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DRAFT RED HERRING PROSPECTUS
Dated March 30, 2025
Please read section 32 of the Companies Act, 2013
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Issue

enabling futurability.

ESDS SOFTWARE SOLUTION LIMITED

Corporate Identity Number: U72200MH2005PLC155433

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
Plot No. B- 24 & 25, NICE Area, MIDC, Satpur, Nashik – 422 007, Maharashtra, India	Unit No. B-01, Ground Floor, Empire Tower, Gut No. 31, Mouje Elthan, Thane – 400 708, Maharashtra, India	Prasad Deochand Deokar *Company Secretary and Compliance Officer*	**E-mail**: secretarial@esds.co.in **Telephone**: +91 253 711 2244	www.esds.co.in

OUR PROMOTERS: PIYUSH PRAKASHCHANDRA SOMANI, KOMAL PIYUSH SOMANI AND P.O. SOMANI FAMILY TRUST

DETAILS OF THE ISSUE TO THE PUBLIC

TYPE	FRESH ISSUE SIZE***	OFFER FOR SALE SIZE	TOTAL ISSUE SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIBS, NIIS AND RIIS
Fresh Issue	Up to [●] Equity Shares of face value of ₹ 1 each aggregating up to ₹ 6,000.00 million	Not applicable	Up to [●] Equity Shares of face value of ₹ 1 each aggregating up to ₹ 6,000.00 million	The Issue is being made pursuant to Regulation 6(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”) as our Company does not fulfil the requirement under Regulation 6(1)(b) of the SEBI ICDR Regulations, since we did not have an operating profit in Fiscal 2023. For further details, see “*Other Regulatory and Statutory Disclosures – Eligibility for the Issue*” on page 419. For details in relation to share reservation among Qualified Institutional Buyers, Non-Institutional Investors and Retail Individual Investors, see *“Issue Structure”* on page 437.

RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 1 each. The Floor Price, Cap Price and Issue Price as determined by our Company, in consultation with the Book Running Lead Managers, 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 the Issue Price*” on page 139, 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 and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in 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 this Issue. For taking an investment decision, investors shall rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“**SEBI**”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to *“Risk Factors”* on page 34.

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 the 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 that will be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges, being the BSE Limited (“**BSE**”) and the National Stock Exchange of India Limited (“**NSE**”, and together with BSE, the “**Stock Exchanges**”). For the purposes of the Issue, the Designated Stock Exchange shall be [●].

DETAILS OF THE BOOK RUNNING LEAD MANAGERS

Name of the BRLMs and logo	Contact Person(s)	Email and Telephone

<table>
<tr><td>DAM Capital Advisors Limited</td><td></td><td>Puneet Agnihotri</td><td>E-mail: esds.ipo@damcapital.in
Telephone: +91 22 4202 2500</td></tr>
<tr><td>Systematix Corporate Services Limited</td><td></td><td>Rabindra Kumar/ Jinal Sanghvi</td><td>E-mail: esds@systematixgroup.in
Telephone: +91 22 6619 8000</td></tr>
<tr><th colspan="4">REGISTRAR TO THE ISSUE</th></tr>
<tr><th colspan="2">Name of the Registrar</th><th>Contact Person</th><th>Email and Telephone</th></tr>
<tr><td></td><td>MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited)</td><td>Shanti Gopalkrishnan</td><td>E-mail:
esdssoftware.ipo@in.mpms.mufg.com
Telephone: +91 8108114949</td></tr>
</table>

<table>
<tr><th colspan="6">BID/ISSUE PERIOD</th></tr>
<tr><th>ANCHOR INVESTOR BIDDING DATE*</th><td>[•]</td><th>BID/ISSUE OPENS ON</th><td>[•]</td><th>BID/ISSUE CLOSES ON**</th><td>[•]****</td></tr>
</table>

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

*** Our Company, in consultation with the Book Running Lead Managers, 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.*

**** Our Company, in consultation with the Book Running Lead Managers, may consider further issuance of specified securities, by way of private placement(s), preferential allotment(s) or any other mode as may be permitted under the applicable law, aggregating up to ₹ 1,200.00 million (the "**Pre-IPO Placement**"), prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Issue, subject to compliance with Rule 19(2)(b) of the Securities Contracts (Regulations) Rules, 1957, as amended ("**SCRR**"). The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Issue. Prior to the completion of the Issue and allotment pursuant to the Pre-IPO Placement, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Issue or the Issue may be successful and will result in listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.*

***** The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Issue Closing Day.*

DRAFT RED HERRING PROSPECTUS
Dated March 30, 2025
Please read section 32 of the Companies Act, 2013
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
100% Book Built Issue

ESDS SOFTWARE SOLUTION LIMITED

Our Company was originally incorporated as a private limited company under the name of "ESDS Software Solution Private Limited" under the Companies Act, 1956, pursuant to a certificate of incorporation dated August 18, 2005, issued by the Registrar of Companies, Maharashtra at Mumbai ("**RoC**"). Subsequently, our Company was converted into a public limited company pursuant to a board resolution dated June 29, 2021 and a special resolution passed in the extra-ordinary general meeting of the shareholders held on June 30, 2021, and the name of our Company was changed to "ESDS Software Solution Limited" and a fresh certificate of incorporation dated July 8, 2021 was issued by the RoC. For further details relating to the changes in the name and registered office of our Company, see "*History and Certain Corporate Matters*" on page 246.

Registered Office: Plot No. B- 24 & 25, NICE Area, MIDC, Satpur, Nashik – 422 007, Maharashtra, India
Corporate Office: Unit No. B-01, Ground Floor, Empire Tower, Gut No. 31, Mouje Elthan, Thane – 400 708, Maharashtra, India
Contact Person: Prasad Deochand Deokar, Company Secretary and Compliance Officer
Telephone: +91 253 711 2244; **E-mail**: secretarial@esds.co.in; **Website**: www.esds.co.in
Corporate Identity Number: U72200MH2005PLC155433

OUR PROMOTERS: PIYUSH PRAKASHCHANDRA SOMANI, KOMAL PIYUSH SOMANI AND P.O. SOMANI FAMILY TRUST

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 1 EACH ("EQUITY SHARES") OF ESDS SOFTWARE SOLUTION LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING UP TO ₹ 6,000.00 MILLION ("ISSUE").

OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS, MAY CONSIDER A PRE-IPO PLACEMENT AGGREGATING UP TO ₹ 1,200.00 MILLION, PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, WILL BE AT A PRICE TO BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS. IF THE PRE-IPO PLACEMENT IS COMPLETED, THE AMOUNT RAISED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE ISSUE, SUBJECT TO COMPLIANCE WITH RULE 19(2)(B) OF THE SCRR. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, SHALL NOT EXCEED 20% OF THE SIZE OF THE ISSUE. PRIOR TO THE COMPLETION OF THE ISSUE AND ALLOTMENT PURSUANT TO THE PRE-IPO PLACEMENT, OUR COMPANY SHALL APPROPRIATELY INTIMATE THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT, THAT THERE IS NO GUARANTEE THAT OUR COMPANY MAY PROCEED WITH THE ISSUE OR THE ISSUE MAY BE SUCCESSFUL AND WILL RESULT IN LISTING OF THE EQUITY SHARES ON THE STOCK EXCHANGES. FURTHER, RELEVANT DISCLOSURES IN RELATION TO SUCH INTIMATION TO THE SUBSCRIBERS TO THE PRE-IPO PLACEMENT (IF UNDERTAKEN) SHALL BE APPROPRIATELY MADE IN THE RELEVANT SECTIONS OF THE RED HERRING PROSPECTUS AND PROSPECTUS.

THE PRICE BAND, THE MINIMUM BID LOT, IF ANY WILL BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BRLMs, AND WILL BE ADVERTISED IN ALL EDITIONS OF [●], AN ENGLISH NATIONAL DAILY NEWSPAPER, ALL EDITIONS OF [●], A HINDI NATIONAL DAILY NEWSPAPER AND [●] EDITIONS OF [●], A MARATHI DAILY NEWSPAPER (MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE OUR REGISTERED 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 EXCHANGES FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS.

In case of any revision in the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of *force majeure*, banking strike or similar unforeseen circumstances, our Company, in consultation of the BRLMs, for reasons to be recorded in writing, may 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 public notice, and also by indicating the change on the respective websites of the Book Running Lead Managers and at the terminals of the Members of the Syndicate and by intimation to Self-Certified Syndicate Banks ("**SCSBs**"), other Designated Intermediaries and the Sponsor Bank(s), as applicable.

The Issue is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(2) of the SEBI ICDR Regulations, through the Book Building Process, wherein not less than 75% of the Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") ("**QIB Portion**"), provided that our Company in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company, in consultation with the BRLMs, 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 the domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("**Anchor Investor Allocation Price**"). In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (excluding the Anchor Investor Portion) (**"Net QIB Portion"**). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids being received at or above the Issue Price, and the remainder of the Net 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. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion (defined hereinafter) will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. If at least 75% of the Issue cannot be Allocated to QIBs, then the entire application money will be refunded forthwith. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders ("**Non-Institutional Portion**") of which one-third of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹ 200,000 and up to ₹ 1,000,000 and two-thirds of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹ 1,000,000 and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. Further, not more than 10% of the Issue shall be available for allocation to Retail Individual Investors ("**Retail Portion**"), in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders (except Anchor Investors) shall mandatorily participate in this Issue only through the Application Supported by Blocked Amount ("**ASBA**") process and shall provide details of their respective bank account including UPI ID for Retail Individual Investors using UPI Mechanism (defined hereinafter) in which the Bid Amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or pursuant to the UPI Mechanism, as the case may be. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "*Issue Procedure*" on page 440.

RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Share is ₹ 1 each. The Floor Price, Cap Price and Issue Price as determined by our Company in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process as stated in "*Basis for the Issue Price*" on page 139 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 and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in 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 this Issue. For taking an investment decision, investors shall rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" on page 34.

COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the 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 that will be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Issue, the Designated Stock Exchange shall be [●]. A copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC for filing in accordance with Section 26(4) and Section 32 of the Companies Act. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Issue Closing Date, see "*Material Contracts and Documents for Inspection*" on page 511.

