the periods under review there have been no transactions

or events, which in our best judgment, would be considered unusual or infrequent.

**2. Significant economic changes that materially affected or are likely to affect income from continuing Operations**

Other than as described in the Section titled *“Financial Information”* and chapter titled *“Management’s Discussion and Analysis of Financial Conditions and Results of Operations”*, beginning on Page 188 and 227 respectively of this Draft Red Herring Prospectus, to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing Operations.

**3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations**

Other than as described in the chapter titled *“Risk Factors”* and *“Management’s Discussion and Analysis of Financial Conditions and Result of Operations”*, beginning on Page 26 and 227 respectively of this Draft Red Herring Prospectus, best to our knowledge 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.

**4. Future relationship between Costs and Income**

Other than as described in the chapter titled *“Risk Factors”* beginning on Page 26 of this Draft Red Herring Prospectus, best to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

**5. Competition Conditions**

Our Industry is fragmented consisting of large established players and small niche players. We compete with organized as well as unorganized sector on the basis of availability of product, price and product range. Further, there are no entry barriers in this industry and any expansion in capacity of existing manufacturers would further intensify competition. Industry is very competitive and we expect competition to continue and likely to increase in the future.

### **CAPITALISATION STATEMENT**

The following table sets forth our capitalisation derived from our Restated Financial Statements for the nine month period ended December 31, 2023, and as adjusted for the Issue. This table should be read in conjunction with “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, “*Financial Statements*” and “*Risk Factors*” on pages 227, 188 and 26, respectively.

*(in ₹ lakhs)*

Particulars	Pre-Issue as at December 31, 2023 (A)	Adjusted for the Proposed Issue* (B)
<b>Total borrowings</b>		
Short term borrowings	2,423.67	[•]
Long term borrowings	825.21	[•]
<b>Total Debt</b>	<b>3,248.88</b>	<b>[•]</b>
<b>Total equity</b>		
Share Capital	186.10	[•]
Reserves & Surplus	1,929.42	[•]
Less: Miscellaneous Expenses not w/off	-	
<b>Total Shareholders' Fund (Equity)</b>	<b>2,115.52</b>	<b>[•]</b>
<b>Long Term Debt/Equity</b>	<b>0.39</b>	<b>[•]</b>
<b>Total Debt/Equity</b>	<b>1.54</b>	<b>[•]</b>

**Notes:**

1. As per Restated Financial Statements of the Company.
2. The corresponding post capitalisation data for each of the amounts given in the above table is not determinable at this stage pending the completion of Book building process and hence the same have not been provided in the above statement.

## SECTION VII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; (iv) disciplinary actions including penalties imposed by SEBI or Stock Exchanges against the Promoter in the last five financial years, including any outstanding action; or (v) Material Litigation (as defined below); involving our Company, Directors, Promoter and Group Companies.

For the purposes of (iv) above, in terms of the Materiality Policy adopted by our Board pursuant to a resolution dated June 18, 2024, any pending litigation / arbitration proceedings involving the Relevant Parties shall be considered “material” for the purposes of disclosure in this Draft Red Herring Prospectus, if:

- a.) The aggregate monetary claim/ dispute amount/ liability made by or against our Company in any such pending litigation (individually or in aggregate), is equivalent to or above 10% of the restated profit after tax of our Company, as per the latest completed fiscal year of the Restated Financial Statements (amounting to ₹ 86.61 lakhs);
- b.) Any such pending litigation / arbitration proceeding involving the Directors or Promoter of our Company or our Group Companies, which may have a material adverse impact on the business, operations, performance, prospects, financial position or reputation our Company; and
- c.) any such litigation wherein a monetary liability is not determinable or quantifiable, or which does not fulfil the threshold as specified in (a) or (b) above, as applicable, or wherein our Company is not a party, but the outcome of which could, nonetheless, have a material effect on the business, operations, performance, prospects, financial position or reputation of our Company.

Our Board of Directors considers dues owed by our Company to the small-scale undertakings and other creditors exceeding 20% of the total creditors as per restated financial as material dues for the Company. This materiality threshold has been approved by our Board of Directors pursuant to the resolution passed on June 18, 2024. Further, for outstanding dues to any party which is a micro, small or a medium enterprise (“MSME”), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as has been relied upon by the Statutory Auditors.

All terms defined in a particular litigation are for that particular litigation only.

#### **1. LITIGATION INVOLVING OUR COMPANY**

##### **i. Litigation against our Company**

###### **1. Criminal Proceedings**

Nil

###### **2. Actions taken by Statutory/Regulatory Authorities**

Nil

###### **3. Tax Proceedings**

Below are the details of pending tax cases involving our Company, specifying the number of cases pending and the total amount involved:

Particulars	Number of cases	(₹ in lacs)
		Amount involved*
<b>Indirect Tax</b>		
Sales Tax/VAT	1	34.71
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
<b>Total</b>	<b>1</b>	<b>34.71</b>
<b>Direct Tax</b>		

<b>Particulars</b>	<b>Number of cases</b>	<b>Amount involved*</b>
Cases filed against our Company	Nil	Nil
Cases filed by our Company	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

*\*To the extent quantifiable*

4. *Other Material Litigations*

Nil

5. *Disciplinary action against our Company by SEBI or any stock exchange in the last five Fiscals*

Nil

**ii. Litigation by our Company**

1. *Criminal Proceedings*

Nil

2. *Civil and other Material Litigations*

Nil

**2. LITIGATION INVOLVING OUR PROMOTERS**

*Cases filed against our Promoters*

1. *Criminal Proceedings*

Nil

2. *Actions taken by Statutory/Regulatory Authorities*

Nil

3. *Tax Proceedings*

Below are the details of pending tax cases involving our Promoters, specifying the number of cases pending and the total amount involved:

*(₹ in lacs)*

<b>Particulars</b>	<b>Number of cases</b>	<b>Amount involved*</b>
<b>Indirect Tax</b>		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<b>Direct Tax</b>		
Cases filed against our Promoter	Nil	Nil
Cases filed by our Promoter	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

*\*To the extent quantifiable*

4. *Other Material Litigations*

Nil

*Cases filed by our Promoter*

1. *Criminal Proceedings*

Nil

2. *Other Material Litigations*

Nil

***Disciplinary action against our Promoter by SEBI or any stock exchange in the last five Fiscals***

As on date of this Draft Red Herring Prospectus, no disciplinary action including penalty imposed by SEBI or stock exchanges has been initiated against our Promoter in the last five Fiscals including any outstanding action.

**3. LITIGATION INVOLVING OUR DIRECTORS**

***Cases filed against our Directors***

1. *Criminal Proceedings*

Nil

2. *Actions taken by Statutory/Regulatory Authorities*

Nil

3. *Tax Proceedings*

Below are the details of pending tax cases involving our Directors, specifying the number of cases pending and the total amount involved:

<i>(₹ in lacs)</i>		
<b>Particulars</b>	<b>Number of cases</b>	<b>Amount involved*</b>
<b><i>Indirect Tax</i></b>		
Sales Tax/VAT	Nil	Nil
Central Excise	Nil	Nil
Customs	Nil	Nil
Service Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<b><i>Direct Tax</i></b>		
Cases filed against our Directors	Nil	Nil
Cases filed by our Directors	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

*\*To the extent quantifiable*

3. *Disciplinary action by SEBI or any stock exchange in the last five Fiscals*

Nil

4. *Other Material Litigations*

Nil

***Cases filed by our Directors***

1. *Criminal Proceedings*

Nil

2. *Other Material Litigations*

Nil



#### 4. LITIGATION INVOLVING OUR SUBSIDIARY

As on date of this Draft Red Herring Prospectus, our Company does not have any subsidiaries.

#### 5. LITIGATION INVOLVING OUR GROUP COMPANIES

Nil

#### 6. OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

In terms of the Materiality Policy dated June 18, 2024, our Company has two (2) material creditors, as on December 31, 2023.

As on December 31, 2023, our Company has no amount payable or outstanding towards small-scale undertakings. Details of amounts outstanding to material and other creditors is as follows:

<i>(₹ in lacs)</i>		
<b>Particulars</b>	<b>No. of Creditors</b>	<b>Amount</b>
Outstanding dues to material creditors	2	2,850.23
Outstanding dues to small scale undertakings	-	-
Outstanding dues to other creditors	97	526.32
<b>Total outstanding dues</b>	<b>99</b>	<b>3,376.55</b>

Complete details of outstanding dues to our creditors as on December 31, 2023 are available at the website of our Company, [www.oseldevices.com](http://www.oseldevices.com). Information provided on the website of our Company is not a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, [www.oseldevices.com](http://www.oseldevices.com), would be doing so at their own risk. For further details, refer to the section titled "*Financial Information*" on page 188 of this Draft Red Herring Prospectus.

#### 7. MATERIAL DEVELOPMENT SINCE DECEMBER 31, 2023

There have not arisen, since the date of the last financial statements disclosed 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 consolidated assets or our ability to pay our liabilities within the next 12 months. For further details, please refer to the chapter titled "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on page 227 of this Draft Red Herring Prospectus.

## **GOVERNMENT AND OTHER STATUTORY APPROVALS**

*We are required to obtain consents, licenses, registrations, permissions and approvals for carrying out our present business activities. Our Company has obtained the necessary material consents, licenses, permissions and approvals from the Government and various Government agencies required for our present business and carrying on our business activities. For details in connection with the regulatory and legal framework within which we operate, please refer to the chapter “Key Industrial Regulations and Policies” on page 152 of this Draft Red Herring Prospectus. The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities.*

*The following statements set out the details of licenses, permissions and approvals taken by our Company under various central and state laws for carrying out the business:*

### ***I. Issue related Approvals***

For the approvals and authorizations obtained by our Company in relation to the Issue, see “***Other Regulatory and Statutory Disclosures – Authority for the Issue***” on page 247 of this Draft Red Herring Prospectus.

### ***II. Approvals from the Stock Exchanges***

- a) Our Company has received an in-principle approval from Emerge Platform of National Stock Exchange of India Limited dated [●] for listing of Equity Shares issued pursuant to the Issue.
- b) Our Company’s ISIN is INE0RMF01018.

### ***III. General Approvals***

- a) Certificate of incorporation dated August 14, 2006 under the Companies Act, 1956 issued by Registrar of Companies, National Capital Territory of Delhi and Haryana.
- b) Fresh Certificate of Incorporation dated November 22, 2013 issued under the Companies Act, 2013 issued by Registrar of Companies, National Capital Territory of Delhi and Haryana, consequent to change of name of our Company from “*M/S Innovative Infratech Solutions Private Limited*” to “*Innovative Infratech Solutions Private Limited*”.
- c) Fresh Certificate of Incorporation dated January 16, 2024 issued under the Companies Act, 2013 issued by Registrar of Companies, Delhi and Haryana at Delhi, consequent to change of name of our Company from “*Innovative Infratech Solutions Private Limited*” to “*Osel Devices Private Limited*”.
- d) Fresh Certificate of Incorporation dated May 2, 2024 issued under the Companies Act, 2013 issued by Registrar of Companies, Central Processing Centre, consequent to conversion of our Company from a private limited company to a public limited company.
- e) Letter dated May 17, 2024 issued under the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 by the Employees’ Provident Fund Organisation for allotting code number DLCPM3283755000 to our Company.
- f) Letter dated May 17, 2024 issued by the Employees’ State Insurance Corporation under the Employees’ State Insurance Act, 1948 for allotting code number 11001629320001099 to our Company.
- g) Certificate of Importer-Exporter Code dated October 16, 2007 bearing file number 05/04/131/52701/AM20/ issued by Office of the Zonal Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India for the purpose of allotting IEC number 0507054628 to our Company.
- h) Udyam Registration Certificate dated December 31, 2020 issued by the Ministry of Micro, Small and Medium Enterprises, Government of India for allotting udyam registration number UDYAM-DL-11-0007295, to our Company.
- i) Legal Entity Identifier certificate issued by the LEI Register India Private Limited for the purpose of allotting LEI no. 98450043FL2CA6068C87 to our Company.