DETAILS OF THE BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE ISSUE
DAM Capital Advisors Limited PG-1, Ground Floor, Rotunda Building, Dalal Street, Fort, Mumbai – 400 001 Maharashtra, India **Telephone**: +91 22 4202 2500 **E-mail**: esds.ipo@damcapital.in **Investor Grievance E-mail**: complaint@damcapital.in **Website**: www.damcapital.in **Contact Person**: Puneet Agnihotri **SEBI Registration Number**: MB/INM000011336	**Systematix Corporate Services Limited** The Capital, A-wing, No. 603-606, 6th Floor, Plot No. C-70, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra, India **Telephone**: +91 22 6619 8000 **E-mail**: esds@systematixgroup.in **Investor Grievance E-mail**: investor@systematixgroup.in **Website**: www.systematixgroup.in **Contact Person**: Rabindra Kumar/Jinal Sanghvi **SEBI Registration Number**: INM000004224	**MUFG Intime India Private Limited *(formerly known as Link Intime India Private Limited)*** C-101, 1st Floor, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400 083, Maharashtra, India **Telephone**: +91 8108114949 **E-mail**: esdssoftware.ipo@in.mpms.mufg.com **Investor Grievance E-mail**: esdssoftware.ipo@in.mpms.mufg.com **Website**: https://in.mpms.mufg.com/ **Contact Person**: Shanti Gopalkrishnan **SEBI Registration Number**: INR000004058

BID/ISSUE PERIOD

ANCHOR INVESTOR BIDDING DATE*	[●]
BID/ISSUE OPENS ON	[●]
BID/ISSUE CLOSES ON**	[●]***

* *Our Company, in consultation with the Book Running Lead Managers, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date.*
*** Our Company, in consultation with the Book Running Lead Managers, 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.*
**** The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Issue Closing Date.*

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SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislations, acts, statutes, regulations, rules, guidelines, circulars, notifications, clarifications or policies shall be to such legislations, acts, regulations, rules, guidelines or policies as amended, updated, supplemented, re-enacted or modified, from time to time, and any reference to a statutory provision shall include any subordinate legislation framed, 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 same meaning ascribed to such terms under the SEBI ICDR Regulations, the SEBI Act, SEBI Listing Regulations, the Companies Act, the SCRA, and the Depositories Act and the rules and regulations framed thereunder. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

The terms not defined herein but used in, "Statement of Possible Special Tax Benefits", "Industry Overview", "Key Regulations and Policies in India", "Restated Consolidated Financial Information", "Outstanding Litigation and Other Material Developments" and "Main Provisions of the Articles of Association", on pages 151, 159, 239, 285, 405, and 461, respectively, shall have the meanings ascribed to such terms in the respective sections.

General terms

Term	Description
"our Company" or "the Company" or "the Issuer"	ESDS Software Solution Limited, a company incorporated under the Companies Act, 1956 and having its Registered Office at Plot No. B- 24 & 25, NICE Area, MIDC, Satpur, Nashik – 422 007, Maharashtra, India and Corporate Office at Unit No. B-01, Ground Floor, Empire Tower, Gut No. 31, Mouje Elthan, Thane – 400 708, Maharashtra, India
"we", "us" or "our"	Unless the context otherwise indicates or implies, refers to our Company together with our subsidiaries, on a consolidated basis

Company Related Terms

Term	Description
"Airoli Data Centre"	Our data centre located at Airoli, Navi Mumbai, Maharashtra at Unit No. 201 & 202, A & B Wing, 2nd Floor, Reliable Tech Park, Cloud City Campus, Gut no 31, Village - Elthen, Kalwa Industrial Estate, Thane – Belapur Road, Airoli, Navi Mumbai – 400 708, Maharashtra, India
"Articles of Association" or "AoA" or "Articles"	Articles of association of our Company, as amended from time to time
"Audit Committee"	Audit committee of our Board constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, as described in "*Our Management – Committees of our Board – Audit Committee*" on page 264
"Auditors" or "Statutory Auditors"	Statutory auditors of our Company, namely, M/s Shah Khandelwal Jain & Associates, Chartered Accountants
"Bengaluru Data Centre"	Our data centre located at Bengaluru, Karnataka at 1st Floor, STPI building, No 76& 77, Electronic city, Bengaluru – 560 100, Karnataka, India
"Board" or "Board of Directors"	Board of directors of our Company as constituted from time to time or a duly constituted committee thereof. For details, see "*Our Management – Board of Directors*" on page 256
CCDs	461,934 compulsorily convertible debentures of our Company of face value of ₹ 479 each, which carried a coupon rate of 0.01% per annum which were converted to 1,139,908 Equity Shares of face value of ₹ 1 each on December 3, 2021. For details, see *"Capital Structure"* on page 96.
CCPS	2,351,477 cumulative compulsorily convertible preference shares of our Company of face value of ₹100 each, which carried a dividend rate of 0.01% per annum which were converted to 23,514,770 Equity Shares of face value of ₹ 1 each on December 3, 2021. For details, see *"Capital Structure"* on page 96.

Term	Description
"Chief Financial Officer" or "CFO"	The chief financial officer of our Company, Nadukuru Sita Ramaiah. For details, see *"Our Management – Brief Profiles of Key Managerial Personnel"* on page 275
Class A CCPS	567,866 cumulative compulsorily convertible preference shares of our Company of face value of ₹100 each, which carried a dividend rate of 0.01% per annum which were converted to 6,692,157 Equity Shares of face value of ₹ 1 each on December 3, 2021. For details, see *"Capital Structure"* on page 96.
Class B1 CCPS	162,842 cumulative compulsorily convertible preference shares of our Company of face value of ₹100 each, which carried a dividend rate of 0.01% per annum which were converted to 325,920 Equity Shares of face value of ₹ 1 each on December 3, 2021. For details, see *"Capital Structure"* on page 96.
Class C CCPS	677,930 cumulative compulsorily convertible preference shares of our Company of face value of ₹10 each, which carried a cumulative dividend rate of 0.01% per annum which were converted to 677,930 Equity Shares of ₹ 1 each on December 3, 2021. For details, see *"Capital Structure"* on page 96.
"Company Secretary" and "Compliance Officer"	The company secretary and compliance officer of our Company, Prasad Deochand Deokar. For details, see *"General Information – Company Secretary and Compliance Officer"* and *"Our Management – Brief Profiles of Key Managerial Personnel"* on pages 89 and 275, respectively
"Corporate Office"	The corporate office of our Company located at Unit No. B-01, Ground Floor, Empire Tower, Gut No. 31, Mouje Elthan, Thane – 400 708, Maharashtra, India
"Corporate Social Responsibility Committee" or "CSR Committee"	Corporate social responsibility committee of our Board constituted in accordance with the applicable provisions of the Companies Act, 2013 as described in "*Our Management – Committees of our Board – Corporate Social Responsibility Committee*" on page 270
"Data Centres"	The data centres of our Company i.e., the Airoli Data Centre, Bengaluru Data Centre, Mohali Data Centre and Nashik Data Centre, collectively
"Director(s)"	The Director(s) on the Board of our Company. For details, see "*Our Management – Board of Directors*" on page 256
"ESOP 2021"	ESDS Employees Stock Ownership Plan 2021
"ESOP 2024"	ESDS Employee Stock Option Plan 2024
"Equity Shares"	Unless otherwise stated, equity shares of our Company bearing face value of ₹1 each
"Executive Director(s)"	Executive director(s) of our Company, namely, Piyush Prakashchandra Somani, Komal Piyush Somani and Jitendra Pathak. For details of the Executive Directors, see "*Our Management – Board of Directors*" on page 256
"Independent Director(s)"	Independent directors on our Board, and who are eligible to be appointed as independent directors under the provisions of the Companies Act and the SEBI Listing Regulation. For details, see "*Our Management – Board of Directors*" on page 256
"Key Managerial Personnel" or "KMP"	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, as described in "*Our Management – Brief Profiles of Key Managerial Personnel*" on page 275
"Managing Director and Chairman"	The managing director and chairman of our Company, Piyush Prakashchandra Somani. For further details, see "*Our Management – Board of Directors*" on page 256
"Materiality Policy"	The policy adopted by our Board on March 21, 2025, for identification of: (a) outstanding material litigation proceedings; (b) group companies; and (c) material creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus.
"Material Subsidiary"	ESDS Cloud FZ-LLC
"Memorandum of Association" or "MoA"	Memorandum of association of our Company, as amended from time to time
"Mohali Data Centre"	Our data centre located at Mohali, Punjab at Plot no C - 184, Industrial Area, Phase VIII-A, Sector 75, Sahebzada Ajit Singh Nagar – 160 071, Punjab, India
"Nashik Data Centre"	Our data centre located at Nasik, Maharashtra at 2nd Floor situated at Plot No. B- 24 & 25, NICE Area, MIDC, Satpur, Nashik – 422 007, Maharashtra, India
"Nexdigm Report"	Report titled "*India Data Centre, Cloud Services and Managed Services Industry Outlook*" dated March 2025, issued by Nexdigm Private Limited, exclusively which was commissioned and paid for by our Company. The Nexdigm Report is available on the website of our Company at www.esds.co.in/investor-relations/industry-report
"Nomination and Remuneration Committee" or "NRC"	Nomination and Remuneration Committee of our Board constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, as described in "*Our Management – Committees of our Board - Nomination and Remuneration Committee*" on page 267
"Non-Executive Director"	Non-executive director on our Board, as described in "*Our Management – Board of Directors*", on page 256

Term	Description
"October 2024 Investors"	Mukul Mahavir Agrawal, Saranya Mukul Agrawal, Divyanshi Mukul Agrawal, Gaurishankar Jhalani, Akriti Agarwal, Parag Chandulal Mehta, Prateek Jain, Gaurav Jain, Ace Investments, Vijay Khetan, Susham Sirsat, Bhavin Haresh Thakkar, Sambhaw Kumar Jain, Ajay Jayram Prabhudesai, Hemant Jashwantrai Desai, Sandeep Ajmera, Deepak Agrawal, Chaitali K Shah, Capri Global Holdings Pvt. Ltd, Ravikiran Jayantilal Surana, Dhara Ramesh Gandhi, Ashish Kacholia, RBA Finance & Investment Co., Ashish Rathi, Mitul Prafulbhai Mehta, Abhijit Nripen Kumar Mukerjee, Anupam Agarwal, Pritesh Talakshi Chheda, Samedh Trinity Partners, Mayvenn Partners, Manish Omprakash Kukreja, Sunil Satyanarayan Dayma, Kopal Tak, Amar Amarbahadur Maurya, Abdul Razzaq Shaikh, Anchorage Capital Scheme I, Vanaja Sundar Iyer, Anchal Maheshwari, Columbus Fin Vest Private Ltd, JVS Holdings LLP, AART Corporate Advisors Private Limited, Ajay Thakurdas Jaisinghani, Reina Ramesh Jaisinghani, Nikhil Ramesh Jaisinghani, Shweta Agrawal, Reshma Kukreja, Karan Dharnidharka, Rakesh Agrawal, One-Up Financial Consultants Pvt Ltd., Shivan Consultants LLP, Grace Investment Advisors LLP, Shrey Loonker, Tattvam AIF Trust- Cat III AIF, Pritam Goel, Tanay Gupta, Nikki Dipang Kamdar, Atul Khandelwal, Paran Khandelwal, Sureshchandra Khandelwal, Prem Kumar Bajaj, Pooja Gupta, Madhulata Khandelwal, Yechuri Koteswara Rao, Amrut Bharat Opportunities Fund Series I, Sonam Hemraj Udasi, Deepa Jain, Saumik Doshi, Jitendra Sanghavi, Moheet Vinod Kumar Agrawal, Nexta Enterprises LLP, Savitt Universal Ltd., Niveshaay Hedgehog LLP, NKA Resources LLP, Vivek Jain and Swati Shah
"Preference Shares"	Preference Shares shall mean the CCPS, Class A CCPS, Class B1 CCPS, and Class C CCPS, collectively
"Promoter" or "Promoters"	The promoters of our Company, being Piyush Prakashchandra Somani, Komal Piyush Somani and P.O. Somani Family Trust. For further details, see "*Our Promoters and Promoter Group - Details of our Promoters*" on page 279
"Promoter Group"	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations. For further details, see "*Our Promoters and Promoter Group*" on page 279
"Registered Office"	The registered office of our Company located at Plot No. B- 24 & 25, NICE Area, MIDC, Satpur, Nashik – 422 007, Maharashtra, India
"Registrar of Companies" or "RoC"	The Registrar of Companies, Maharashtra at Mumbai located at 100, Everest, Marine Drive, Mumbai – 400 002, Maharashtra, India
"Restated Consolidated Financial Information"	The restated consolidated financial information of our Company comprises of the restated consolidated statement of assets and liabilities as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the restated consolidated statement of profit and loss (including other comprehensive income), restated consolidated statement of changes in equity and the restated consolidated statement of cash flows for the six months ended September 30, 2024 and the fiscals ended March 31, 2024, March 31, 2023 and March 31, 2022, and the summary statement of material accounting policies, and other explanatory information prepared in terms of the Section 26 of Part I of Chapter III of the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, each as amended.
"Risk Management Committee" or "RMC"	Risk Management Committee of our Board constituted in accordance with the applicable provisions of the SEBI Listing Regulations, as described in "*Our Management – Committees of our Board – Risk Management Committee"* on page 272
"Senior Management"	Senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as described in "*Our Management – Brief Profiles of our Senior Management*" on page 275
"Shareholder(s)"	Equity Shareholder(s) of our Company from time to time
"Stakeholders' Relationship Committee"	Stakeholders' relationship committee of our Board constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, as described in "*Our Management – Committees of our Board - Stakeholders' Relationship Committee"* on page 271
"STPI"	Software Technology Parks of India
"Subsidiary"/ "Subsidiaries"	The subsidiaries of our Company namely, ESDS Cloud FZ-LLC, ESDS Global Software Solution Inc and Spochub Solutions Private Limited, as described in "*Our Subsidiaries*" on page 253
"Whole-time Director"	The whole-time director on our Board, Komal Piyush Somani as described in "*Our Management – Board of Directors*" on page 256

Issue related terms

Term	Description
"Abridged Prospectus"	A memorandum containing such salient features of a prospectus as may be specified by the SEBI ICDR Regulations
"Acknowledgement Slip"	The slip or document issued by the relevant Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
"Allot" or "Allotment" or "Allotted"	Unless the context otherwise requires, allotment of Equity Shares pursuant to the Issue to the successful Bidders.
"Allotment Advice"	The note or advice or intimation of Allotment sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
"Allottee"	A successful Bidder to whom the Equity Shares are Allotted
"Anchor Investor(s)"	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹100.00 million
"Anchor Investor Allocation Price"	The price at which Equity Shares will be allocated to the Anchor Investors on the Anchor Investor Bidding Date in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Managers, in compliance with the SEBI ICDR Regulations
"Anchor Investor Application Form"	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion, and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
"Anchor Investor Bidding Date"	One Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the BRLMs will not accept any Bids from Anchor Investors, and allocation to the Anchor Investors shall be completed
"Anchor Investor Issue Price"	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, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the Book Running Lead Managers, in compliance with the SEBI ICDR Regulations
"Anchor Investor Pay-in Date"	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Issue Price, not later than two Working Days after the Bid/Issue Closing Date
"Anchor Investor Portion"	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Managers, to Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company, in consultation with the Book Running Lead Managers, in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations
"Application Supported by Blocked Amount" or "ASBA"	An application, whether physical or electronic, used by ASBA Bidders, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by UPI Bidders using the UPI Mechanism
"ASBA Account(s)"	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a UPI Bidder which is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidder using the UPI Mechanism
"ASBA Bid"	A Bid made by an ASBA Bidder
"ASBA Bidders"	All Bidders except Anchor Investors
"ASBA Form"	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
"Banker(s) to the Issue"	Collectively, Escrow Collection Bank(s), Public Issue Bank(s), Sponsor Bank(s), and Refund Bank(s), as the case may be
"Basis of Allotment"	Basis on which Equity Shares will be Allotted to successful Bidders under the Issue as described in "*Issue Procedure*" on page 440
"Bid(s)"	An indication to make an offer during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the

Term	Description
	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 Bid cum Application Form. The term "Bidding" shall be construed accordingly
"Bid Amount"	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder and, in the case of RIIs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIIs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid in the Issue.
"Bid cum Application Form"	Anchor Investor Application Form or the ASBA Form, as the context requires
"Bid Lot"	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
"Bid/Issue Closing Date"	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in all editions of [●], an English national daily newspaper, in all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Marathi daily newspaper, (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation also to be notified on the website and terminals of the Members of the Syndicate and communicated to the Designated Intermediaries and the Sponsor Banks, as required under the SEBI ICDR Regulation. Our Company in consultation with the Book Running Lead Managers, 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 will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and shall also be notified on the websites of the Book Running Lead Managers and at the terminals of the Syndicate Members and communicated to the Designated Intermediaries and the Sponsor Bank(s), which shall also be notified in an advertisement in the same newspapers in which the Bid/Issue Opening Date was published, as required under the SEBI ICDR Regulations
"Bid/Issue Opening Date"	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in all editions of [●], an English national daily newspaper, in all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Marathi daily newspaper, (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation also to be notified on the website and terminals of the Members of the Syndicate and communicated to the Designated Intermediaries and the Sponsor Banks, as required under the SEBI ICDR Regulations
"Bid/Issue Period"	Except in relation to Anchor Investors, 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 in terms of the Red Herring Prospectus. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors Our Company in consultation with the Book Running Lead Managers, 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 cases of force majeure, banking strike or similar unforeseen 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 ten Working Days The Bid/Issue period will comprise Working Days only
"Bidder" / "Applicant"	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
"Bidding Centres"	The centres at which the Designated Intermediaries shall accept the Bid cum Application Forms, i.e., Designated Branches for SCSBs, Specified Locations for the Members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs, and Designated CDP Locations for CDPs
"Book Building Process"	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made

Term	Description
"Book Running Lead Managers" or "BRLMs"	The book running lead managers to the Issue namely, DAM Capital Advisors Limited and Systematix Corporate Services Limited
"Broker Centres"	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address are available on the respective websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, as updated from time to time
"CAN" or "Confirmation of Allocation Note"	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on or after the Anchor Investor Bidding Date
"Cap Price"	The higher end of the Price Band, i.e., ₹ [●], subject to any revisions thereto, above which the Issue Price and the Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted. The Cap Price shall be at least 105% of the Floor Price and shall not be more than 120% of the Floor Price
"Cash Escrow and Sponsor Bank Agreement"	Agreement to be entered amongst our Company, the Book Running Lead Managers, Syndicate Members, the Bankers to the Issue and Registrar to the Issue in accordance with the UPI Circulars, *inter alia*, for collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Issue Account and where applicable, remitting refunds of the amounts collected from Bidders, on the terms and conditions thereof
"Client ID"	The client identification number maintained with one of the Depositories in relation to Bidder's beneficiary account
"Collecting Depository Participant" or "CDP"	A depository participant as defined under the Depositories Act, 1996 registered with SEBI and who is eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of the SEBI RTA Master Circular and the UPI Circulars issued by SEBI as per the list available on the websites of BSE and NSE, as updated from time to time
"Cut-off Price"	The Issue Price, finalised by our Company in consultation with the Book Running Lead Managers, which shall be any price within the Price Band. Only RIBs bidding in the Retail Portion are entitled to Bid at the Cut-off Price. QIBs (including the Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price
"Cut-off Time"	The confirmation cut-off time of 5:00 pm on the Bid/Issue Closing Date, at which the Sponsor Bank initiates the request for blocking of funds in the ASBA Accounts of the relevant Bidders.
"DAM Capital"	DAM Capital Advisors Limited
"Demographic Details"	Details of the Bidders including the Bidders' address, name of the Bidders' father/husband, investor status, occupation, bank account details and UPI ID, wherever applicable
"Designated CDP Locations"	Such locations of the CDPs where Bidders (other than Anchor Investors) can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time
"Designated Date"	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account to the Public Issue Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders, instruction issued through the Sponsor Banks) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, in terms of the Red Herring Prospectus and the Prospectus after finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares will be Allotted in the Issue
"Designated Intermediary(ies)"	In relation to ASBA Forms submitted by RIBs, NIBs Bidding with an application size of up to ₹ 0.50 million (not using the UPI Mechanism) authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-Syndicate/ agents, Registered Brokers, CDPs SCSBs and RTAs In relation to ASBA Forms submitted by QIBs (excluding Anchor Investors) and NIBs with an application size of more than ₹ 0.50 million (not using the UPI Mechanism),

Term	Description
	Designated Intermediaries shall mean SCSBs, Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs and RTAs
“Designated RTA Locations”	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time
“Designated SCSB Branches”	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes Intermediaries or at such other website as may be prescribed by SEBI from time to time
“Designated Stock Exchange”	[●]
“Draft Red Herring Prospectus” or “DRHP”	This Draft Red Herring Prospectus dated March 30, 2025 filed with SEBI and the Stock Exchanges and issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue and includes any addenda or corrigenda thereto
“Eligible FPI(s)”	FPIs from such jurisdictions outside India where it is not unlawful to make an offer/ invitation under the Issue and that are eligible to participate in this Issue in terms of applicable laws
“Eligible NRI(s)”	NRI(s) eligible to invest under the relevant provisions of the FEMA Rules, from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares
“Escrow Account(s)”	The ‘no-lien’ and ‘non-interest bearing’ 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
“Escrow Collection Bank(s)”	Bank(s) which is a clearing member and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Escrow Accounts will be opened, in this case being [●]
“First Bidder” or “Sole Bidder”	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
“Floor Price”	The lower end of the Price Band, i.e., ₹ [●], subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted
“Fraudulent Borrower”	Fraudulent borrower as defined under Regulation 2(1)(lll) 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” or “GID”	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, suitably modified and updated pursuant to, among others, the UPI Circulars and any subsequent circulars or notifications issued by SEBI from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the Book Running Lead Managers
“Gross Proceeds”	Gross proceeds of the fresh issue that will be available to our Company
“Issue”	The initial public offer of [●] Equity Shares of face value of ₹ 1 each at ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ 6,000.00 million. For details, see “*The Issue*” on page 80. Our Company, in consultation with the Book Running Lead Managers, may consider a Pre-IPO Placement aggregating up to ₹ 1,200.00 million, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Issue. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the proposed Objects of the Issue in compliance with applicable law. Prior to the completion of the Issue and allotment pursuant to the Pre-IPO Placement, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Issue or the Issue may be successful and will result in listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the