#### IV. Tax Related Approvals

- a) Our Company's Permanent Account Number issued by the Income Tax department is AABCI5511N.
- b) Letter dated June 6, 2024 issued by the Income Tax Department for allotting DELI08246A as the tax deduction and collection number to our Company.
- c) The details of the GST registration obtained by our Company has been provided below:

S. No.	Registration Number	State	Date of Issue
1.	07AABCI5511N1ZI	Delhi	February 29, 2024
2.	09AABCI5511N1ZE	Uttar Pradesh	September 3, 2021
3.	29AABCI5511N1ZC	Karnataka	July 9, 2020

#### V. Business and Project Related Approvals

As mentioned hereinabove, we require various approvals, licenses, registrations and permits to carry on our operations in India and for executing business projects awarded to our Company. Some of these may expire in the ordinary course of business and applications for renewal of such approvals are submitted in accordance with applicable procedures and requirements. An indicative list of the material approvals required by our Company for conducting our operations is provided below.

Sr. No.	Type of License/Approval	Issuing Authority	Reference Registration / License No.	Date of Issue/Renewal	Valid up to
1.	Registration and License to work a factory under the Factories Act, 1948	Director of Factories, Labour Department, Uttar Pradesh	UPFA10006840	March 4, 2024	March 3, 2025
2.	Certificate of Stability of a factory or part of a factory	Structural Engineer, Raj Planner's & Electricals, Ghaziabad	040/ (i)/ 2024-2025	February 23, 2024	February 22, 2027
3.	Registration certificate of establishment as a commercial establishment under Delhi Shops & Establishment Act, 1954	Department of Labour, Government of National Capital Territory of Delhi	2024106226	May 15, 2024	May 14, 2025
4.	Certificate of registration under the Contract Labour (Regulation and Abolition) Act, 1970	Office of the Labour Commissioner, Labour Department, Uttar Pradesh	UPCLA10001827	June 3, 2024	June 2, 2025
5.	BIS certification mark license issued by the Bureau of Indian Standards for issuing standard number IS 16127 : 2013 for "Behind the Ear (BTE) Hearing Aids – Digital Specification"	Bureau of Indian Standards	8700117712	November 10, 2023	November 9, 2024
6.	License issued by the Bureau of Indian Standards for issuing standard number IS 13252:2010/ IEC 60950-1: 2005 for "visual display unit"	Bureau of Indian Standards	License No. R-93010910 Renewal ID: 23284	January 1, 2024	January 28, 2026
7.	Certificate- Zed Bronze issued under MSME Sustainable (ZED) Certification Scheme	Ministry of Micro, Small and Medium Enterprises	05012024_104688	January 5, 2024	January 4, 2027
8.	Licence to Manufacture for Sale or for	Drug Licensing and Controlling Authority,	MFG/MD/2023/000860	September 25, 2023	Valid until cancelled




Sr. No.	Type of License/Approval	Issuing Authority	Reference / Registration / License No.	Date of Issue/Renewal	Valid up to
	Distribution of medical devices under Medical Devices Rules, 2017 issued to authorise our Company to sell or to distribute Class B medical device behind-the-ear air- conduction hearing aid intended to compensate for impaired hearing by transmitting amplified sound waves to the eardrum through air.	Uttar Pradesh			
9.	Registration Certificate for Importer for disposal of Plastic waste generated due to plastic packaging under the Plastic Waste Management Rules, 2016	Uttar Pradesh Pollution Control Board	IM-11-UUTT-10-AABCI5511N-23	October 11, 2023	Valid until cancelled
10.	Registration for brand owners under Rule 13(2) of Plastic Waste Management Rules, 2016	Central Pollution Control Board	2024061906544857480	June 20, 2024	-
11.	Registration on the Portal for following Electrical & Electronic Equipment under E-Waste (Management) Rules, 2022 for Television sets (including sets based on (Liquid Crystal Display and Light Emitting Diode technology) :( CEEW1)	Director & Divisional Head, WM-III Division Central Control Pollution Board M/o Forest & Climate Change, Govt of India	B-29016 (3818) (EPR) /23 /WM-III	September 9, 2023	September 8, 2028
12.	Registration Certificate for Producer of Waste/used Battery in line with the provisions under Battery Waste Management Rules, 2022 for disposal of waste/used batteries	Central Pollution Control Board	<b>Ref: CPCB/BWM/1083 Certificate No.:</b> 1.158988437612E+20	June 12, 2023	June 11, 2028
13.	Certificate to certify that management systems of our Company has been audited and found to be in conformance with the requirements of standard ISO 9001:2015	Criterion Assessment Private Limited	090207AD01IB	June 4, 2021	June 3, 2024
14.	Agreement executed between our Company and Allied Waste Solutions Private Limited to work out modalities for the collection of plastic waste, E-waste & batteries waste and establish a system for collecting back the plastic waste, E-waste & batteries waste generated by the consumption of	-	-	May 2, 2023	May 1, 2028

Sr. No.	Type of License/Approval	Issuing Authority	Reference / Registration / License No.	Date of Issue/Renewal	Valid up to
	their products, on the principle of Extended Producers' Responsibility ("EPR").				
15.	Certificate issued under the MSME Sustainable (ZED) Certification Scheme for awarding us the Zed Bronze certification in respect of manufacture of computer, electronic and optical products	Ministry of Micro, small & Medium enterprises	UDYAM-DL-11-0007295 Certificate number: 05012024_104688	January 5, 2024	January 4, 2027
16.	Compliance CB test certificate certifying that products of our Company - visual display units have been tested and found to be in conformity with IEC 61347-1(ED.2);AM1;AM2 and IEC 61347-2-13(ED.1)	Progressive International Certifications Limited	Registration No.: PICL/IEC/0621/4573	January 15, 2021	January 14, 2027
17.	Certificate of conformity certifying that technical documentation has been assessed and found to be compliant with requirements of EMC directive 2014/30/EU	Progressive International Certifications Limited	Registration No.: PICL/CE/0521/1678	May 26, 2024	May 25, 2027
18.	Certificate to certify that management systems of our Company has been audited and found to be in conformance with the requirements of standard ISO 9001:2015	Global Standards	Certificate No.: 090505AG01IN	May 7, 2024	April 6, 2027
19.	Certificate of registration to certify that environment management systems of our Company has been found to be in conformance with the requirements of standard ISO 14001:2015	Progressive International Certifications Limited	Registration No.: PICL/EMS/0621/5532	April 23, 2024	April 22, 2027
20.	Certificate of registration to certify that occupational health & safety management systems of our Company has been found to be in conformance with the requirements of standard ISO 45001:2018	Progressive International Certifications Limited	Registration No.: PICL/OHSMS/0621/3312	February 26, 2024	February 25, 2027
21.	Certificate of registration to certify that energy management systems of our Company has been found to be in conformance with the requirements of standard ISO 50001:2018	Progressive International Certifications Limited	Registration No.: PICL/EMS/0621/7750	March 15, 2024	March 14, 2027

Sr. No.	Type of License/Approval	Issuing Authority	Reference / Registration / License No.	Date of Issue/Renewal	Valid up to
22.	Certificate of registration to certify that information security management systems of our Company has been found to be in conformance with the requirements of standard ISO/ IEC 27001:2022	Progressive International Certifications Limited	Registration No.: PICL/ISMS/0621/9749	May 7, 2024	May 6, 2027
23.	Certificate of compliance for the products of our Company- CarryO, Edgester, Primea, Rento, Skylight and Supreme X is compliant with UL 60950-1, 2 <sup>nd</sup> Ed. 2007 and CAN/CSA-C22.2 No. 60950-1-07 and Information Technology Equipment – Safety – Part 1: General Requirements UL 8750, light emitting diode (led) equipment for use in lighting products.	Progressive International Certifications Limited	Registration No.: PICL/UL/0521/0357	May 24, 2024	May 23, 2027

**VI. Intellectual Property Related Approvals**

Our Company has registered the following trademarks:

Sr. No.	Particulars of Trademark	Registration No.	Class	Date of Registration	Validity
1.		3957682	10	September 27, 2018	September 27, 2028
2.		4497805	9	May 8, 2020	May 8, 2030
3.		4428910	9	February 3, 2020	February 3, 2030

**VII. Licenses/ Approvals for which applications have been made by our Company and are pending:**

Nil

**VIII. Licenses / approvals which have expired and for which renewal applications have not been made by our Company.**

Nil

**IX. Licenses / Approvals which are required but not yet applied for by our Company:**

Our Company has applied to various authorities for changing its name on its licenses and approvals post its (i) change of name and (ii) conversion from a private limited company into a public limited company and certain of such licenses are pending before the respective authorities for approval.

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **AUTHORITY FOR THE ISSUE**

The Board of Directors has, pursuant to a resolution passed at its meeting held on June 18, 2024 authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

The shareholders of the Company have, pursuant to a special resolution passed in EGM held on June 19, 2024 authorized the Issue under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

Our Company has received an In-Principle Approval letter dated [●] from NSE for using its name in this Draft Red Herring Prospectus for listing our shares on the Emerge Platform of NSE. NSE is the Designated Stock Exchange for the purpose of this Issue.

### **PROHIBITION BY SECURITIES MARKET REGULATORS**

Our Company, our Promoters, our Directors and our Promoter's Group, person(s) in control of the promoters or issuer, have not been prohibited from accessing the capital market or debarred from buying, selling, or dealing in securities under any order or direction passed by the Board or any securities market regulators in any other jurisdiction or any other authority/court.

### **CONFIRMATIONS**

1. Our Company, our Promoters, Promoter's Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.
2. None of the Directors in any manner associated with any entities which are engaged in securities market related business and are registered with the SEBI in the past five years.
3. There has been no action taken by SEBI against any of our Directors or any entity with which our Directors are associated as Promoter or directors.

### **PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY**

Neither our Company, nor our Promoters, nor the relatives (as defined under the Companies Act) of our Promoters, nor Group Companies/Entities have been identified as wilful defaulters or Fraudulent Borrowers by the RBI or any other governmental authority.

### **ELIGIBILITY FOR THE ISSUE**

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:

- Neither our Company, nor any of its Promoters, Promoter Group or Directors are debarred from accessing the capital market by the Board.
- Neither our Promoters, nor any Directors of our Company is a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- Neither our Promoters nor any of our directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoters, relatives (as defined under the Companies Act, 2013) of our Promoters nor our directors, are Wilful Defaulters or a fraudulent borrower.

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue face value paid-up capital shall be upto ₹ [●] lakhs can issue Equity Shares to the public and propose to list the same on the EMERGE Platform of National Stock Exchange of India Limited.

Our Company also complies with the eligibility conditions laid by the Emerge Platform of National Stock Exchange of India Limited for listing of our Equity Shares. The point wise Criteria for Emerge Platform of National Stock Exchange of India Limited and compliance thereof are given hereunder:

**1. *The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.***

Our Company is incorporated under the Companies Act, 1956.

**2. *The post issue paid up capital of the company shall not be more than ₹ 25.00 Crore.***

The present paid-up capital of our Company is ₹ 1,171.32 lakhs and we are proposing issue upto 45,00,000 Equity Shares of ₹ 10/- each at Issue price of ₹ [●] per Equity Share including share premium of ₹ [●] per Equity Share, aggregating up to ₹ [●] lakhs. Hence, our Post Issue Paid up Capital will be upto ₹ 1,621.32 lakhs. So, the company has fulfilled the criteria of post issue paid up capital prescribed under Regulation 229(2) of the SEBI ICDR Regulations.

### 3. Track Record

#### A. *The company should have a track record of at least 3 years.*

Our Company was incorporated on August 14, 2006 as a private limited company under the name and style of 'Innovative Infratech Solutions Private Limited', under the Companies Act, 1956, pursuant to a certificate of incorporation dated August 14, 2006 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, in order to rectify the transposition error in the name of our Company, pursuant to a resolution passed by our Board of Directors in its meeting held on November 6, 2013, and by the Shareholders in their Extraordinary General Meeting held on November 8, 2013, the name of our Company was changed to 'Innovative Infratech Solutions Private Limited' and a fresh certificate of incorporation dated November 22, 2013 was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, pursuant to a resolution passed by our Board of Directors in its meeting held on November 13, 2023, and by the Shareholders in their extraordinary general meeting held on December 15, 2023, in order to reflect the main business activity of the Company and for better branding, the name of our Company was changed to 'Osel Devices Private Limited' and a fresh certificate of incorporation dated January 16, 2024 was issued by the Registrar of Companies, Delhi and Haryana at Delhi. Further, our Company was converted into a public limited company pursuant to a resolution passed by our Board of Directors in its meeting held on March 15, 2024, and by the Shareholders in an extraordinary general meeting held on March 22, 2024 and consequently the name of our Company was changed to 'Osel Devices Limited' and a fresh certificate of incorporation dated May 2, 2024 was issued by the Registrar of Companies, Central Processing Centre.

#### B. *The company/entity should have operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive.*

Our Company satisfies the criteria of track record which given hereunder based on Restated Financial Statement.

(₹ In lakh)

Particulars	For the nine month period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Operating profit (earnings before interest, depreciation and tax and other income) from operations	1,585.11	861.47	433.77	274.36
Net Worth as per Restated Financial Statement	2,115.52	1,229.00	763.00	506.29

#### 4. Other Requirements

We confirm that:

- i. The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
- ii. There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed.
- iii. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.

5. The Company has a website: [www.oseldevices.com](http://www.oseldevices.com)

#### 6. Disclosures

We confirm that:

- i. There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of Promoters/promoting company(ies), companies promoted by the Promoter/promoting companies of the Company.



- ii. There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, Fis by the Company, Promoter/promoting company(ies), companies promoted by the Promoter/promoting Company(ies) during the past three years.
- iii. There are no litigations record against the applicant, Promoters/promoting company(ies), companies & promoted by the Promoters/promoting company(ies).
- iv. There are no criminal cases/investigation/offences filed against the director of the Company.

In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:

1. In accordance with regulation 260 of the SEBI ICDR Regulations, this Issue is 100% underwritten in compliance of Regulations 260(1) and 260(2) of the SEBI (ICDR) Regulations, 2018. For details pertaining to underwriting, please refer to Section titled “**General Information**” beginning on page no. 61 of this Draft Red Herring Prospectus.
2. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, the BRLM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares Issue in the Initial Public Issue. For details of the market making arrangement, see Section titled “**General Information**” beginning on page no. 61 of this Draft Red herring Prospectus.
3. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottees in the issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded within 4 (Four) days of such intimation. If such money is not repaid within 4 (Four) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 4 (Four) days, be liable to repay such application money, with interest at the rate 15% per annum. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
4. In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, we shall also ensure that we submit the soft copy of the Red Herring Prospectus through the BRLM immediately upon registration of the Red Herring Prospectus with the Registrar of Companies along with a Due Diligence Certificate including additional confirmations. However, SEBI shall not issue any observation on the Red Herring Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and Subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

#### **SEBI DISCLAIMER CLAUSE**

**“IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS / RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER ISEXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, HORIZON MANAGEMENT PRIVATE LIMITED SHALL FURNISH TO STOCK EXCHANGE/SEBI, A DUE DILIGENCE CERTIFICATE DATED [•], 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.**

**ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, DELHI AND HARYANA AT DELHI AT ERNAKULAM, IN TERMS OF SECTION 26, 30 AND SECTION 32 OF THE COMPANIES ACT, 2013.**

#### **DISCLAIMER CLAUSE OF THE NSE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the filing with the RoC.

#### **DISCLAIMER FROM OUR COMPANY, OUR DIRECTORS AND THE BOOK RUNNING LEAD MANAGER**

Our Company, the Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Red Herring Prospectus or, in case of the Company, in any 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.oseldevices.com](http://www.oseldevices.com), or the websites of the members of our Promoter Group, would be doing so at his or her own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Agreement entered between the BRLM (Horizon Management Private Limited) and our Company on June 20, 2024, and the Underwriting Agreement dated [●] entered into between the Underwriters and our Company and the Market Making Agreement dated [●] entered into among the Market Maker, BRLM and our Company.

All information shall be made available by our Company 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 collection centres or elsewhere.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Entity, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entity, and our affiliates or associates, for which they have received and may in future receive compensation.

Note:

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and BRLM and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company and will not Issue, sell, pledge or transfer the Equity Shares of our company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company. Our Company, the Underwriter and BRLM 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 Equity Shares of our company.

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, and any FII sub-account registered with SEBI which is a foreign corporate or Foreign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Draft Red Herring Prospectus does not, however, constitute an invitation to subscribe to Equity Shares Issue hereby in any other jurisdiction to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession the Draft Red Herring Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Delhi only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose.

Accordingly, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal

requirements applicable in such jurisdiction. Neither the delivery of Draft Red Herring Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1993**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

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 applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **FILING OF DRAFT RED HERRING PROSPECTUS/RED HERRING PROSPECTUS/PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES**

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Issue Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. Pursuant to SEBI Master Circular, a copy of the Red Herring Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of Red Herring Prospectus/ Prospectus, will also be filed with the EMERGE Platform of National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed.

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

#### **LISTING**

Application is to be made to the Emerge Platform of NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

Our Company has received an In-Principle Approval letter dated [●] from NSE for using its name in this offer document for listing our shares on the Emerge Platform of NSE.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE, the Company shall refund through verifiable means the entire monies received within Four days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within four day after the company becomes liable to repay it the company and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE mentioned above are taken within three Working Days from the Issue Closing Date.

#### **IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who –

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees 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 fifty lakh rupees or with both.

## **CONSENTS**

The written consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Bankers to the Company, Legal Advisor to the Issue, the BRLM to the Issue, Registrar to the Issue, Market Maker\*, Banker to the Issue\*, Syndicate Member\* and Underwriter\* to act in their respective capacities have been obtained.

*\*To be obtained at the RHP stage*

Above consents will be filed along with a copy of the Red Herring Prospectus with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the ROC.

Our Company has received written consent dated June 18, 2024, from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated June 18, 2024, on our restated financial information; and (ii) its report dated June 18, 2024, on the statement of special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

## **EXPERT OPINION**

Except for the reports in the sections “*Statement of Special Tax Benefits*” and “*Financial Information*” on pages 99 and 188, respectively of this Draft Red Herring Prospectus from the Statutory Auditor, our Company has not obtained any expert opinions. We have received written consent from the Statutory Auditor for inclusion of their name in this Draft Red Herring Prospectus, as required under Companies Act read with SEBI (ICDR) Regulations as “Expert”, defined in section 2(38) of the Companies Act 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, 1933.

## **PREVIOUS PUBLIC OR RIGHTS ISSUE**

Our Company has not made public issue or rights issue under SEBI ICDR Regulations, in the past. For details of rights issues please refer chapter titled “*Capital Structure*” beginning on page no. 72 of this Draft Red Herring Prospectus.

## **UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION**

We have not made any previous public Issue. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

## **CAPITAL ISSUE DURING THE LAST THREE YEARS**

For details of the capital issued of our Company in past three years, please refer chapter titled “*Capital Structure*” beginning on page no. 72 of this Draft Red Herring Prospectus. Our group company have not listed their securities on any stock exchange in India or abroad. Our Company does not have any subsidiary or associates, as of the date of this Draft Red Herring Prospectus.

**PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BRLM****SME:**

Price Information of past issues handled by the Book Running Lead Manager

**Price Information of past issues handled by the Book Running Lead Manager**

Price Information of past issues handled by the Book Running Lead Manager

Sr. No.	Issue Name	Issue size (₹ In Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing*	
1.	Cosmic CRF Limited	57.21	314	June 30, 2023	251.20	3.54%	2.80%	(1.83%)	1.71%	NA	NA
2.	Baba Food Processing (India) Limited	32.88	76	November 15, 2023	76.00	(11.58)	7.66%	NA	NA	NA	NA
3.	MVK Agro Food Product Ltd	6,588	120	March 7, 2024	70.00	(24.29%)	0.09%	NA	NA	NA	NA
4.	Shree Karni Fabcom Limited	42.49	227	March 14, 2024	260.00	NA	NA	NA	NA	NA	NA
5.	Veritaas Advertising Limited	8.48	114	May 21, 2024	275.00	NA	NA	NA	NA	NA	NA

**Summary Statement of Disclosure**

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at premium - 30 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at discount - 180 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at premium - 180 <sup>th</sup> calendar day from listing day*		
			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 %
			2023-24	4*	198.46	Nil	Nil	2	Nil	1	Nil	Nil	Nil	Nil
2024-25	1**	8.48	-	-	-	-	-	-	-	-	-	-	-	-

\*Shree Karni Fabcom Ltd got listed on March 14, 2024, thus 180 days not completed.\* Veritaas Advertising Limited got listed on May 21, 2024, thus 30 and 180 days not completed.

Break -up of past issues handled by Horizon Management Private Limited:

Financial Year	No. of SME IPOs	No. of Main Board IPOs
2023-24	4	Nil
2024-25	1	Nil

Notes:

1. In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.

2. Source: www.bseindia.com and www.nseindia.com

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:

Sr. No.	Name of the Book Running Lead Manager	Website
1	Horizon Management Private Limited	<a href="http://www.horizonmanagement.in">www.horizonmanagement.in</a>

#### **Main Board:**

Horizon Management Private Limited have not managed any Public Issue on Main Board.

#### **PERFORMANCE VIS-A-VIS OBJECTS**

Except as stated in the chapter titled “*Capital Structure*” beginning on page 72 of this Draft Red Herring Prospectus, our Company has not undertaken any previous public or rights issue. None of the Entities or associates of our Company are listed on any stock exchange.

#### **PERFORMANCE VIS-A-VIS OBJECTS –PUBLIC/ RIGHTS ISSUE OF SUBSIDIARIES/ LISTED PROMOTERS**

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiaries. Further, we do not have a corporate promoter.

#### **STOCK MARKET DATA FOR OUR EQUITY SHARES**

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

#### **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Registrar Agreement provides for the retention of records with the Registrar to the Issue for a minimum period of three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

In terms of SEBI Master Circular, 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, SEBI/HO/CFD/DIL2/CIR/P/2022/51 date April 20, 2021 and SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 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. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 per day or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Book Running Lead Manager shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount.