Term	Description
	subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.
"Issue Agreement"	Agreement dated March 30, 2025 entered amongst our Company and the Book Running Lead Managers, pursuant to the SEBI ICDR Regulations, based on which certain arrangements have been agreed to in relation to the Issue
"Issue Price"	₹ [●] per Equity Share, being the final price, within the price band, at which Equity Shares will be Allotted to successful Bidders other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price, which will be decided by our Company in consultation with the Book Running Lead Managers, in terms of the Red Herring Prospectus and the Prospectus. The Issue Price will be decided by our Company in consultation with the Book Running Lead Managers, on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus.
"Issue Proceeds"	The proceeds of the Issue which shall be available to our Company. For further information about use of the Issue Proceeds, see "*Objects of the Issue*" on page 129
"Mobile App(s)"	The mobile applications listed on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 or such other website as may be updated from time to time, which may be used by UPI Bidders to submit Bids using the UPI Mechanism
"Monitoring Agency"	[●]
"Monitoring Agency Agreement"	Agreement to be entered between our Company and the Monitoring Agency.
"Mutual Funds"	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
"Mutual Fund Portion"	5% of the Net QIB Portion, or [●] Equity Shares of face value of ₹ 1 each, 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 Proceeds"	The proceeds from the Issue less the Issue related expenses applicable to the Issue. For further details regarding the use of the Net Proceeds and the Issue expenses, see "*Objects of the Issue*" on page 129
"Net QIB Portion"	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors
"Non-Institutional Bidders" or "Non-Institutional Investors" or "NIBs" or "NIIs"	All Bidders that are not QIBs (including Anchor Investors) or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹ 0.20 million (but not including NRIs other than Eligible NRIs)
"Non-Institutional Portion"	The portion of the Issue being not more than 15% of the Issue, consisting of [●] Equity Shares of face value of ₹ 1 each, which shall be available for allocation to Non-Institutional Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price, out of which i) one third of the portion available to Non-Institutional Bidders shall be reserved for Non-Institutional Bidders with Bids exceeding ₹ 0.20 million and up to ₹ 1.00 million; and ii) two-thirds of the portion available to Non-Institutional Bidders shall be reserved for Non-Institutional Bidders with Bids exceeding ₹ 1.00 million provided that under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price
"NPCI"	National Payments Corporation of India
"Non-Resident"	Person resident outside India, as defined under FEMA and includes a NRIs, FVCIs and FPIs
"Objects"	The objects for which the Net Proceeds are proposed to be utilised by our Company, as disclosed in "*Objects to the Issue*" on page 129
"Pre-IPO Placement"	Further issuance of specified securities, by way of private placement(s), preferential allotment(s) or any other mode as may be permitted under the applicable law, aggregating up to ₹ 1,200.00 million , which may be undertaken by our Company, in consultation with the Book Running Lead Managers prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Issue. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the proposed Objects of the Issue in compliance with applicable law. Prior to the

Term	Description
	completion of the Issue and allotment pursuant to the Pre-IPO Placement, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Issue or the Issue may be successful and will result in listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.
"Price Band"	The price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price and shall not be greater than 120% of the Floor Price. The Issue Price, Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the Book Running Lead Managers, and will be advertised, at least two Working Days prior to the Bid/Issue Opening Date, in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] edition of [●], a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites
"Pricing Date"	The date on which our Company in consultation with the Book Running Lead Managers, will finalise the Issue Price
"Prospectus"	The prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of 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(s)"	The 'no-lien' and 'non-interest bearing' bank account(s) to be opened with the Public Issue Bank, under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account(s) and ASBA Account(s) on the Designated Date
"Public Issue Bank(s)"	Bank(s) which is a clearing member and registered with SEBI under the SEBI BTI Regulations, as a banker to an issue, and with whom the Public Issue Account(s) will be opened, in this case being [●]
"QIB Portion"	The portion of the Issue (including the Anchor Investor Portion) being not less than 75% of the Issue, consisting of [●] Equity Shares of face value of ₹ 1 each, aggregating to ₹ [●] million which shall be Allocated to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLMs), subject to valid Bids being received at or above the Issue Price
"Qualified Institutional Buyers" or "QIBs" or "QIB Bidders"	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
"Red Herring Prospectus" or "RHP"	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
"Refund Account(s)"	The 'no-lien' and 'non-interest bearing' account(s) to be opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Bidders shall be made
"Refund Bank(s)"	Bank(s) which is a clearing member and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Refund Account(s) will be opened, in this case being [●]
"Registered Brokers"	The stock brokers registered under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992, as amended with the Stock Exchanges having nationwide terminals, other than the BRLMs and the Syndicate Members and eligible to procure Bids in terms of the SEBI ICDR Master Circular and UPI Circulars
"Registrar Agreement"	Agreement dated March 30, 2025 entered by and amongst our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar pertaining to the Issue
"Registrar and "Share Transfer Agents" or "RTAs"	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of SEBI RTA Master Circular issued by

Term	Description
	SEBI as per the lists available on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, as updated from time to time
"Registrar to the Issue" or "Registrar"	MUFG Intime India Private Limited *(formerly known as Link Intime India Private Limited)*
"Resident Indian"	A person resident in India, as defined under FEMA
"Retail Individual Bidder(s)" or "Retail Individual Investors" or "RIB(s)" or "RII(s)"	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹ 0.20 million in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
"Retail Portion"	The portion of the Issue being not more than 10% of the Issue consisting of [●] Equity Shares of face value ₹ 1 each, which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price
"Revision Form"	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date
"SCORES"	Securities and Exchange Board of India Complaints Redress System
"Self-Certified "Syndicate Bank(s)" or "SCSB(s)"	The banks registered with SEBI, offering services in relation to (i) ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time. In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Form from the Members of the Syndicate is available on the website of the SEBI (www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time. For more information on such branches collecting Bid cum Application Form from the Syndicate at Specified Locations, see the website of the SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time. Applications through UPI in the Issue can be made only through the SCSBs mobile applications (apps) whose name appears on SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is appearing in the "list of mobile applications for using UPI in Public Issues" displayed on SEBI website at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43. The said list shall be updated on SEBI website from time to time
"Specified Locations"	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
"Sponsor Bank(s)"	Banker(s) to the Issue, appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the UPI Bidders using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars, in this case being [●]
"Stock Exchanges"	Collectively, BSE Limited and the National Stock Exchange of India Limited
"Syndicate" or "Members of the Syndicate"	Together, the Book Running Lead Managers and the Syndicate Members
"Syndicate Agreement"	Agreement to be entered amongst our Company, the Book Running Lead Managers, the Registrar, and the Syndicate Members, in relation to collection of Bids by the Syndicate

Term	Description
"Syndicate Members"	Intermediaries registered with SEBI who are permitted to accept bids, applications and place order with respect to the Issue and carry out activities as an underwriter (other than the BRLMs), namely, [●]
"Systematix"	Systematix Corporate Services Limited
"Underwriters"	[●]
"Underwriting Agreement"	Agreement to be entered amongst our Company, the Registrar to the Issue and the Underwriters to be entered into on or after the Pricing Date but prior to filing of the Prospectus with the RoC
"UPI"	Unified payments interface which is an instant payment mechanism, developed by NPCI
"UPI Bidders"	Collectively, individual investors applying as (i) Retail Individual Bidders in the Retail Portion and (ii) Non-Institutional Bidders with an application size of up to ₹ 0.50 in the Non-Institutional Portion and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Pursuant to the SEBI ICDR Master Circular, all individual investors applying in public issues where the application amount is up to ₹ 0.50 million shall use UPI and shall provide their UPI ID in the Bid-cum Application Form submitted with: (i) a Member of the Syndicate, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
"UPI Circulars"	SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI RTA Master Circular (to the extent it pertains to UPI), SEBI ICDR Master Circular and any subsequent circulars or notifications issued by SEBI in this regard, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022, and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022, and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard
"UPI ID"	ID created on the UPI for single-window mobile payment system developed by the NPCI
"UPI Mandate Request"	A request (intimating the UPI Bidder by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of an SMS on directing the UPI Bidder to such UPI linked mobile application) to the UPI Bidder using the UPI Mechanism initiated by the Sponsor Bank(s) to authorise blocking of funds on the UPI application equivalent to Bid Amount in the relevant ASBA Account and subsequent debit of funds in case of Allotment
"UPI Mechanism"	The bidding mechanism that may be used by the UPI Bidders in accordance with the UPI Circulars to make an ASBA Bid in the Issue
"UPI PIN"	Password to authenticate UPI transaction
"Wilful Defaulter"	A wilful defaulter, as defined under the SEBI ICDR Regulations
"Working Day"	All days on which commercial banks in Mumbai are open for business provided however, with reference to (a) announcement of Price Band and (b) Bid/Issue Period, the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai, India are open for business and (c) the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays in Mumbai, India, as per circulars issued by SEBI

Technical and industry related terms or abbreviations

Term	Description
"AI"	Artificial Intelligence
"AIPaaS"	AI Platform as a Service
"AIRAWAT"	AI Research Analytics and Knowledge Dissemination Platform
"AR/VR"	Augmented reality/Virtual reality
"AWS"	Amazon Web Services
"BaaS"	Backup as a Service
"BCP"	Business continuity planning

Term	Description
"BFSI"	Banking, financial services and insurance
"BPaaS"	Business Process as a Service
"CCICI"	Cloud Computing Innovation Council of India
"CDAC"	Centre for Development of Advanced Computing
"CPU"	Central Processing Unit
"CSP"	Cloud Service Providers
"DaaS"	Desktop as a Service
"Data Centre" "date centre" or "DC"	A dedicated physical infrastructure used to house computer systems, related storage systems and associated components, which serves as the repository for IT equipment, such as physical servers, storage subsystems, networking switches, routers and firewalls, as well as the cabling and physical racks used to organize and interconnect the IT equipment, and also comprises supportive infrastructure, such as power distribution and supplemental power subsystems. Our Company's Data Centres are the Airoli Data Centre, Bengaluru Data Centre, Mohali Data Centre and Nashik Data Centre.
"DRaaS"	Disaster Recovery as a Service
"Enterprises"	Large enterprises
"ERP"	Enterprise Resource Planning
"GeM"	Government e-marketplace
"GCP"	Google Cloud Platform
"GPU"	Graphic Processing Unit
"IaaS	Infrastructure as a Service
"IoT"	Internet of Things
"IP"	Internet Protocol
"ISM"	India Semiconductor Mission
"ISV"	Independent Software Vendor
"IT"	Information Technology
"IT-BPM"	Information Technology – Business Process Management
"ITES"	Information Technology Enabled Services
"LAN"	Local Area Network
"LLM"	Large Language Model
"MietY"	Ministry of Electronics and Information Technology
"ML"	Machine learning
"MSP"	Managed service providers
"MW"	Megawatt
"NASSCOM"	National Association of Software and Service Companies
"OCC"	Open Cloud Compute
"OCI"	Oracle Cloud Infrastructure
"OT"	Operational Technology
"PaaS"	Platform as a Service
"RPA"	Robotic Process Automation
"R&D"	Research and Development
"SaaS"	Software as a Service
"SECaaS"	Security as a Service
"SIEM"	Security Information and Event Management
"SMB"	Small and Medium-sized Businesses
"SMEs"	Small and Medium-sized enterprises
"SOC"	Security Operations Centre
"STQC"	Standard Testing and Quality Certification
"TB"	Terabyte
"TCS"	Tata Consultancy Services Limited
"TPU"	Tensor Processing Unit
"VPC"	Virtual Private Cloud
"WAN"	Wide-area Network

Key Performance Indicators and Non-GAAP measures

Term	Description
Average revenue per customer	Revenue from operations for the relevant period/year divided by total customers at the end of the relevant period/year