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days). ‘T’ being issue closing date. In partial modification to circulars dated March 16, 2021 and April 20, 2022, the compensation to investors for delay in unblocking of ASBA application monies (if any) shall be computed from T+3 day. The provisions of this circular shall be applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall follow the timeline prescribed under the SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023. The timelines prescribed for public issues as mentioned in SEBI circulars dated November 1, 2018, June 28, 2019, November 8, 2019, March 30, 2020, March 16, 2021, June 2, 2021, and April 20, 2022 shall stand modified to the extent stated in this Circular.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, Bid application number, number of Equity Shares Bid for, amount paid on Bid application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities) or the Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the Bidder, Bid application number, UPI Id, number of Equity Shares applied for, amount blocked on

application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

Our Company has obtained authentication on the SCORES in terms of SEBI circular no. CIR/OIAE/1/2013 dated April 17, 2013 and complied with the SEBI circular (CIR/OIAE/1/2014/CIR/OIAE/1/2013) dated December 18, 2014 in relation to redressal of investor grievances through SCORES. Our Company has not received any complaints as on the date of this Draft Red Herring Prospectus.

#### **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB (in case of ASBA Bidders) or Sponsor Bank (in case of UPI Mechanism) or for redressal of routine investor grievances including through SEBI Complaint Redress System (SCORES) shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee as follows:

<b>Name of the Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Sreerama Murthy Garuda	Chairman	Independent Director
Hitu Gambhir Mahajan	Member	Independent Director
Mukesh Kumar Sinha	Member	Whole-time Director

Our Company has appointed Sandeep Kumar, the Company Secretary and Compliance Officer, who may be contacted in case of any pre-issue or post-issue related problems at the following address:

Signature Tower, 1<sup>st</sup> Floor Plot No 3,  
Sector Knowledge Park-III, Noida Sector 34,  
Gautam Buddha Nagar, Noida – 201 307,  
Uttar Pradesh, India.

**Telephone:** +91 120 635 1600

**Facsimile:** NA

**E-mail:** cs@oseldevices.com

Till date of this Draft Red Herring Prospectus, our Company has not received any investor complaint and no complaints is pending for resolution.

#### **PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH**

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 72 of this Draft Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

#### **LISTED VENTURES OF PROMOTERS**

There are no listed ventures of our Company or of our Promoters as on date of filing of this Draft Red Herring Prospectus.

#### **OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS**

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Draft Red Herring Prospectus.

#### **EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

## **SECTION VIII – ISSUE INFORMATION**

### **TERMS OF THE ISSUE**

*The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, Memorandum and Articles, the terms of this Draft Red Herring Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN') and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, rules, notifications, and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, NSE, ROC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that, in accordance with the Regulation 256 of the SEBI (ICDR), Regulations, 2018 read with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018) as a payment mechanism in a phased manner with ASBA for applications in public Issues by retail individual investors through intermediaries (Syndicate members, Registered Stock-Brokers, Registrar and Transfer agent and Depository Participants).*

*Further, vide the said circular, Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.*

#### **Authority for the Issue**

The present Public Issue of upto 45,00,000 Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on June 18, 2024 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on June 19, 2024 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares of our Company including in respect of the right to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to Section titled **“Description of Equity Shares and terms of the Articles of Association”** beginning on Page No. 296 of the Draft Red Herring Prospectus.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to chapter titled **“Dividend Policy”** beginning on Page No. 187 of the Draft Red Herring Prospectus.

#### **Face Value, Issue Price, Floor Price and Price Band**

The face value of each Equity Share is ₹ 10/- and the Issue Price at the lower end of the Price Band is ₹ [●] per Equity Share (**“Floor Price”**) and at the higher end of the Price Band is ₹ [●] per Equity Share (**“Cap Price”**).

The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and advertised in [●] editions of [●] (a widely circulated English national daily newspaper) and [●] editions of [●] (a widely circulated Hindi national daily newspaper, Hindi being the regional language of Delhi, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on its websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Issue Price shall be determined by our Company in consultation with the BRLM, after the Bid/Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares.



The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager and is justified under the chapter titled “*Basis of Issue Price*” beginning on page 92 of this Draft Red Herring Prospectus.

### **Compliance with SEBI (ICDR) Regulations**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 and the Memorandum and Articles of Association of our Company.

### **Minimum Application Value, Market Lot and Trading Lot**

In accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000/- (Rupees One Lakh) per application.

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Draft Red Herring Prospectus:

- Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated October 19, 2023.
- Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated November 2, 2023.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of an issuer shall be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the National Stock Exchange of India Limited from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares subject to a minimum allotment of [●] Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

### **Minimum Number of Allottees**

The minimum number of allottees in the Issue shall be 50 shareholders. In case, the number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

### **Joint Holders**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

### **Jurisdiction**

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in India.

The Equity Share have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, —U.S. personal (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

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 applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agent of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the 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, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for the lock-in of the pre-Issue capital of our Company, Promoter's minimum contribution as provided under the chapter titled "*Capital Structure*" on page 72 of this Draft Red Herring Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer chapter titled "*Description of Equity Shares and terms of the articles of association*" on page 296 of this Draft Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

### **Withdrawal of the Issue**

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment (ii) the final RoC approval of the Red Herring Prospectus after it is filed with the RoC. If our Company in consultation with BRLM withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus/Red Herring Prospectus with Stock Exchange.

## ISSUE PROGRAM

Events	Indicative Dates
<b>Bid/Issue Opening Date</b> *	[●]
<b>Bid/Issue Closing Date</b> **^	[●]
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	On or before [●]
<b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account</b>	On or before [●]
<b>Credit of Equity Shares to Demat accounts of Allottees</b>	On or before [●]
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	On or before [●]

\*The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

\*\*Our Company may in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations

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

#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/Issue 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/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their 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 dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.

The above timetable, other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation on our Company the BRLM.

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 Exchange are taken within 3 Working Days of the Bid/Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Offer Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); 'T' being issue closing date. The provisions of this circular were applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall follow the timelines provided under the aforementioned circular.

Any circulars or notifications from the SEBI after the date of the Draft Red Herring Prospectus may result in changes to the above- mentioned timelines. Further, the Offer procedure is subject to change to any revised circulars issued by the SEBI to this effect.

The BRLM will be required to submit reports of compliance with listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

**In terms of the UPI Circulars, in relation to the Issue, the BRLM will submit report of compliance with T+3 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.**

### Submission of Bids

#### Bid/Issue Period (except the Bid/Issue Closing Date)

Submission and Revision in Bids: Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”))

#### Bid/Issue Closing Date

Submission and Revision in Bids: Only between 10.00 a.m. and 3.00 p.m. IST

#### On the Bid/Issue Closing Date, the Bids shall be uploaded until:

- i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

- ii. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is Indian Standard Time. Bidders are cautioned that, in the event, large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company or any Member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or blocking of application amount by the SCSBs 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.

In case of any discrepancy in the data entered in the electronic book *vis-a-vis* data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken. Our Company in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. 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. The Floor Price shall not be less than the face value of the Equity Shares.

**In case of any revision to the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of one Working Day, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.**

#### **Minimum Subscription**

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the —stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Red Herring Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹ 1,00,000 (Rupees One Lac only) per application.

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 applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### Migration to Main Board

Parameter	Migration policy from NSE SME Platform to NSE Main Board
Paid up Capital & Market Capitalisation	The paid-up equity capital of the applicant shall not be less than 10 crores and the capitalisation of the applicant's equity shall not be less than 25 crores** ** Explanation For this purpose capitalisation will be the product of the price (average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during 3 months preceding the application date) and the post issue number of equity shares
Earnings before Interest, Depreciation and Tax (EBITDA) and Profit After Tax (PAT)	The applicant company should have positive cash accruals (Earnings before Interest, Depreciation and Tax) from operations for each of the 3 financial years preceding the migration application and has positive PAT in the immediate Financial Year of making the migration application to Exchange.
Listing period	The applicant should have been listed on SME platform of the Exchange for at least 3 years.
Other Listing conditions	<ul style="list-style-type: none"> <li>• The applicant Company has not referred to the Board of Industrial &amp; Financial Reconstruction (BIFR) &amp;/OR No proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.</li> <li>• The company has not received any winding up petition admitted by a NCLT.</li> <li>• The net worth* of the company should be at least 50 crores</li> </ul> <p>*Net Worth – as defined under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018</p>
Public Shareholders	Total number of public shareholders on the last day of preceding quarter from date of application should be at least 1,000.
The applicant desirous of listing its securities on the main board of the Exchange should also satisfy the Exchange on the following:	<ul style="list-style-type: none"> <li>• The Company should have made disclosures for all material Litigation(s) / dispute(s) / regulatory action(s) to the stock exchanges where its shares are listed in adequate and timely manner.</li> <li>• Cooling period of two months from the date the security has come out of trade-to-trade category or any other surveillance action, by other exchanges where the security has been actively listed.</li> <li>• Redressal mechanism of Investor grievance</li> <li>• PAN and DIN no. of Director(s) of the Company</li> <li>• Change in Control of a Company/Utilization of funds raised from public</li> </ul>

### Market Making

The shares issued and transferred through this Issue are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the Emerge Platform of National Stock Exchange of India Limited. For further details of the market making arrangement please refer to chapter titled “**General Information**” beginning on page 61 of this Draft Red Herring Prospectus.

### Arrangements for disposal of odd lots

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the Emerge Platform of National Stock Exchange of India Limited.

### Restrictions, if any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting

Except for lock-in of the pre-Issue Equity Shares and Promoter’s minimum contribution in the Issue as detailed in the chapter “**Capital Structure**” beginning on page 72 of this Draft Red Herring Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits

applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

#### **Application by Eligible NRIs, FPIs or VCFs registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### **Option to receive securities in Dematerialized Form**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

Further, it is mandatory for the investor to furnish the details of his/her depository account, & if for any reason, details of the account are incomplete or incorrect the application shall be treated as incomplete & may be rejected by the Company without any prior notice.

#### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debentures, warrants, secured premium notes, etc. issued by our Company.

## **ISSUE STRUCTURE**

This Issue is being made in terms of Regulation 229(2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital will be upto ₹ 2,500 lakhs, shall issue equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the Emerge Platform of National Stock Exchange of India Limited). For further details regarding the salient features and terms of such an issue, please refer chapter titled “*Terms of Issue*” and “*Issue Procedure*” on page no. 256 and 266 respectively of this Draft Red Herring Prospectus.

This public issue comprises of upto 45,00,000 equity shares of face value of ₹10/- each for cash at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share (the “issue price”) aggregating up to ₹ [●] lakhs (“the issue”) by our Company. The Issue and the Net Issue will constitute [●]% and [●]% respectively of the post issue paid up Equity Share Capital of the Company.

This Issue is being made by way of Book Building Process (1):

<b>Particulars of the Issue (2)</b>	<b>Market Maker Reservation Portion</b>	<b>QIBs</b>	<b>Non-Institutional Applicants</b>	<b>Retail Individual Investors</b>
Number of Equity Shares available for allocation	Up to [●] Equity shares	Not more than [●] Equity Shares.	Not less than [●] Equity Shares	Not less than Equity Shares [●]
Percentage of Issue size available for allocation	[●]% of the issue size	Not more than [●]% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion may 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 QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion  Up to 60.00% of the QIB Portion may be available for allocation to Anchor Investors and one third of the Anchor Investors Portion shall be available for allocation to domestic mutual funds only.	Not less than [●]% of the Net Issue	Not less than [●]% of the Net Issue
Basis of Allotment(3)	Firm Allotment	Proportionate as follows:  a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and  b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above	Proportionate	Proportionate
Mode of Bid	Only through the ASBA Process	Only through the ASBA process.	Through ASBA Process through banks or by using UPI ID for payment	Through ASBA Process through banks or by using UPI ID for payment
Mode of Allotment	Compulsorily in dematerialized form			

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Retail Individual Investors
Minimum Bid Size	[●] Equity Shares in multiple of [●] Equity shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹ 200,000	Such number of Equity Shares in multiples of [●] Equity Shares that Bid size exceeds ₹ 200,000	[●] Equity Shares in multiple of [●] Equity shares so that the Bid Amount does not exceed ₹ 2,00,000
Maximum Bid Size	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the issue (excluding the QIB portion), subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000
Trading Lot	[●] Equity Shares, however, the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.			
Mode of Bid	Only through the ASBA process (excluding the UPI Mechanism).	Only through the ASBA process (excluding the UPI Mechanism).	Only through the ASBA process (including the UPI Mechanism for a Bid size of up to ₹ 500,000)	Only through the ASBA process (including the UPI Mechanism)

- (1) This issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
- (2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018, this is an issue for at least 25% of the post issue paid-up Equity share capital of the Company. This issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.
- (3) Subject to valid Bids being received at or above the issue price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.
- (4) Our Company, in consultation with the BRLM may allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI (ICDR) Regulations, 2018, as amended. 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 Price.
- (5) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN. For further details please refer to the section titled "Issue Procedure" beginning on page 266 of the Draft Red Herring Prospectus

### Withdrawal of the Issue

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right to not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in [●] editions of [●] (a widely circulated English national daily newspaper) and [●] editions of [●] (a widely circulated Hindi national daily newspaper, Hindi being the regional language of Delhi, where our Registered Office is located), each with wide circulation.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in



the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approval of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the registration of Red Herring Prospectus with RoC.

## JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Delhi.

## BID/ ISSUE PROGRAMME:

Events	Indicative Dates
<b>Bid/Issue Opening Date</b> *	[●]
<b>Bid/Issue Closing Date</b> **^	[●]
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	On or before [●]
<b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account</b>	On or before [●]
<b>Credit of Equity Shares to Demat accounts of Allottees</b>	On or before [●]
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	On or before [●]

\*The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

\*\*Our Company may in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations

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

#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/Issue 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/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their 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 dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.

Bids and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Bidding Centers mentioned in the Bid cum Application Form.

Standardization of cut-off time for uploading of bids on the Bid/Issue closing date:

- i. A standard cut-off time of 3.00 p.m. for acceptance of bids.
- ii. A standard cut-off time of 4.00 p.m. for uploading of bids received from other than retail individual applicants.
- iii. A standard cut-off time of 5.00 p.m. for uploading of bids received from only retail individual applicants, which may be extended up to such time as deemed fit by National Stock Exchange of India Limited after taking into account the total number of bids received up to the closure of timings and reported by BRLM to National Stock Exchange of India Limited within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 had reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); 'T' being issue closing date. The provisions of this circular were applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall close this Issue in accordance with the timeline provided under the aforementioned circular.

## **ISSUE PROCEDURE**

All Bidders shall review the “General Information Document for Investing in Public Issues” prepared and issued in accordance with the circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 notified by SEBI, suitably modified from time to time, if any, and the UPI Circulars (“General Information Document”), highlighting the key rules, procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI Regulations.

The General Information Documents will be updated to reflect the enactments and regulations including the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document will also be available on the websites of the Stock Exchange and the Lead Manager, before opening of the Issue. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 effective to public issues opening on or after from May 01, 2021. However, said circular has been modified pursuant to SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in which certain applicable procedure w.r.t. SMS Alerts, Web portal to CUG etc shall be applicable to Public Issue opening on or after January 1, 2022 and October 1, 2021 respectively.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) Allocation of shares; (iii) Payment Instructions for ASBA Bidders; (iv) Issuance of CAN and Allotment in the Offer; (v) General instructions (limited to instructions for completing the Application Form); (vi) Submission of Application Form; (vii) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (viii) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (vi) mode of making refunds; and (vii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, had introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its 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 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds was discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”) and this phase was to continue till March 31, 2020 and post which reduced timeline from T+6 days to T+3 days was to be made effective using the UPI Mechanism for applications by RIBs. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”), and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023 (“T+3 SEBI Circular”). The Issue will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its 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, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, 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. SEBI, vide the SEBI RTA Master Circular, consolidated the aforementioned circulars to the extent relevant for RTAs, and rescinded these circulars. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application size are up to ₹5 lakhs shall use the UPI Mechanism. Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). These circulars are effective for initial public offers opening on/or after May 1, 2021, and the provisions of these circulars, as amended, are deemed to form part of this Draft Red Herring Prospectus.

*In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead manager shall continue to coordinate with intermediaries involved in the said process.*

#### **BOOK BUILDING PROCEDURE:**

This Issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Issue shall be allocated on a proportionate basis to QIBs, allocate up to [●]% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion 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 Issue Price. Further, not less than [●]% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than [●]% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. 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 Exchange.

**Investors should note that the Equity Shares will be allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, the PAN and UPI ID, for RIBs Bidding in the Retail Portion 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. However, they may get their Equity Shares rematerialized subsequent to allotment of the Equity Shares in the Issue, subject to applicable laws.**

#### **AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS**

The Memorandum containing the salient features of the Red Herring Prospectus together with the Application Forms and copies of the Red Herring Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of National Stock Exchange of India Limited i.e. [www.nseindia.com](http://www.nseindia.com). Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

#### **Phased implementation of Unified Payments Interface**

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI 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 RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to upto three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circulars proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

- a) Phase I: This phase was applicable from January 01, 2019 and lasted till June 30, 2019. Under this phase, a Retail Individual Bidder, besides the modes of Bidding available prior to the UPI Circulars, also had the option to submit the Bid cum Application Form with any of the 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.
- b) Phase II: This phase has commenced with effect from July 01, 2019 and will continue for a period of three months or floating of five main board public issues, whichever is later. Under this phase, submission of the Bid cum Application Form by a Retail Individual Investor through intermediaries to SCSBs for blocking of funds has been discontinued and has been replaced by the UPI Mechanism. However, the time duration from public issue closure

to listing continues to be six Working Days during this phase. SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice.

- c) Phase III/T+3: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023 vide T+3 Press Release. In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Press Release as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

Pursuant to the UPI 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 Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked not later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the 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 in this regard, the relevant SCSB as well as the post – Issue 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 processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

For further details, refer to the “General Information Document” available on the websites of the Stock Exchange and the BRLM.

### **Bid cum Application Form**

Copies of the Bid cum Application Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the website of National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/Issue Opening Date.

All Bidders shall mandatorily participate in the Issue only through the ASBA process. The RIs Bidding in the Retail Portion can additionally Bid through the UPI Mechanism.

RIBs Bidding in the Retail Portion using the UPI Mechanism must provide the valid 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 (other than RIBs using UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details 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 Bidding in the Retail Portion using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid.

The prescribed colour of the Application Form for various categories is as follows:

<b>Category</b>	<b>Colour of Application Form*</b>
Anchor Investor**	White

Category	Colour of Application Form*
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation basis	Blue

**Note:** Electronic Bid Cum Application Forms will also be available for download on the website of the National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)).

\*\* Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

**Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.**

**Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).**

**Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Draft Red Herring Prospectus.**

**The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.**

**An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)**

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an Issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.*

*The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.*

**The upload of the details in the electronic bidding system of stock exchange will be done by:**

<b>For Applications submitted by Investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.
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**Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.**

**Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.**

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

For RIBs using UPI Mechanism, the Stock Exchange 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. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/ Issue Closing Date ("Cut- Off Time"). Accordingly, RIBs should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange 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 Issue for analysing the same and fixing liability.

#### **WHO CAN BID?**

**Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the DRHP for more details.**

**Subject to the above, an illustrative list of Bidders is as follows:**

- a) Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than EligibleNRIs are not eligible to participate in this Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;

- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non- Institutional Bidder 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**APPLICATIONS NOT TO BE MADE BY:**

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

**As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non- resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.**

**MAXIMUM AND MINIMUM APPLICATION SIZE**

**1. For Retail Individual Bidders**

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹ 2,00,000.

**2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of

Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

#### **METHOD OF BIDDING PROCESS**

Our Company, in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in [●] editions of [●] (a widely circulated English national daily newspaper) and [●] editions of [●] (a widely circulated Hindi national daily newspaper, Hindi being the regional language of Delhi, where our Registered Office is located) each with wide circulation at least two Working Days prior to the Bid / Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in [●] editions of [●] (a widely circulated English national daily newspaper) and [●] editions of [●] (a widely circulated Hindi national daily newspaper, Hindi being the regional language of Delhi, where our Registered Office is located) each with wide circulation and also by indicating the change on the website of the Book Running Lead Manager.
- b) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- c) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- d) The BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.
- e) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- f) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- g) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- h) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the



SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d. Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

#### **Participation by Associates /Affiliates of BRLM and the Syndicate Members**

**The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.**

#### **Option to Subscribe in the Issue**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

#### **Information for the Bidders:**

1. Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Draft Red Herring Prospectus to be registered with the RoC and also publish the same in [●] editions of [●] (a widely circulated English national daily newspaper) and [●] editions of [●] (a widely circulated Hindi national daily newspaper, Hindi being the regional language of Delhi, where our Registered Office is located) each with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Draft Red Herring Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Draft Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Draft Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the

Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.

7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

#### **BIDS BY HUFs**

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

#### **BIDS BY MUTUAL FUNDS**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10.00% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.00% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10.00% of any company's paid-up share capital carrying voting rights.

#### **BIDS BY ELIGIBLE NRIS**

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through 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 authorize their SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in

case of Bidding through 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. Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules.

In accordance with the Consolidated FDI Policy, the total holding by any individual NRI, on a repatriation or non-repatriation basis, shall not exceed 5.00% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5.00% 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, on a repatriation or non-repatriation basis, 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. Provided that the aggregate ceiling of 10.00% may be raised to 24.00% if a special resolution to that effect is passed by the general body of the Indian company.

NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Issue, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the Issue using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application. For details of investment by NRIs, see “**Restrictions on Foreign Ownership of Indian Securities**” beginning on page 294. Participation of eligible NRIs shall be subject to 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 the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA NDI Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA NDI Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap for retail trading of food products manufactured and/ or produced in India is 100% under automatic route.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents.

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. **FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.**

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by 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 issuing off-shore derivative instruments is also required to ensure that any transfer of off-shore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

- (i). such offshore derivative instruments are transferred to person subject to fulfilment of SEBI FPI Regulations; and
- (ii). Prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which finalized the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations (“Operational FPI Guidelines”), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids (“MIM Bids”). It is hereby clarified that FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that

finalized the multi- investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as “MIM Structure”). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with 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.

#### **BIDS BY SEBI-REGISTERED AIFS, VCFS AND FVCIS**

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, inter alia, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one investee company directly or through investment in the units of other AIFs. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3<sup>rd</sup> of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Issue) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding Equity Shares prior to Issue, shall be locked-in for a period of at least one year from the date of purchase of such Equity Shares.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

The Company or the BRLM will not 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, in consultation with the BRLM, 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 this, our Company, in consultation with the BRLM, reserves 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, the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended, is 10.00% of the paid up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10.00% of the bank’s own paid-up share capital and reserves, whichever is lower.

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; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company’s interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company 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. The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank’s paid-up share capital and reserves.

In terms of the Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended (i) a bank’s investment

in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid-up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid-up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master Direction – Ownership in Private Sector Banks, Directions, 2016, see “*Key Regulations and Policies*” beginning on page 152.

#### **BIDS BY SCSBS**

SCSBS participating in the Issue are required to comply with the terms of the circulars issued by the SEBI dated September 13, 2012 and January 2, 2013. 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 NBFCS**

In case of Bids made by Systemically Important NBFCS registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) the last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCS are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

Systemically Important NBFCS participating in the Issue shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time.