Term	Description
Capital employed	Capital Employed is calculated as sum of Total equity, Borrowings (Current and Non-Current) and deferred tax liability at the end of relevant period/year
Days sales outstanding	Days Sales Outstanding (“**DSO**”)is calculated by dividing Trade receivables at the end of the period/year by Revenue from operations for the relevant period/year multiplied by total number of days in the relevant period/year
EBITDA	EBITDA is calculated as Profit /(loss) before exceptional items plus depreciation & amortization expense plus finance costs minus other income
EBITDA Margin %	EBITDA margin (%) is calculated as EBITDA for the relevant period/year divided by Revenue from operations
Number of Data Centres	Number of data centres operational at the end of the relevant period/year.
Profit after tax (PAT)	Profit after tax for the relevant period/year
PAT Margin %	PAT margin (%) is calculated as PAT for the relevant period/year divided by Revenue from operations
Revenue from Operations	Revenue from operations for the relevant period/year
Return on Equity (RoE)	Return on equity is calculated by dividing PAT for the relevant period/year by average total equity, where average total equity is calculated as the average of total equity at the end of current period/year and at the end of previous period/year
Return on Capital Employed (RoCE)	Return on Capital employed is calculated by dividing Profit /(loss) before exceptional items plus finance cost for the relevant period/year by average capital employed, where average capital employed is calculated as the average of capital employed at the end of current period/year and at the end of previous period/year
Revenue customer industry	Revenue from operations from customers in the following sectors as a % of revenue from operations for the relevant period/year. (a) BFSI Customers: BFSI customer refers to a client operating in the Banking, Financial Services, and Insurance (“**BFSI**”) sector, including banks, non-banking financial companies (“**NBFCs**”), insurance firms, investment firms, and fintech companies. (b) Government and PSU Customers: Government customers refer to public sector entities, including central, state, and local government departments, public sector undertakings (“**PSUs**”), government agencies, and institutions that procure products or services for administrative, infrastructure, or public service purposes. (c) Enterprises: Enterprise customer refers to customers other than BFSI and Government customers
Revenue by customer tenure %	(a) Existing Customers %: Revenue from operations from existing customers as a % of revenue from operations for the relevant period/year. Existing customers are entities that have engaged in previous years with a company’s products or services and continue to maintain an active business relationship in current year/period. (b) New Customers %: Revenue from operations from new customers as a % of revenue from operations for the relevant period/year. New customers are entities that have engaged in current year/period with a company's products or services for the first time
Revenue by service lines	Revenue from operations from following segments as a % of revenue from operations for the relevant period/year (a) IaaS revenue: IaaS (Infrastructure as a Service) revenue refers to the income generated from providing cloud-based computing resources, including servers, storage, and networking, on a subscription or pay-per-use basis and colocation income (b) SaaS revenue: SaaS (Software as a Service) revenue refers to the income generated from providing cloud-based software applications on a subscription or pay-per-use basis. (c) Manged Services revenue: Managed Services revenue refers to the income generated from providing ongoing IT infrastructure, cloud, security, and operational support under a subscription or contract-based model
Total Customers	Total customers for which the revenue has been recognised for the relevant period/year

Conventional and general terms or abbreviations

Term	Description
“₹” or “Rs.” or “Rupees” or “INR”	Indian Rupees
“A/c”	Account

Term	Description
“AGM”	Annual general meeting
“AIF”	Alternative Investment Fund as defined in and registered with SEBI under the SEBI AIF Regulations
“AS” or “Accounting Standards”	Accounting standards issued by the Institute of Chartered Accountants of India
“AY”	Assessment year
“Banking Regulation Act”	Banking Regulation Act, 1949
“Bn” or “bn”	Billion
“BSE”	BSE Limited
“CAGR”	Compounded annual growth rate
“Calendar Year”, “CY” or “year’	Unless the context otherwise requires, shall refer to the twelve months period ending December 31
“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
“CDSL”	Central Depository Services (India) Limited
“CFO”	Chief Financial Officer
“CIN”	Corporate Identity Number
“Companies Act, 1956”	Companies Act, 1956, along with the relevant rules, regulations, clarifications, and modifications framed thereunder
“Companies Act” or “Companies Act, 2013”	Companies Act, 2013, as applicable, along with the relevant rules, regulations, clarifications, and modifications framed thereunder
“Competition Act”	Competition Act, 2002
“Consolidated FDI Policy” or “FDI Policy”	The consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any amendments or substitutions thereof, issued from time to time
“CSR”	Corporate Social Responsibility
“DD”	Demand draft
“Demat”	Dematerialised
“Depositories”	Together, NSDL and CDSL
“Depositories Act”	Depositories Act, 1996
“DIN”	Director Identification Number
“DP ID”	Depository Participant’s Identification
“DP” or “Depository Participant”	A depository participant as defined under the Depositories Act
“DPIIT”	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India *(formerly known as Department of Industrial Policy and Promotion)*
“EBIT”	Earnings before interest and taxes
“EBITDA”	Earnings before interest, taxes, depreciation, and amortisation
“EBTDA”	Earnings before taxes, depreciation, and amortisation
“EGM”	Extraordinary general meeting
“EPS”	Earnings per share
“FBIL”	Financial Benchmarks India Private Limited
“FDI”	Foreign direct investment
“FEMA”	The Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
“FEMA Rules”	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
“Financial Year” or “Fiscal” or “Fiscal Year” or “FY”	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
“FPI”	Foreign portfolio investors as defined under the SEBI FPI Regulations
“Fraudulent Borrower”	Fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations.
“FVCI”	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations
“GAAP”	Generally accepted accounting principles
“Gazette”	Official Gazette of India
“GDP”	Gross domestic product

Term	Description
"GoI" or "Government" or "Central Government"	Government of India
"GST"	Goods and services tax
"HUF(s)"	Hindu Undivided Family
"HR"	Human resources
"IBC"	The Insolvency and Bankruptcy Code, 2016
"ICAI"	The Institute of Chartered Accountants of India
"IFRS"	International Financial Reporting Standards
"IRDA Investment Regulations"	The Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016
"Income-tax Act"	The Income-tax Act, 1961
"Ind AS" or "Indian Accounting Standards"	Indian Accounting Standards notified under Section 133 of the Companies Act and referred to in the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
"India"	Republic of India
"Indian GAAP"	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act, 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
"Indian Penal Code"	The Indian Penal Code, 1860
"IPO"	Initial Public Offering
"IRS"	Indian Revenue Services
"IST"	Indian Standard Time
"IT"	Information technology
"IT Act"	The Information Technology, 2000
"KPI"	Key performance indicator
"KYC"	Know your customer
"MCA"	Ministry of Corporate Affairs, Government of India
"Mn" or "mn"	Million
"MU"	Million units
"NACH"	National Automated Clearing House
"National Investment Fund"	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005, of the Government of India, published in the Gazette of India
"NAV"	Net asset value
"NBFC"	Non-Banking Financial Companies
"NCD"	Non-Convertible Debentures
"NEFT"	National Electronic Fund Transfer
"Negotiable Instruments Act"	The Negotiable Instruments Act, 1881
"Net Worth"	The aggregate value of the paid-up share capital of our Company and all reserves created out of profits and 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, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation, share based payment reserve ,debenture redemption reserve and capital redemption reserve . Net Worth represents equity attributable to owners of the company and does not include amounts attributable to non-controlling interest.
"NPCI"	National Payments Corporation of India
"NR"	Non-resident
"NRE Account"	Non-resident external rupee account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
"NRI"	Person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016 or an overseas citizen of India cardholder within the meaning of Section 7(A) of the Citizenship Act, 1955
"NRO Account"	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
"NSDL"	National Securities Depository Limited
"NSE"	National Stock Exchange of India Limited
"OCB" 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

Term	Description
	benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue
"ODI"	Off-shore Derivate Instruments
"p.a."	Per annum
"PAN"	Permanent Account Number
"PAT"	Profit after tax
"P/E Ratio"	Price to earnings ratio
"RBI"	Reserve Bank of India
"RBI Act"	The Reserve Bank of India Act, 1934
"RoCE"	Return on capital employed
"Regulation S"	Regulation S under the U.S. Securities Act
"RoNW"	Return on net worth
"RTGS"	Real Time Gross Settlement
"SCRA"	Securities Contracts (Regulation) Act, 1956
"SCRR"	Securities Contracts (Regulation) Rules, 1957
"SEBI"	Securities and Exchange Board of India constituted under the SEBI Act
"SEBI Act"	Securities and Exchange Board of India Act, 1992
"SEBI AIF Regulations"	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
"SEBI BTI Regulations"	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
"SEBI FPI Regulations"	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
"SEBI FVCI Regulations"	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
"SEBI ICDR Master Circular"	SEBI master circular (SEBI/HO/CFD/PoD-1/P/CIR/2024/0154) dated November 11, 2024
"SEBI ICDR Regulations"	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
"SEBI Listing Regulations"	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
"SEBI Merchant Bankers Regulations"	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
"SEBI RTA Master Circular"	SEBI master circular number SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024
"SEBI Takeover Regulations"	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
"Stamp Act"	The Indian Stamp Act, 1899
"State Government"	The government of a state in India
"Systemically Important NBFC"	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
"TAN"	Tax deduction account number
"Trusts Act"	The Indian Trusts Act, 1882
"U.S. Securities Act"	United States Securities Act of 1933
"U.S." or "USA" or "United States"	The United States of America, its territories and possessions, any State of the United States and the District of Columbia
"USD" or "US$"	United States Dollars
"VCFs"	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be
"Wilful Defaulter" or "Fraudulent Borrower"	"Wilful Defaulter" or a "Fraudulent Borrower" as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations

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. All references to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable. All references to the "U.S.", "US", "U.S.A." or "United States" are to the United States of America and its territories and possessions.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time ("**IST**"). 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 or the context requires otherwise, the financial information and financial ratios in this Draft Red Herring Prospectus are derived from our Restated Consolidated Financial Information. For further information, see *"Restated Consolidated Financial Information*" on page 285.

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(s)" or "fiscal year(s)" or "fiscal(s)"*, unless stated otherwise, are to the 12-month period ended on March 31 of that year. Unless stated otherwise, or the context requires otherwise, all references to a "year" in this Draft Red Herring Prospectus are to a calendar year.

Unless the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from the Restated Consolidated Financial Information of our Company comprising the restated consolidated statement of assets and liabilities as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the restated consolidated statement of profit and loss (including other comprehensive income), restated consolidated statement of changes in equity and the restated consolidated statement of cash flows for the six months ended September 30, 2024 and the fiscals ended March 31, 2024, March 31, 2023 and March 31, 2022, and the summary statement of material accounting policies, and other explanatory information prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.

There are significant differences between Ind AS, Indian GAAP, US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, 2013, Ind AS and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

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

Any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 34, 208 and 363, respectively, and elsewhere in this Draft Red Herring Prospectus, unless otherwise stated or context requires otherwise, have been calculated on the basis of our Restated Consolidated Financial Information.

Non-Generally Accepted Accounting Principles ("Non-GAAP") Financial Measures

Certain measures included in this Draft Red Herring Prospectus, for instance EBIT, EBITDA, EBIT Margin, EBITDA Margin, PAT Margin, Return on Capital Employed and Return on Equity (**"Non-GAAP measures''**), presented in this Draft Red Herring Prospectus are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, IFRS or US GAAP. Furthermore, these Non-GAAP measures, are not a measurement of our financial performance or liquidity under Indian GAAP, IFRS or US GAAP and should not be considered as an alternative to net profit/loss, revenue from operations or any other performance measures derived in accordance with Ind AS, IFRS or US GAAP or as an alternative to cash flow from operations or as a measure of our liquidity. We compute and disclose such non-Indian GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance.

In addition, Non-GAAP measures used are not a standardised term, hence a direct comparison of Non-GAAP measures between companies may not be possible. Other companies may calculate Non-GAAP measures differently from us, limiting its usefulness as a comparative measure. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations - Reconciliation of Non-GAAP Financial Measures*" on page 366.

For the risks relating to our non-GAAP measures, see "*Risk Factors – 49. This Draft Red Herring Prospectus contains certain non-GAAP financial measures and certain other selected statistical information related to our operations and financial performance. These non-GAAP measures and statistical information may vary from any standard methodology that is applicable across the industry, and therefore may not be comparable with financial or statistical information of similar nomenclature computed and presented by other peer companies*" on page 69.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from the report titled "*India Data Centre, Cloud Services and Managed Services Industry Outlook* " dated March 2025 prepared and issued by Nexdigm Private Limited ("**Nexdigm Report**") and publicly available information as well as other industry publications and sources. A copy of the Nexdigm Report is available on the website of our Company at www.esds.co.in/investor-relations/industry-report until the Bid/Issue Closing Date.