The investment limit for Systemically Important NBFCS shall be as prescribed 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, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

- a) equity shares of a company: the lower of 10%\* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

*\*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 25,000,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 5,000,000 lakhs or more but less than ₹ 25,000,000 lakhs.*

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **BIDS BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500

lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

### **BIDS BY ANCHOR INVESTORS**

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 lakhs. 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 200.00 lakhs
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
- 5) Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs:(i)minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. 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 BRLM before the Bid/Issue Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
- 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
- 10) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30days from the date of Allotment.
- 11) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection byes.

- 12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- 13) Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

### **BIDS UNDER POWER OF ATTORNEY**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, Systemically Important NBFCs, 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 a minimum corpus of ₹ 2,500lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to accept or reject any Bid in whole or in part, in either case without assigning any reason therefor.

Our Company, in consultation with the BRLM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company, in consultation with the BRLM may deem fit.

### **ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

### **Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

### **Terms of payment**

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

### **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non- Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the

SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

#### **Payment into Escrow Account for Anchor Investors**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its 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.

- a) For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of: a. In case of resident Anchor Investors: — “[●] – Anchor Account- R”
- b) In case of Non-Resident Anchor Investors: — “[●] – Anchor Account- NR”
- c) Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

#### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - i. the applications accepted by them,
  - ii. the applications uploaded by them
  - iii. the applications accepted but not uploaded by them or
  - iv. With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (i) The applications accepted by any Designated Intermediaries
  - (ii) The applications uploaded by any Designated Intermediaries or
  - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:



S. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
- Name of the Bidder;
  - IPO Name;
  - Bid Cum Application Form Number;
  - Investor Category;
  - PAN (of First Bidder, if more than one Bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Draft Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO 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 any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoters, our 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 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.

13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/ Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Bid/ Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **Build of the Book**

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centers during the Bid/ Issue Period.

#### **Withdrawal of Bids**

- a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

#### **Price Discovery and Allocation**

- a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Issue Price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
- e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.

**Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue, it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.**

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%

2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

**The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.**

***Anchor Investors are not allowed to withdraw their Bids after Anchor Investors bidding date.***

## **GENERAL INSTRUCTIONS**

### ***Do's:***

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
4. Ensure that you have mentioned the correct ASBA Account number if you are not an RIB bidding using the UPI Mechanism in the Bid cum Application Form and if you are an RIB using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except electronic Bids) within the prescribed time;
6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
7. If you are an ASBA Bidder and the first applicant is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
9. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
10. 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. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
11. RIBs bidding in the Issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for RIBs using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
12. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form or have otherwise provided an authorization to the SCSB 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, as the case may be, at the time of submission of the Bid. In case of RIBs submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) 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, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

15. Investors to ensure that their PAN is linked with Aadhar and are in compliance with Central Board of Direct Taxes (“CBDT”) notification dated February 13, 2020 and press release dated June 25, 2021.
16. Ensure that the Demographic Details are updated, true and correct in all respects;
17. 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;
18. Ensure that the category and the investor status is indicated;
19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
21. Ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
22. Ensure that when applying in the Issue using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
23. 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 284inalized blocking of funds equivalent to the revised Bid Amount in the RIB’s ASBA Account;
24. 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/ Issue Closing Date;
25. 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 authorize 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;
26. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (RIBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of [www.sebi.gov.in](http://www.sebi.gov.in)); and
27. 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.

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 for a Bid Amount exceeding ₹ 200,000 (for Bids by RIBs);
1. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
2. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
3. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
4. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
5. Do not submit the Bid for an amount more than funds available in your ASBA account.
6. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum ApplicationForms in a colour prescribed for another category of a Bidder;
7. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
8. If you are a RIB and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
9. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
10. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
11. Do not submit the General Index Register (GIR) number instead of the PAN;
12. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
13. 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;
14. 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);
15. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
16. Do not submit a Bid using UPI ID, if you are not a RIB;
17. Do not Bid on another ASBA Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
18. Do not Bid for Equity Shares in excess of what is specified for each category;
19. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;
20. 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. RIBs can revise or withdraw their Bids on or before the Bid/Issue Closing Date;
21. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
22. If you are an RIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third-party bank account or third party linked bank account UPI ID;
23. Do not Bid if you are an OCB; and
24. If you are a QIB, do not submit your Bid after 3:00 pm on the Bid/Issue Closing Date.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Further, in case of any pre-Issue or post-Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, please see the section entitled “**General Information**” and “**Our Management**” beginning on pages 61 and 164, respectively.

For helpline details of the BRLM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021,

please see the section entitled “**General Information**” beginning on page 61.

## **GROUNDINGS FOR TECHNICAL REJECTION**

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by RIBs using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by RIBs using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Bids by RIBs with Bid Amount of a value of more than ₹ 2,00,000;
12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Bids accompanied by stock invest, money order, postal order or cash; and
14. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchange.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see “**General Information**” beginning on page 61.

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/ Issue 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/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI Master Circular, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 had reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); ‘T’ being issue closing date. The provisions of this circular were applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall close this Issue in accordance with the timeline provided under the aforementioned circular. The timelines prescribed for public issues as mentioned in SEBI circulars dated November 1, 2018, June 28, 2019, November 8, 2019, March 30, 2020, March 16, 2021, June 2, 2021, and April 20, 2022 shall stand modified to the extent stated in this Circular.

Names of entities responsible for finalized the basis of allotment in a fair and proper manner

The authorized employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalized in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the BID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **BASIS OF ALLOCATION**

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the DRHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

#### **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

**The allotment of Equity Shares to Bidders other than Retail Individual Investors may be on proportionate basis. No Retail Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Issue for Sale only, then minimum subscription may not be applicable.**

#### **BASIS OF ALLOTMENT**

##### **a. For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

##### **b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

##### **c. Allotment To Anchor Investor (If Applicable)**

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following

requirements:

- i. not more than 60% of the QIB Portion will be allocated to Anchor Investors;
- ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
- iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:
  - maximum number of two Anchor Investors for allocation up to ₹ 2 crores; a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and
  - in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.

**d. For QIBs**

Bids received from QIBs Bidding in the QIB Category at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- i. In the first instance, allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:
  - In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
  - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- ii. In the second instance, allotment to all QIBs shall be determined as follows:
  - In the event of oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.
  - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
  - Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.
- iii. Basis of Allotment for QIBs and NIIs in case of Over Subscribed Issue:

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the National Stock Exchange of India Limited Emerge (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the oversubscription ratio).
- c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment



will be made as follows:

- Each successful Bidder shall be allotted [●] equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this DRHP.

**Retail Individual Investor means an investor who applies for shares of value of not more than ₹ 2,00,000/. Investors may note that in case of over subscription, allotment shall be on proportionate basis and will be finalized in consultation with National Stock Exchange of India Limited.**

**The Executive Director / Managing Director of National Stock Exchange of India Limited – the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.**

#### **Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures that credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

#### **Designated Date:**

**On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.**

**The Company will Issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any, within a period of 4 working days of the Bid/ Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.**

#### **Instructions for Completing the Bid Cum Application Form**

**The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.**

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Issue with effect from January 01, 2013. The list of Broker Centre is available on the website of National Stock Exchange of India Limited i.e. www.nseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the website of National Stock Exchange of India Limited i.e. www.nseindia.com

#### **Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository, the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

#### **Submission of Bid Cum Application Form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

#### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre- Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

#### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE Emerge where the Equity Shares are proposed to be listed are taken within 3(three) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 3 (three) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and

applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

**SEBI pursuant to its circular bearing reference number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 had reduced the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the present requirement of 6 working days (T+6 days); 'T' being issue closing date. The provisions of this circular were applicable, on voluntary basis for public issues opening on or after September 1, 2023 and on mandatory basis for public issues opening on or after December 1, 2023. Our Company shall close this Issue in accordance with the timeline provided under the aforementioned circular.**

#### **BASIS OF ALLOTMENT**

Allotment will be made in consultation National Stock Exchange of India Limited (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - i. Each successful applicant shall be allotted [●] equity shares; and
  - ii. The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.

#### **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100.00% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange. The Executive Director/Managing Director of the National Stock Exchange of India Limited – the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

**As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **Equity Shares in Dematerialised Form with NSDL/CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in process of entering following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated October 19, 2023.
- b) Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated November 2, 2023.
- c) The Company's Equity shares bear an ISIN No. INE0RMF01018.

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

### **PRE-ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a Pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (a widely circulated English national daily newspaper) and [●] editions of [●] (a widely circulated Hindi national daily newspaper, Hindi being the regional language of Delhi, where our Registered Office is located) each with wide circulation).

In the Pre-Issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

### **SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING**

- a) Our Company and the Underwriter intend to enter into an Underwriting Agreement on or before the filing of Red Herring Prospectus.
- b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Issue Price, Issue size, and underwriting arrangements and will be complete in all material respects.

### **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:*

- I. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- II. 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*
- III. 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 ₹ 10/- Lakhs or 1.00% 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 ₹ 10/- lakhs 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 ₹ 50/- Lakh or with both.

## **UNDERTAKINGS BY OUR COMPANY**

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders;
- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed shall be taken within three Working Days of the Bid/Issue Closing Date or such other time as may be prescribed by the SEBI or under any applicable law;
- if Allotment is not made within the prescribed time period under applicable law, the entire Bid 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;
- the funds required for making refunds (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder 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;
- no further issue of the Equity Shares shall be made until the Equity Shares issued through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under- subscription, etc.
- our Company, in consultation with the BRLM, reserves the right not to proceed with the Fresh Issue, in whole or in part thereof, to the extent of the Issued Shares, after the Bid/ Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed; and
- if our Company, in consultation with the BRLM withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with the SEBI.

## **UTILIZATION OF ISSUE PROCEEDS**

Our Board certifies that:

- all monies received out of the Fresh Issue 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, 2013;
- details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“**FEMA**”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of 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 government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“**RBI**”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”).

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“**FDI**”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”), has issued consolidated FDI Policy Circular of 2017 (“**FDI Policy 2017**”), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular. The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to *inter-alia*, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, *inter-alia* with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore applicable foreign investment up to 100% is permitted in our company under automatic route.

In case of investment in sectors through Government Route approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained by the Company. The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include: (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that: a) the requisite approval of the Government has been obtained; and b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.; (ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence with the pricing guidelines and documentation requirements as specified by reserve Bank of India from time to time.; (iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that: a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, etc.), reporting requirements, documentation etc.; b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank and iv) where the investee company is in the financial sector provided that: a) Any ‘fit and proper/due diligence’ requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and b) The FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

### **Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2017, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, , FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, , 3, 6, 7, 8, 9, and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India)

Regulations, 2017. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap. Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

***i. Investment by FPIs under Portfolio Investment Scheme (PIS):***

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10 % of the total paid-up equity capital on a fully diluted basis or less than 10% 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 shall not exceed 24 % of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

***ii. Investment by NRI or OCI on repatriation basis:***

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as “Capital Instruments”) of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 i.e.:

- The total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 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 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 percent of the paid-up value of each series of debentures or preference 373 shares or share warrants; provided that 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 the Indian company.

***iii. Investment by NRI or OCI on non-repatriation basis:***

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws. Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

## **SECTION IX – DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION**

*Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:*

We confirm that there are no material clauses of Article of Association that have been left out from disclosure having bearing on the Issue.