The Nexdigm Report has been exclusively commissioned at the request of our Company and paid for by our Company for an agreed fee, pursuant to the master service agreement dated October 21, 2024 entered into between Nexdigm Private Limited and our Company, for the purposes of confirming our understanding of the industry in which our Company operates, exclusively in connection with this Issue. Unless otherwise indicated, all information derived from the Nexdigm Report and included in this Draft Red Herring Prospectus with respect to any particular year, refers to such information for the relevant calendar year. Nexdigm Private Limited is an independent agency and is not a related party of our Company, or Subsidiaries, or our Promoters, Directors, Key Managerial Personnel, Senior Management, or the BRLMs. There are no parts, data or information which may be relevant for the proposed Issue, that have been left out or changed in any manner.

The data used in these sources may have been reclassified by us for the purposes of presentation and may also not be comparable. Industry sources and publications may also base their information on estimates and assumptions that may prove to be incorrect. The extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful and depends upon the reader's familiarity with, and understanding of, the methodologies used in compiling such information. There are no standard data gathering methodologies in the industry in which our Company conducts business and methodologies and assumptions may vary widely among different market and industry sources. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in *"Risk Factors – 62. Statistical and industry data in this Draft Red Herring Prospectus has been derived from an industry report exclusively commissioned and paid for by our Company for the purpose of the Issue. Reliance on information from the industry report for making an investment decision in the Issue is subject to inherent risks."* on page 75.

In accordance with the SEBI ICDR Regulations, the section "*Basis for the Issue Price*" on page 139, includes information relating to our listed peer. Such information has been derived from publicly available sources and accordingly, no investment decision should be made solely on the basis of such information.

Currency and Units of Presentation

All references to "**Rupees**" or "**₹**" or "**Rs.**" or "**INR**" are to Indian Rupees, the official currency of the Republic of India.

All references to "**U.S.$**", "**U.S. Dollar**", "**USD**" or "**U.S. Dollars**" are to United States Dollars, the official currency of the United States of America. All references to "**EUR**" or "**€**" are to Euro, the official currency of the European Union. All references to "**GBP**" or "**£**" are to Pound, the official currency of the United Kingdom. All references to "**AED**" or "**Dirham**" are to United Arab Emirates Dirham, the official currency of the United Arab Emirates.

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

Time

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

Exchange Rates

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

The exchange rates of USD, Euro, GBP and AED into Indian Rupees for the periods indicated are provided below:

(in ₹)

Currency	**Exchange Rate as on**			
	September 30, 2024	**March 31, 2024**	**March 31, 2023**	**March 31, 2022**
1 USD	83.79	83.37	82.22	75.81
1 EUR	93.53	90.22	89.61	84.66
1 GBP	112.16	105.29	101.87	99.55
1 AED	22.79	22.69	22.36	20.55

Source: www.rbi.org.in /www.fbil.org.in/www.oanda.com
Note: If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day has been disclosed. The reference rates are rounded off to two decimal places.

FORWARD-LOOKING STATEMENTS

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

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. These forward-looking statements are based on our management's belief and assumptions, current plans, estimates and expectations, which in turn are based on currently available information. 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 and globally 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, incidence of any natural calamities and/or acts of violence.

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

- Our inability to innovate in response to changing technology and innovations and develop new technologies, or adapt to evolving industry standards;
- Changes in relevant government policies or budget allocations in relation to outsourcing of our services;
- Our failure to profitably operate our subsidiaries and their ability to function as a going concern;
- Our failure to detect and prevent unauthorised access to our network or data;
- Our failure to allow our clients to have access to our services on a continuous and seamless basis or within an acceptable amount of time and prevent disruption to customer's access to our services;
- Our inability to maintain successful relationships with our technology and business collaboration partners;
- Non-compliance with restrictive covenants, acceleration of repayment or suspension of further drawdowns under our financing arrangements;
- Loss or reduction business from our top clients;
- Cessation of supply of products or services by any of our top suppliers and our inability to replace such suppliers; and
- Our failure to pay the statutory dues within the stipulated timeline and imposition of penalties for non-compliance.

For details regarding factors that could cause actual results to differ from expectations, please see the sections titled "*Risk Factors*", "*Our Business*", "*Industry Overview*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 34, 208, 159 and 363, respectively.

There can be no assurance to Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

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 Promoters, our Directors, 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 and the Book Running Lead Managers will ensure that the Bidders in India are informed of material developments in relation to statements and undertakings confirmed and undertaken by our Company until the time of the grant of listing and trading permission by the Stock Exchanges for the Issue.

SECTION II – SUMMARY OF THE ISSUE DOCUMENT

The following is a general summary of certain disclosures and terms of the Issue included in this Draft Red Herring Prospectus and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled *"Risk Factors"*, *"The Issue"*, *"Capital Structure"*, *"Objects of the Issue"*, *"Our Business"*, *"Industry Overview"*, *"Our Promoters and Promoter Group"*, *"Restated Consolidated Financial Information"*, *"Outstanding Litigation and Other Material Developments"*, *"Issue Procedure"* and *"Main Provisions of the Articles of Association"* on pages *34, 80, 96, 129, 208, 159, 279, 285, 405, 440,* and *461,* respectively.

Summary of our primary business

Our Company is an end-to-end AI-enabled cloud, managed services, data centre infrastructure and software solutions provider, offering comprehensive platform of cloud infrastructure and software solutions consisting of (1) infrastructure as a service, divided into colocation and data centre services, cloud services and cloud computing (2) managed services and (3) software as a service, allowing us to provide well-architected cloud-adoption solutions for reducing cost while providing security, flexibility, scalability and reliability. We provide our services to a diverse range of end-user industries and customers, including banking, financial services and insurance companies, government institutions and small and medium-sized businesses and large enterprises.

For further details, see *"Our Business"* on page 208.

Summary of the industry in which we operate

The Indian IT/ITES industry is poised for continued expansion with a projected CAGR of 7-8% over the next five years, driven by rapid digital adoption under initiatives like Digital India. This has led to a surge in data generation across sectors such as e-commerce and IoT, increasing the need for robust data infrastructure, with data centres playing a critical role. Cloud technologies are central to Digital India's vision, along with digital infrastructure and services. The Data Centre market is currently valued at INR 82 billion with a CAGR of 19.7% expected till Fiscal 2030. The Indian cloud services market, valued at INR 523.8 billion in Fiscal 2024, is projected to grow at a CAGR of 15.8%. The managed services market, currently at INR 114,905.5 million, is expected to grow at a CAGR of 27.1%, while the software development market, valued at INR 3,404 billion, is projected to grow at a CAGR of 8.2% by Fiscal 2030. (*Source: Nexdigm Report*)

For further details, see *"Industry Overview"* on page 159.

Our Promoters

Our Promoters are Piyush Prakashchandra Somani, Komal Piyush Somani and P.O. Somani Family Trust who hold 24.54%, 10.13% and 11.19%, respectively, of the paid-up equity share capital of our Company, as on date of this Draft Red Herring Prospectus. For further details, see "*Our Promoters and Promoter Group*" on page 279.

Issue Size

The following table summarises the details of the Issue size:

Issue(1)(2)	Up to [●] Equity Shares of face value of ₹ 1 each for cash at price ₹ [●] per Equity Share (including a share premium of [●] per Equity Share), aggregating up to ₹ 6,000.00 million

(1) The Issue has been authorised by a resolution of our Board of Directors passed at its meeting held on December 20, 2024, and by our Shareholders pursuant to a special resolution passed their meeting held on January 25, 2025.
(2) Our Company, in consultation with the Book Running Lead Managers, may consider a Pre-IPO Placement aggregating up to ₹ 1,200.00 million, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Issue. Prior to the completion of the Issue and allotment pursuant to the Pre-IPO Placement, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Issue or the Issue may be successful and will result in listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.

For details, see "*Other Regulatory and Statutory Disclosures*" on page 419.

The Issue shall constitute [●] % of the post-Issue paid-up Equity Share capital of our Company. For further details, see "*The Issue*" and "*Issue Structure*" on pages 80 and 437, respectively.

Objects of the Issue

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

Particulars	Amount^ (₹ in million)
Purchase and installation of cloud computing and other equipment and other infrastructure for our Data Centres	4,807.29
General corporate purposes*	[●]
Total	[●]

**To be finalised upon 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 in accordance with the SEBI ICDR Regulations.*

^Our Company, in consultation with the Book Running Lead Managers, may consider a Pre-IPO Placement, aggregating up to ₹ 1,200.00 million prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. The Pre-IPO Placement shall not exceed 20% of the size of the Issue. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the Objects in compliance with applicable law. Prior to the completion of the Issue and allotment pursuant to the Pre-IPO Placement, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Issue or the Issue may be successful and will result into listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.

For further details, see "*Objects of the Issue*" on page 129.

Aggregate pre-Issue and post-Issue shareholding of our Promoters and members of the Promoter Group as a percentage of the paid-up Equity Share capital of our Company

The aggregate pre-Issue and post-Issue equity shareholding and percentage of the pre-Issue and post-Issue paid-up Equity Share capital of our Promoters and members of the Promoter Group as on the date of this Draft Red Herring Prospectus is set forth below:

S. No.	Name of the Shareholder	Pre-Issue		Post-Issue^	
		No. of Equity Shares of face value of ₹ 1 each (on a fully diluted basis)	Percentage of pre-Issue paid-up Equity Share capital on fully diluted basis (%)	No. of Equity Shares of face value of ₹ 1 each (on a fully diluted basis)	Percentage of the post-Issue Equity Share capital on a fully diluted basis (%)
Promoters					
1.	Piyush Prakashchandra Somani	24,648,670	24.54	[●]	[●]
2.	Komal Piyush Somani	10,174,322	10.13	[●]	[●]
3.	P.O. Somani Family Trust*	11,233,739	11.19	[●]	[●]
Sub-Total (A)		**46,056,731**	**45.86**	**[●]**	**[●]**
Promoter Group (other than the Promoters)					
1.	Sarla Prakashchandra Somani	3,788	Negligible	[●]	[●]
2.	Pooja Prakashchandra Somani	100,011	0.10	[●]	[●]
3.	Prajakta Rushikesh Jadhav	100,011	0.10	[●]	[●]
Sub-Total (B)		**203,810**	**0.20**	**[●]**	**[●]**
Total (A+B)		**46,260,541**	**46.06**	**[●]**	**[●]**

** The Equity Shares are held by Komal Piyush Somani, in the capacity of the Trustee*
^ To be updated post finalisation of the Issue Price

Aggregate pre-Issue shareholding of our Promoters, our Promoter Group and the additional top 10 Shareholders

The aggregate pre-Issue and post-Issue equity shareholding and percentage of the pre-Issue and post-Issue paid-up Equity Share capital of our Promoters, members of the Promoter Group and the additional top 10 Shareholders as on the date of this Draft Red Herring Prospectus is set forth below:

S No.	Name of Shareholder	Pre-Issue		Post-Issue shareholding as at Allotment			
		Number of Equity Shares of face value ₹ 1 each	Percentage of total pre-Issue paid up Equity Share capital on a fully diluted basis* (%)	At the lower end of the Price Band (₹[●])		At the upper end of the Price Band (₹[●])	
				Number of Equity Shares of face value ₹ 1 each held on a fully diluted basis(1)	Percentage of total post-Issue paid up Equity Share capital on a fully diluted basis(1) (%)	Number of Equity Shares of face value ₹ 1 each held on a fully diluted basis(1)	Percentage of total post-Issue paid up Equity Share capital on a fully diluted basis(1) (%)
			Promoters				
1.	Piyush Prakashchandra Somani	24,648,670	24.54	[●]	[●]	[●]	[●]
2.	Komal Piyush Somani	10,174,322	10.13	[●]	[●]	[●]	[●]
3.	P.O. Somani Family Trust*	11,233,739	11.19	[●]	[●]	[●]	[●]
	Total (A)	**46,056,731**	**45.86**	**[●]**	**[●]**	**[●]**	**[●]**
			Promoter Group (other than the Promoters)				
1.	Sarla Prakashchandra Somani	3,788	Negligible	[●]	[●]	[●]	[●]
2.	Pooja Prakashchandra Somani	1,00,011	0.10	[●]	[●]	[●]	[●]
3.	Prajakta Rushikesh Jadhav	1,00,011	0.10				
	Total (B)	**2,03,810**	**0.20**	**[●]**	**[●]**	**[●]**	**[●]**
			Additional top 10 Shareholders#				
1.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
2.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
3.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
4.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
5.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
6.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
7.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
8.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
9.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
10.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
	Total (C)	**[●]**	**[●]**	**[●]**	**[●]**	**[●]**	**[●]**
	Total (A) + (B) + (C)	**[●]**	**[●]**				

** The Equity Shares are held by Komal Piyush Somani, in the capacity of the Trustee*
 # Details in relation to the top 10 shareholders will be disclosed in the Prospectus.
(1) To be updated upon finalisation of Price Band.

For further details, see *"Capital Structure"* on page 96.

Summary of selected financial information derived from our Restated Consolidated Financial Information

The summary of selected financial information as set out under the SEBI ICDR Regulations as at and for the six months ended September 30, 2024, and for the Fiscals ended March 31, 2024, March 31, 2023, and March 31, 2022, derived from the Restated Consolidated Financial Information is set forth below.

(₹ in million, except per share data)

Particulars	As at and for the six months ended September 30, 2024	As at and for the Fiscal ended March 31, 2024	As at and for the Fiscal ended March 31, 2023	As at and for the Fiscal ended March 31, 2022
Equity Share capital	92.89	92.89	92.89	91.57

Particulars	As at and for the six months ended September 30, 2024	As at and for the Fiscal ended March 31, 2024	As at and for the Fiscal ended March 31, 2023	As at and for the Fiscal ended March 31, 2022
Total equity(1)	2,495.14	2,265.09	2,101.54	2,052.73
Net Worth(2)	2,299.34	2,063.56	1,953.41	1,953.85
Revenue from operations	1,721.50	2,865.18	2,075.66	1,953.58
Restated profit/ (loss) before tax for the year/period	289.53	222.99	(276.99)	(21.47)
Restated profit/ (loss) after tax for the period	239.34	136.10	(224.60)	(26.63)
Earnings per Equity Share (in ₹)(3)*				
- Basic(4)	2.58	1.35	(2.42)	(0.30)
- Diluted(5)	2.58	1.35	(2.42)	(0.30)
Net Asset Value per Equity Share(6)(2)	24.75	22.21	21.03	21.34
Total borrowings (as per balance sheet)(7)	1,637.14	1,490.44	1,648.29	1,334.80

** Not annualized for the period ended September 30, 2024.*

Notes:

(1) Total Equity = Equity Share Capital plus Other Equity

(2) Net worth: 'Net worth' has been calculated as the aggregate value of the paid-up share capital of our Company and all reserves created out of profits and 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, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation, share based payment reserve ,debenture redemption reserve and capital redemption reserve . Net Worth represents equity attributable to owners of the company and does not include amounts attributable to non-controlling interest.

(3) Earnings per Equity Share calculations are in accordance with Ind AS 33 "Earnings per share".

(4) Basic EPS is calculated as Restated consolidated net profit after tax for the period/year attributable to the equity Shareholders of the Company / Weighted average number of equity shares outstanding during the period/year.

(5) Diluted EPS is calculated as Restated consolidated net profit after tax for the period/year attributable to the equity Shareholders of the Company / Weighted average number of equity shares and potential equity shares outstanding during the period/year.

(6) Net Asset Value per Equity Share (in ₹) is computed as the net worth as at the end of period/year divided by the number of equity shares outstanding as at the end of period/year.

(7) Total Borrowing is calculated as non-current borrowings plus current borrowings.

For further details, see "*Restated Consolidated Financial Information*" and "*Other Financial Information*" on pages 285 and 361, respectively.

Qualifications of the Auditors which have not been given effect to in the Restated Consolidated Financial Information

There are no qualifications of the Statutory Auditor in their audit reports on our audited consolidated financial statements which have not been given effect to in the Restated Consolidated Financial Information.

Summary of Outstanding Litigation

A summary of outstanding litigation proceedings involving our Company, Subsidiaries, Promoters and Directors, in accordance with the SEBI ICDR Regulations and the Materiality Policy as on the date of this Draft Red Herring Prospectus, is provided below:

(₹ in million)

Category of individuals / entities	Criminal proceedings	Tax proceedings	Actions by statutory or regulatory authorities	Disciplinary actions, including penalty imposed by SEBI or Stock Exchanges against our Promoters in the last five fiscals	Material litigation#^	Aggregate amount involved (₹ in million)*
Company						
By our Company	Nil	NA	NA	NA	1	27.89
Against our Company	Nil	11#	Nil	NA	1**	350.21
Subsidiaries						
By our Subsidiaries	Nil	NA	NA	NA	Nil	Nil
Against our Subsidiaries	Nil	Nil	Nil	NA	Nil	Nil
Promoters						
By our Promoters	Nil	NA	NA	NA	Nil	Nil

Category of individuals / entities	Criminal proceedings	Tax proceedings	Actions by statutory or regulatory authorities	Disciplinary actions, including penalty imposed by SEBI or Stock Exchanges against our Promoters in the last five fiscals	Material litigation[#^]	Aggregate amount involved (₹ in million)[*]
Against our Promoters	Nil	1	Nil	Nil	1[**]	184.80
Directors						
By the Directors	1[@]	NA	NA	NA	Nil	2.15
Against the Directors	Nil	1	Nil	NA	1[**]	184.80

Notes:
^In accordance with the Materiality Policy and excludes outstanding taxation proceedings considered material per the Materiality Policy.
**To the extent quantifiable.*
***One of our former employees, Rajeev Suryaprakash Papneja, has filed a civil suit (the "**Suit**") against our Company and Piyush Prakashchandra Somani before the Bombay High Court, claiming that he was entitled to 1% shares of the Company, allegedly offered in 2015 or in the alternative, demanding compensation amounting to ₹184.80 million from our Company. For further details in relation to the Suit, see "Outstanding Litigation and Other Material Developments - Litigation involving our Company - Outstanding litigation proceedings against our Company - Other material pending proceedings" on page 406.*
@This includes an outstanding criminal proceeding filed by Jitendra Pathak, who is also a Key Managerial Personnel and a member of our Senior Management.
#This is inclusive of notices received for delayed remittance of tax deducted at source under the relevant provisions of the Income Tax Act, 1961 and notices received under Sections 73(1) and 74(1) of the Central Goods and Services Tax Act, 2017. For further details, see "Outstanding Litigation and Other Material Developments - Outstanding litigation proceedings against our Company – Material Tax Proceedings" on page 406.

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings involving or outstanding actions taken by statutory or regulatory authorities against our Key Managerial Personnel or members of our Senior Management (other than our Executive Directors as covered above, to the extent applicable).

As on the date of this Draft Red Herring Prospectus, there are no Group Companies of our Company.

For further details see "*Outstanding Litigation and Other Material Developments*" on page 405.

Risk factors

Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. Details of our top 10 risk factors are set forth below.

1. If we fail to innovate in response to new technological changes and technological innovations, or adapt to technological developments or evolving industry standards, our business, financial condition, and results of operations could be adversely affected.

2. Our revenue, directly or indirectly, from government entities and government projects represented 29.30%, 34.04%, 33.90% and 29.64% of our revenue from operations for the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022, respectively. Any changes in government policies or budgetary allocations in relation to outsourcing of services may adversely affect our business, financial condition, results of operations and cash flows.

3. We made a loss for the year for Fiscals 2023 and 2022. There can be no assurance that we will not incur a loss for the year in the future. If we were to experience a loss for the year over continuous fiscal years, especially if the losses were large, our ability to operate our business as a going concern may be jeopardised, we may need to raise additional financing, which may not be available, and you could lose all or substantially all of your investment in the Equity Shares.

4. Our Material Subsidiary, ESDS Cloud FZ-LLC, has a loss for the period/year for the six months ended September 30, 2024, Fiscal 2024, Fiscal 2023, and Fiscal 2022. There can be no assurance that ESDS Cloud FZ-LLC will not incur a loss for the period/year in the future. If ESDS Cloud FZ-LLC were to experience a loss for the year over continuous fiscal years, especially if the losses were large, its ability operate its business as a going concern may be adversely affected, which may require it to raise additional financing, which may not be available, and it would adversely affect our consolidated financial condition, results of operations and cash flows. In addition, our Company could lose its investment in ESDS Cloud FZ-LLC and may not be repaid the money it has lent to ESDS Cloud FZ-LLC, which would have an adverse effect on its financial condition on a standalone basis.

5. Any unauthorized access to our network or data could harm our reputation, create additional liability and adversely affect our financial condition, results of operations and cash flow.

6. Our business is highly dependent on our ability to allow our customers to have access to our services on a continuous and seamless basis or within an acceptable amount of time. If we are unable to prevent disruptions to customers' access to our services it could adversely affect our reputation, business, financial condition, results of operations and cash flows.

7. Our growth, in part, depends on our ability to maintain successful relationship with our technology and business collaboration partners and any breakdown of such relationships could adversely affect our business, financial condition, results of operations and cash flows.

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

9. In the six months ended September 30, 2024, our revenue from our top client and top 10 clients represented 22.02% and 56.86% of our revenue from operations, respectively, and any loss or reduction of business from these clients could have a material adverse effect on our business, financial condition, results of operations and cash flows. In addition, our top client for the six months ended September 30, 2024, a BFSI incorporated in Russia, is subject to certain economic sanctions. Although we are not in breach of these sanctions, if the scope of secondary sanctions are increased or new sanctions are implemented such that we would be required to no longer sell our services to this client, it could have a material adverse effect on our business, financial condition, results of operations and cash flows.

10. For the six months ended September 30, 2024 and Fiscals 2024, 2023, and 2022, the cost of supplies from our top supplier represented 13.94%, 14.16%, 8.55% and 22.78%, of our other expenses plus additions to property, plant and equipment, respectively, and our cost of supplies from our top 10 suppliers represented 48.13% 41.73%, 40.62% and 48.97% of our other expenses plus additions to property, plant and equipment, respectively. We rely on our suppliers for various critical aspects of our information technology infrastructure. If any of our top 10 suppliers ceased supplying products/services to us and we were unable to find a supplier to replace it, it could have an adverse effect on our business, financial condition, results of operations, and cash flows.

For details, see "*Risk Factors*" on page 34.