Article No.	Articles	Particulars
1.	<b>Table F Applicable.</b>	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.
<b>CAPITAL</b>		
3.	<b>Authorized Capital.</b>	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.	<b>Increase of capital by the Company how carried into effect</b>	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.	<b>New Capital same as existing capital</b>	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 installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
6.	<b>Non-Voting Shares</b>	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.
7.	<b>Redeemable Preference Shares</b>	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.
8.	<b>Voting rights of preference shares</b>	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.
9.	<b>Provisions to apply on issue of Redeemable Preference Shares</b>	On the issue of redeemable preference shares under the provisions of Article hereof, the following provisions shall take effect: <ul style="list-style-type: none"> <li>(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;</li> <li>(b) No such Shares shall be redeemed unless they are fully paid;</li> <li>(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;</li> <li>(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</li> </ul>



Article No.	Articles	Particulars
		<p>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 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(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</p>
10.	<b>Reduction of capital</b>	<p>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</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>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.</p>
11.	<b>Debentures</b>	<p>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.</p>
12.	<b>Issue of Sweat Equity Shares</b>	<p>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.</p>
13.	<b>ESOP</b>	<p>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.</p>
14.	<b>Buy Back of shares</b>	<p>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.</p>
15.	<b>Consolidation, Sub-Division And Cancellation</b>	<p>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.</p>
16.	<b>Issue of Depository Receipts</b>	<p>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.</p>
17.	<b>Issue of Securities</b>	<p>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.</p>
<b>MODIFICATION OF CLASS RIGHTS</b>		
18.	<b>Modification of rights</b>	<p>(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</p>

Article No.	Articles	Particulars
		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.
	<b>New Issue of Shares not to affect rights attached to existing shares of that class.</b>	(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 <i>pari passu</i> therewith.
<b>19.</b>	<b>Shares at the disposal of the Directors.</b>	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.
<b>20.</b>	<b>Power to issue shares on preferential basis.</b>	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.
<b>21.</b>	<b>Shares should be Numbered progressively and no share to be subdivided.</b>	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.
<b>22.</b>	<b>Acceptance of Shares.</b>	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.
<b>23.</b>	<b>Directors may allot shares as full paid-up</b>	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.
<b>24.</b>	<b>Deposit and call etc. to be a debt payable immediately.</b>	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.
<b>25.</b>	<b>Liability of Members.</b>	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.
<b>26.</b>	<b>Registration of Shares.</b>	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.
<b>RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT</b>		
<b>27.</b>		The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act.
<b>CERTIFICATES</b>		

Article No.	Articles	Particulars
28.	Share Certificates.	<p>(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 two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month 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 or 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 of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(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.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p>
29.	Issue of new certificates in place of those defaced, lost or destroyed.	<p>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. 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 Rs.50/- 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.</p> <p>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 Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p>
30.	The first named joint holder deemed Sole holder.	<p>(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</p>

Article No.	Articles	Particulars
		and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.
	<b>Maximum number of joint holders.</b>	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.
<b>31.</b>	<b>Company not bound to recognise any interest in share other than that of registered holders.</b>	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.
<b>32.</b>	<b>Installment on shares to be duly paid.</b>	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment 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.
<b>UNDERWRITING AND BROKERAGE</b>		
<b>33.</b>	<b>Commission</b>	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.
<b>34.</b>	<b>Brokerage</b>	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.
<b>CALLS</b>		
<b>35.</b>	<b>Directors may make calls</b>	(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 installments.
<b>36.</b>	<b>Notice of Calls</b>	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.
<b>37.</b>	<b>Calls to date from resolution.</b>	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.
<b>38.</b>	<b>Calls on uniform basis.</b>	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.
<b>39.</b>	<b>Directors may extend time.</b>	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.
<b>40.</b>	<b>Calls to carry interest.</b>	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.
<b>41.</b>	<b>Sums deemed to be calls.</b>	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be

Article No.	Articles	Particulars
		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 installment accordingly.
42.	<b>Proof on trial of suit for money due on shares.</b>	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.
43.	<b>Judgment, decree, partial payment motto proceed for forfeiture.</b>	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.
44.	<b>Payments in Anticipation of calls may carry interest</b>	<p>(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</p> <p>(b) or to participate in profits.</p> <p>(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. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.</p>
<b>LIEN</b>		
45.	<b>Company to have Lien on shares.</b>	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.
46.	<b>As to enforcing lien by sale.</b>	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

<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
		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.
<b>47.</b>	<b>Application of proceeds of sale.</b>	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.
<b>FORFEITURE AND SURRENDER OF SHARES</b>		
<b>48.</b>	<b>If call or installment not paid, notice may be given.</b>	If any Member fails to pay the whole or any part of any call or installment 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 installment 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 installment 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 installment 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.
<b>49.</b>	<b>Terms of notice.</b>	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 installment and such interest thereon as the Directors shall determine from the day on which such call or installment 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 installment is payable will be liable to be forfeited.
<b>50.</b>	<b>On default of payment, shares to be forfeited.</b>	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 installments, 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.
<b>51.</b>	<b>Notice of forfeiture to a Member</b>	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.
<b>52.</b>	<b>Forfeited shares to be property of the Company and may be sold etc.</b>	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.
<b>53.</b>	<b>Members still liable to pay money owing at time of forfeiture and interest.</b>	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, installments, 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.
<b>54.</b>	<b>Effect of forfeiture.</b>	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.
<b>55.</b>	<b>Evidence of Forfeiture.</b>	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.
<b>56.</b>	<b>Title of purchaser and allottee of Forfeited shares.</b>	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

<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
		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.
<b>57.</b>	<b>Cancellation of share certificate in respect of forfeited shares.</b>	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.
<b>58.</b>	<b>Forfeiture may be remitted.</b>	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.
<b>59.</b>	<b>Validity of sale</b>	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.
<b>60.</b>	<b>Surrender of shares.</b>	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.
<b>TRANSFER AND TRANSMISSION OF SHARES</b>		
<b>61.</b>	<b>Execution of the instrument of shares.</b>	(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.
<b>62.</b>	<b>Transfer Form.</b>	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;
<b>63.</b>	<b>Transfer not to be registered except on production of instrument of transfer.</b>	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.
<b>64.</b>	<b>Directors may refuse to register transfer.</b>	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register— (a) any transfer of shares on which the company has a lien. 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;
<b>65.</b>	<b>Notice of refusal to be given to transferor and transferee.</b>	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

<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
		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.
<b>66.</b>	<b>No fee on transfer.</b>	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.
<b>67.</b>	<b>Closure of Register of Members or debenture holder or other security holders.</b>	The Board of Directors shall have power on giving not less than seven days previous 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.
<b>68.</b>	<b>Custody of transfer Deeds.</b>	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.
<b>69.</b>	<b>Application for transfer of partly paid shares.</b>	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.
<b>70.</b>	<b>Notice to transferee.</b>	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.
<b>71.</b>	<b>Recognition of legal representative.</b>	<p>(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.</p> <p>(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</p> <p>(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.</p>
<b>72.</b>	<b>Titles of Shares of deceased Member</b>	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 72 of the Companies Act.
<b>73.</b>	<b>Notice of application when to be given</b>	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.



<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
<b>74.</b>	<b>Registration of persons entitled to share otherwise than by transfer. (transmission clause).</b>	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'.
<b>75.</b>	<b>Refusal to register nominee.</b>	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.
<b>76.</b>	<b>Board may require evidence of transmission.</b>	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.
<b>77.</b>	<b>Company not liable for disregard of a notice prohibiting registration of transfer.</b>	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.
<b>78.</b>	<b>Form of transfer Outside India.</b>	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.
<b>79.</b>	<b>No transfer to insolvent etc.</b>	No transfer shall be made to any minor, insolvent or person of unsound mind.
<b>NOMINATION</b>		
<b>80.</b>	<b>Nomination</b>	<ul style="list-style-type: none"> <li>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, 2013 shall apply in respect of such nomination.</li> <li>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 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</li> <li>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</li> <li>iv) If 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.</li> </ul>
<b>81.</b>	<b>Transmission of Securities by nominee</b>	A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either- <ul style="list-style-type: none"> <li>(i) to be registered himself as holder of the security, as the case may be; or</li> <li>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</li> </ul>

<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
		<p>(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;</p> <p>(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.</p> <p>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.</p>
<b>DEMATERIALIZATION OF SHARES</b>		
<b>82.</b>	<b>Dematerialisation of Securities</b>	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.
<b>JOINT HOLDER</b>		
<b>83.</b>	<b>Joint Holders</b>	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.
<b>84.</b>	<b>Joint and several liabilities for all payments in respect of shares.</b>	(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.
	<b>Title of survivors.</b>	(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;
	<b>Receipts of one sufficient.</b>	(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
	<b>Delivery of certificate and giving of notices to first named holders.</b>	(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.
<b>SHARE WARRANTS</b>		
<b>85.</b>	<b>Power to issue share warrants</b>	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.
<b>86.</b>	<b>Deposit of share warrants</b>	<p>(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.</p> <p>(b) Not more than one person shall be recognized as depositor of the Share warrant.</p> <p>(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.</p>
<b>87.</b>	<b>Privileges and disabilities of the holders of share warrant</b>	(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

Article No.	Articles	Particulars
		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.
88.	<b>Issue of new share warrant coupons</b>	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.
<b>CONVERSION OF SHARES INTO STOCK</b>		
89.	<b>Conversion of shares into stock or reconversion.</b>	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.
90.	<b>Transfer of stock.</b>	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.
91.	<b>Rights of stock holders.</b>	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, 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.
92.	<b>Regulations.</b>	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.
<b>BORROWING POWERS</b>		
93.	<b>Power to borrow.</b>	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, anybody 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.
94.	<b>Issue of discount etc. or with special privileges.</b>	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.
95.	<b>Securing payment or repayment of Moneys borrowed.</b>	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, charge, 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.
96.	<b>Bonds, Debentures etc. to be under the control of the Directors.</b>	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

Article No.	Articles	Particulars
		such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.
97.	<b>Mortgage of uncalled Capital.</b>	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.
98.	<b>Indemnity may be given.</b>	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 surety 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.
<b>MEETINGS OF MEMBERS</b>		
99.	<b>Distinction between AGM &amp; EGM.</b>	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.
100.	<b>Extra-Ordinary General Meeting by Board and by requisition</b>	(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
	<b>When a Director or any two Members may call an Extra Ordinary General Meeting</b>	(b) 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.
101.	<b>Meeting not to transact business not mentioned in notice.</b>	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.
102.	<b>Chairman of General Meeting</b>	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.
103.	<b>Business confined to election of Chairman or Vice Chairman whilst chair is vacant.</b>	No business, except the election of a Chairman or Vice Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.
104.	<b>Chairman with consent may adjourn meeting.</b>	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.
105.	<b>Chairman's casting vote.</b>	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.
106.	<b>In what case poll taken without adjournment.</b>	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.
107.	<b>Demand for poll not to prevent transaction of other business.</b>	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.

<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
<b>VOTES OF MEMBERS</b>		
<b>108.</b>	<b>Members in arrears not to vote.</b>	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.
<b>109.</b>	<b>Number of votes each member entitled.</b>	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.
<b>110.</b>	<b>Casting of votes by a member entitled to more than one vote.</b>	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.
<b>111.</b>	<b>Vote of member of unsound mind and of minor</b>	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.
<b>112.</b>	<b>Postal Ballot</b>	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.
<b>113.</b>	<b>E-Voting</b>	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
<b>114.</b>	<b>Votes of joint members.</b>	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.
<b>115.</b>	<b>Votes may be given by proxy or by representative</b>	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
<b>116.</b>	<b>Representation of a body corporate.</b>	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.
<b>117.</b>	<b>Members paying money in advance.</b>	(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.
	<b>Members not prohibited if share not held for any specified period.</b>	(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.

<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
<b>118.</b>	<b>Votes in respect of shares of deceased or insolvent members.</b>	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.
<b>119.</b>	<b>No votes by proxy on show of hands.</b>	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.
<b>120.</b>	<b>Appointment of a Proxy.</b>	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.
<b>121.</b>	<b>Form of proxy.</b>	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
<b>122.</b>	<b>Validity of votes given by proxy notwithstanding death of a member.</b>	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.
<b>123.</b>	<b>Time for objections to votes.</b>	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.
<b>124.</b>	<b>Chairperson of the Meeting to be the judge of validity of any vote.</b>	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.
<b>DIRECTORS</b>		
<b>125.</b>	<b>Number of Directors</b>	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. First directors of the company are:- 1. Rajendra Ravi Shanker Mishra 2. Vijay Babbar 3. Manoj Singh
<b>126.</b>	<b>Qualification shares.</b>	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.
<b>127.</b>	<b>Nominee Directors.</b>	(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, 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

<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
		<p>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.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p>
<b>128.</b>	<b>Appointment of alternate Director.</b>	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.
<b>129.</b>	<b>Additional Director</b>	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.
<b>130.</b>	<b>Directors power to fill casual vacancies.</b>	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.
<b>131.</b>	<b>Sitting Fees.</b>	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.
<b>132.</b>	<b>Travelling expenses Incurred by Director on Company's business.</b>	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.
<b>PROCEEDING OF THE BOARD OF DIRECTORS</b>		
<b>133.</b>	<b>Meetings of Directors.</b>	<p>(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.</p> <p>(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.</p>
<b>134.</b>	<b>Chairman and Vice Chairman</b>	<p>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, 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.</p> <p>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.</p>
<b>135.</b>	<b>Questions at Board meeting how decided.</b>	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.
<b>136.</b>	<b>Continuing directors may act notwithstanding any vacancy in the Board</b>	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.
<b>137.</b>	<b>Directors may appoint committee.</b>	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

<b>Article No.</b>	<b>Articles</b>	<b>Particulars</b>
		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 fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.
<b>138.</b>	<b>Committee Meetings how to be governed.</b>	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.
<b>139.</b>	<b>Chairperson of Committee Meetings</b>	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.
<b>140.</b>	<b>Meetings of the Committee</b>	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.
<b>141.</b>	<b>Acts of Board or Committee shall be valid notwithstanding defect in appointment.</b>	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.
<b>RETIREMENT AND ROTATION OF DIRECTORS</b>		
<b>142.</b>	<b>Power to fill casual vacancy</b>	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.
<b>POWERS OF THE BOARD</b>		
<b>143.</b>	<b>Powers of the Board</b>	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.
<b>144.</b>	<b>Certain powers of the Board</b>	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
	<b>To acquire any property , rights etc.</b>	(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.
	<b>To take on Lease.</b>	(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.
	<b>To erect &amp; construct.</b>	(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



Article No.	Articles	Particulars
		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.
	<b>To pay for property.</b>	(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.
	<b>To insure properties of the Company.</b>	(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.
	<b>To open Bank accounts.</b>	(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.
	<b>To secure contracts by way of mortgage.</b>	(7) To secure the fulfillment 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.
	<b>To accept surrender of shares.</b>	(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.
	<b>To appoint trustees for the Company.</b>	(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.
	<b>To conduct legal proceedings.</b>	(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.
	<b>Bankruptcy &amp; Insolvency</b>	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.
	<b>To issue receipts &amp; give discharge.</b>	(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.
	<b>To invest and deal with money of the Company.</b>	(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.
	<b>To give Security by way of indemnity.</b>	(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;
	<b>To determine signing powers.</b>	(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.

Article No.	Articles	Particulars
	<b>Commission or share in profits.</b>	(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.
	<b>Bonus etc. to employees.</b>	(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.
	<b>Transfer to Reserve Funds.</b>	(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 deprecation 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.
	<b>To appoint and remove officers and other employees.</b>	(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.
	<b>To appoint Attorneys.</b>	(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.

Article No.	Articles	Particulars
	<b>To enter into contracts.</b>	(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.
	<b>To make rules.</b>	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.
	<b>To effect contracts etc.</b>	(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.
	<b>To apply &amp; obtain concessions licenses etc.</b>	(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.
	<b>To pay commissions or interest.</b>	(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.
	<b>To redeem preference shares.</b>	(26) To redeem preference shares.
	<b>To assist charitable or benevolent institutions.</b>	(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

Article No.	Articles	Particulars
		<p>Company for the time being held under lease or for an estate less than freehold estate.</p> <p>(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.</p> <p>(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.</p> <p>(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.</p> <p>(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.</p>
<b>MANAGING AND WHOLE-TIME DIRECTORS</b>		
145.	<b>Powers to appoint Managing/ Whole-time Directors.</b>	<p>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.</p> <p>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.</p>
146.	<b>Remuneration of Managing or Whole-time Director.</b>	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.
147.	<b>Powers and duties of Managing Director or Whole-time Director.</b>	<p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day 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.</p> <p>(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.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Whole-time Director or Whole-time Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(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.</p>

Article No.	Articles	Particulars
		(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.
<b>CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER</b>		
148.	<b>Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer</b>	<p>a) Subject to the provisions of the Act,—</p> <p>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 think 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;</p> <p>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>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.</p>
<b>THE SEAL</b>		
149.	<b>The seal, its custody and use.</b>	<p>(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.</p> <p>(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.</p>
150.	<b>Deeds how executed.</b>	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.
<b>DIVIDEND AND RESERVES</b>		
151.	<b>Division of profits.</b>	<p>(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.</p> <p>(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.</p> <p>(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.</p>
152.	<b>The company in General Meeting may declare Dividends.</b>	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.
153.	<b>Transfer to reserves</b>	<p>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, think fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>

Article No.	Articles	Particulars
154.	<b>Interim Dividend.</b>	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.
155.	<b>Debts may be deducted.</b>	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.
156.	<b>Capital paid up in advance not to earn dividend.</b>	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.
157.	<b>Dividends in proportion to amount paid-up.</b>	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.
158.	<b>Retention of dividends until completion of transfer under Articles .</b>	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.
159.	<b>No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.</b>	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.
160.	<b>Effect of transfer of shares.</b>	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.
161.	<b>Dividend to joint holders.</b>	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.
162.	<b>Dividends how remitted.</b>	<p>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.</p> <p>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p>
163.	<b>Notice of dividend.</b>	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.
164.	<b>No interest on Dividends.</b>	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.
<b>CAPITALIZATION</b>		
165.	<b>Capitalization.</b>	<p>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <p>(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</p> <p>(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.</p> <p>(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:</p> <p>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(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</p> <p>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</p> <p>(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.</p>

Article No.	Articles	Particulars
		(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
166.	<b>Fractional Certificates.</b>	<p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>(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</p> <p>(b) generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(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</p> <p>(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.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(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.</p>
167.	<b>Inspection of Minutes Books of General Meetings.</b>	<p>(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.</p> <p>(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.</p>
168.	<b>Inspection of Accounts</b>	<p>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.</p> <p>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.</p>
<b>FOREIGN REGISTER</b>		
169.	<b>Foreign Register.</b>	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.
<b>DOCUMENTS AND SERVICE OF NOTICES</b>		
170.	<b>Signing of documents &amp; notices to be served or given.</b>	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.
171.	<b>Authentication of documents and proceedings.</b>	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.
<b>WINDING UP</b>		
172.		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.

Article No.	Articles	Particulars
		<p>(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.</p> <p>(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.</p>
<b>INDEMNITY</b>		
173.	<b>Directors' and others right to indemnity.</b>	<p>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.</p>
174.	<b>Not responsible for acts of others</b>	<p>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 tortious 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.</p>
<b>SECRECY</b>		
175.	<b>Secrecy</b>	<p>(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.</p>
	<b>Access to property information etc.</b>	<p>(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.</p>



## **SECTION X - OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Red Herring Prospectus which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus, will be delivered to the ROC for registration/submission of the Red Herring Prospectus and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company and on our website at [www.oseldevices.com](http://www.oseldevices.com), from date of filing of Red Herring Prospectus with ROC on all Working Days until the Bid/Issue Closing Date.

#### **1. Material Contracts for the Issue**

- (i). Issue Agreement dated June 20, 2024 entered into between our Company and the Book Running Lead Manager.
- (ii). Registrar Agreement dated June 20, 2024 entered into amongst our Company and the Registrar to the Issue.
- (iii). Tripartite Agreement dated October 19, 2023 between our Company, NSDL and the Registrar to the Issue.
- (iv). Tripartite Agreement dated November 2, 2023 between our Company, CDSL and the Registrar to the Issue.
- (v). Syndicate Agreement dated [●] executed between our Company, Book Running Lead Manager and Syndicate Member.
- (vi). Banker to the Issue Agreement dated [●] among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
- (vii). Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
- (viii). Underwriting Agreement dated [●] amongst our Company and the Underwriters.

#### **2. Material Documents**

- (i) Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
- (ii) Certificate of Incorporation dated August 14, 2006 under the Companies Act, 1956 issued by Registrar of Companies, National Capital Territory of Delhi and Haryana.
- (iii) Certificate of Incorporation dated November 22, 2013 under the Companies Act, 2013 issued by Registrar of Companies, National Capital Territory of Delhi and Haryana, consequent to change of name of our Company to "*Innovative Infratech Solutions Private Limited*".
- (iv) Certificate of Incorporation dated January 16, 2024 under the Companies Act, 2013 issued by Registrar of Companies, National Capital Territory of Delhi and Haryana, consequent to change of name of our Company to "*Osel Devices Private Limited*".
- (v) Certificate of Incorporation dated May 2, 2024 under the Companies Act, 2013 issued by Registrar of Companies, Central Processing Centre, consequent to conversion of our Company from a private limited company to a public limited company.
- (vi) The resolution passed by the Board of Directors at its meeting held on June 18, 2024 and the resolution passed by the Shareholders of the Company in EGM held on June 19, 2024, authorizing the Issue.
- (vii) Resolution of the Board of Directors of the Company dated June 21, 2024, taking on record and approving this Draft Red Herring Prospectus.
- (viii) The examination reports dated June 18, 2024 issued by the Statutory Auditor, on our Company's Restated Financial Statements, included in this Draft Red Herring Prospectus.
- (ix) Copies of the Audited Financial Statements of our Company for the Fiscals 2023 and 2022 and 2021.
- (x) Consent of the Directors, the Book Running lead Manager, Legal Counsel, Registrar to the Issue, Bankers to our Company, Company Secretary and Compliance Officer and Chief Financial Officer as referred to in their specific capacities.

- (xi) Consent letter dated June 18, 2024 of the Statutory Auditor to include their names as experts in relation to their report dated June 18, 2024 on the Restated Financial Information and the Statement of Tax Benefits dated June 18, 2024 included in this Draft Red Herring Prospectus.
- (xii) Certificate on Key Performance Indicators (KPI's) issued by Statutory Auditor dated June 21, 2024.
- (xiii) In principle listing approval dated [●] issued by National Stock Exchange of India Limited.
- (xiv) Due Diligence Certificate dated [●], issued by the BRLM.

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, 2013 and other relevant statutes.

### **DECLARATION**

We hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines 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, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

#### **SIGNED BY THE DIRECTORS AND CFO OF OUR COMPANY**

Sd/-

Sd/-

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**Rajendra Ravi Shanker Mishra**  
(Managing Director)

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**Jyotsna Jawahar**  
(Whole- time Director and Chief Financial Officer)

Sd/-

Sd/-

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**Mukesh Kumar Sinha**  
(Whole-time Director)

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**Saurav Upadhyay**  
(Independent Director)

Sd/-

Sd/-

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**Hitu Gambhir Mahajan**  
(Independent Director)

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**Sreerama Murthy Garuda**  
(Independent Director)

#### **SIGNED BY THE CS OF OUR COMPANY**

Sd/-

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**Sandeep Kumar**  
(Company Secretary & Compliance Officer)

**Place:** Delhi

**Date:** June 21, 2024