Summary of contingent liabilities and commitments

The following is a summary table of our contingent liabilities as at September 30, 2024, in accordance with the requirements under Ind AS 37-Provisions, Contingent Liabilities and Contingent Assets, as disclosed in the Restated Consolidated Financial Information:

(₹ in million)

Particulars	As at September 30, 2024
Capital commitments	
Estimated amount of contracts remaining to be executed on capital account (net of advances)	290.69
Claims against the group not acknowledged as debts	
Indirect tax matters	2.26
Other matters	2.62
Guarantees excluding financial guarantees	
Performance bank guarantees given to customers	388.33
Other money for which the group is contingently liable	
Indirect tax matters	127.23
Total	**811.13**

For further details, see *"Restated Consolidated Financial Information – Note 30 – Contingencies and commitments"* and "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Contingent liabilities and capital commitments* " on pages 338 and 397, respectively.

Summary of related party transactions

The details of transactions with related parties during six months ended September 30, 2024 and for the Fiscals ended March 31, 2024, March 31, 2023 and March 31, 2022, in accordance with the requirements under Ind AS 24 – Related Party Disclosures, read with the SEBI ICDR Regulations, and as derived from the Restated Consolidated Financial Information are set forth in the table below:

(₹ in million)

Name of the Related Party	Nature of Transaction	Nature of Relationship	For six months period ended September 30, 2024	For the Fiscal ended March 31, 2024	For the Fiscal ended March 31, 2023	For the Fiscal ended March 31, 2022
Sandeep Mehta	Salaries and allowances	Chief Financial Officer (from April 6, 2020 till May 19, 2022)	-	-	1.05	10.47
Aniket Khandelwal	Salaries and allowances	Compliance Officer and Company Secretary (from August 6, 2021 till June 15, 2022)	-	-	-	0.77
Sarla Prakashchandra Somani	Salaries and allowances	Director (till July 28, 2021)	-	-	-	0.50
Prasad Deochand Deokar	Salaries and allowances	Compliance Officer and Company Secretary (from July 13, 2022)	0.62	1.12	0.76	-
Nadukuru Sita Ramiah	Salaries and allowances	Chief Financial Officer (from October 31, 2022)	3.05	6.37	2.68	-
Prajakta Somani Jadhav	Salaries and allowances	Relatives of the KMP	1.10	2.33	2.11	1.84
Pooja Somani	Salaries and allowances	Relatives of the KMP	0.56	0.15	-	-
Komal Piyush Somani	Director remuneration to KMP	Whole-time Director (from July 28, 2021)	2.93	4.57	3.89	3.89
Piyush Prakashchandra Somani	Director remuneration to KMP	Chairman and Managing Director	6.08	8.38	6.81	6.81
Piyush Prakashchandra Somani	Loan given/(recovered)-net	Chairman and Managing Director	-	-	-	(2.16)
Komal Piyush Somani	Loan given/(recovered)-net	Relative of KMP	-	-	-	(8.30)
Prajakta Somani Jadhav	Loan given/(recovered)-net	Relative of KMP	-	-	(0.08)	(0.11)

Name of the Related Party	Nature of Transaction	Nature of Relationship	For six months period ended September 30, 2024	For the Fiscal ended March 31, 2024	For the Fiscal ended March 31, 2023	For the Fiscal ended March 31, 2022
ESDS Cloud FZ LLC	Loan given/(recovered)-net	Wholly Owned Subsidiary	-	-	-	(141.05)
ESDS Internet Services Private Limited	Loan given/(recovered)-net	Subsidiary (till August 29, 2024)	-	-	0.44	10.47
Piyush Prakashchandra Somani	Operating and other expenses	Chairman and Managing Director	-	-	0.02	-
ESDS Internet Services Private Limited	Operating and other expenses	Subsidiary (till August 29,2024)	43.31	109.10	111.79	122.81
Great Ideas in Action LLP	Operating and other expenses	Entities in which individual related parties hold control/joint control	-	-	-	0.34
ESDS Cloud FZ LLC	Sales of services	Wholly Owned Subsidiary	-	-	-	60.20
Great Ideas in Action LLP	Sales of services	Entities in which individual related parties hold control/joint control	-	-	-	0.07
Thandankori Ganapathy Dhandapani	Director sitting fees	Independent Director (from July 28, 2021)	0.42	0.76	0.80	0.42
A. V. Ramesh Kumar	Director sitting fees	Independent Director (from July 28, 2021 till January 18, 2023)	-	-	0.50	0.20
Pamela Kumar	Director sitting fees	Independent Director (from July 28, 2021)	0.42	0.74	0.59	-
Uma Mandavgane	Director sitting fees	Independent Director (from July 28, 2021 till May 20, 2022)	-	-	0.14	0.48
Venkatesh Natrajan	Director sitting fees	Independent Director (from July 1, 2023)	0.38	0.51	-	-
ESDS Global Software	Interest income	Wholly Owned Subsidiary	-	-	-	0.16

Name of the Related Party	Nature of Transaction	Nature of Relationship	For six months period ended September 30, 2024	For the Fiscal ended March 31, 2024	For the Fiscal ended March 31, 2023	For the Fiscal ended March 31, 2022
Solution Inc.						
ESDS Cloud FZ LLC	Interest income	Wholly Owned Subsidiary	-	-	-	14.45
ESDS Internet Services Private Limited	Rental income	Subsidiary (till August 29, 2024)	0.03	0.13	0.14	0.14
ESDS Internet Services Private Limited	Security deposit paid	Subsidiary (till August 29,2024)	-	1.05	-	-
Total			**58.89**	**135.21**	**131.62**	**82.39**

For details of the related party transactions, see "*Related Party Transactions*" on page 362.

Financing arrangements

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors or their relatives (as defined in the Companies Act, 2013) have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

Details of price at which specified securities were acquired by our Promoters, members of our Promoter Group and Shareholder(s) with right to nominate directors or other special rights in the last three years preceding the date of this Draft Red Herring Prospectus

Except as stated below, none of our Promoters, members of our Promoter Group have acquired specified securities in the last three years immediately preceding the date of this Draft Red Herring Prospectus:

S. No.	Name of the acquirer/ shareholder	Nature of transaction	Date of acquisition of Equity Shares	Number of Equity Shares acquired	Face value of Equity Shares (in ₹)	Acquisition price per specified security (in ₹)*
1.	Sarla Prakashchandra Somani	Transfer	August 14, 2024	1,600	1	260
		Transfer	August 21, 2024	5,000	1	260
		Transfer	September 3, 2024	4,940	1	260
		Transfer	September 16, 2024	47,170	1	309
		Transfer	September 16, 2024	208,524	1	309
		Transfer	September 16, 2024	57,500	1	309
		Transfer	September 16, 2024	400	1	309
		Transfer	September 16, 2024	21,875	1	309
		Transfer	September 16, 2024	42,208	1	309
		Transfer	September 16, 2024	198,229	1	309
		Transfer	September 16, 2024	27,917	1	309
		Transfer	September 16, 2024	88,182	1	309
		Transfer	September 17, 2024	115,385	1	309
		Transfer	September 17, 2024	61,538	1	309
		Transfer	September 17, 2024	3,571	1	309
		Transfer	September 17, 2024	2,296	1	309
		Transfer	September 17, 2024	13,725	1	309
		Transfer	September 17, 2024	202,141	1	309
		Transfer	September 18, 2024	3,636	1	309
		Transfer	September 18, 2024	400	1	309
		Transfer	September 18, 2024	28,846	1	309

S. No.	Name of the acquirer/ shareholder	Nature of transaction	Date of acquisition of Equity Shares	Number of Equity Shares acquired	Face value of Equity Shares (in ₹)	Acquisition price per specified security (in ₹)*
		Transfer	September 18, 2024	28,846	1	309
		Transfer	September 18, 2024	9,804	1	309
		Transfer	September 19, 2024	1,784	1	309
		Transfer	September 23, 2024	8,062	1	309
		Transfer	September 24, 2024	1,000	1	309
		Transfer	October 4, 2024	71,428	1	309
		Transfer	October 4, 2024	9,929	1	309
		Transfer	October 14, 2024	1,788	1	309
		Transfer	October 21, 2024	90,236	1	Nil^
		Transfer	October 25, 2024	2,000	1	309
2.	Pooja Prakashchandra Somani	Partial distribution of the trust properties of the P.O. Somani Family Trust in favour of its beneficiaries	February 6, 2025	100,000	1	NA
3.	Prajakta Rushikesh Jadhav	Partial distribution of the trust properties of the P.O. Somani Family Trust in favour of its beneficiaries	February 6, 2025	100,000	1	NA
4.	Komal Piyush Somani	Gift	October 23, 2024	100,000	1	NA
		Partial distribution of the trust properties of the P.O. Somani Family Trust in favour of its beneficiaries	February 6, 2025	11,033,739	1	NA

** The above details have been certified by our Statutory Auditors, M/s Shah Khandelwal Jain & Associates, Chartered Accountants, pursuant to their certificate dated March 30, 2025.*
^ Transfer by way of gift.

None of the Shareholder(s) have the right to nominate Director(s) or hold any special rights under our Articles of Association as on the date of this Draft Red Herring Prospectus.

Weighted average price at which Equity Shares were acquired by the Promoters in the last one year preceding the date of this Draft Red Herring Prospectus

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

S. No.	Name of the Promoter	Number of Equity Shares of face value of ₹ 1 each acquired in the one year preceding the date of this Draft Red Herring Prospectus	Weighted average price per Equity Share (in ₹)**
Promoters			
1.	Piyush Prakashchandra Somani	Nil	Not applicable
2.	Komal Piyush Somani	11,133,739	Nil*
3.	P.O. Somani Family Trust	Nil	Not applicable

**Pursuant to the partial distribution of the P.O. Somani Family Trust and gift.*
*** As certified by our Statutory Auditors, M/s Shah Khandelwal Jain & Associates, Chartered Accountants pursuant to their certificate dated March 30, 2025.*

Weighted average cost of acquisition of all shares transacted by our Promoters and the members of our Promoter Group in the last one year, eighteen months and three years preceding the date of this Draft Red Herring Prospectus

The details of weighted average cost of acquisition of all Equity Shares transacted by our Promoters and the members of our Promoter Group in the last one year, eighteen months, and three years preceding the date of this Draft Red Herring Prospectus is as follows:

Period	Weighted average cost of acquisition per Equity Share of face value of ₹ 1 each (in ₹)*	Cap Price is 'x' times the weighted average cost of acquisition[@]	Range of acquisition price per Equity Share: lowest price – highest price (in ₹)*
Last one year preceding the date of this Draft Red Herring Prospectus	81.72	[●]	154#-309
Last 18 months preceding the date of this Draft Red Herring Prospectus	81.72	[●]	154#-309
Last three years preceding the date of this Draft Red Herring Prospectus	82.65	[●]	154#-309

@ To be updated in the Pre-Issue and Price Band Advertisement and the Prospectus following the finalisation of Cap Price
** Details above include secondary transactions undertaken by Promoters and members of Promoter Group (including gifts and partial distribution of the trust properties of the P.O. Somani Family Trust).*
 # Lowest price has been considered excluding gift transactions and partial distribution of the trust properties of the P.O. Somani Family Trust in favour of its beneficiaries.
*** As certified by our Statutory Auditors, M/s Shah Khandelwal Jain & Associates, Chartered Accountants, by way of their certificate dated March 30, 2025.*

Average cost of acquisition of Equity Shares by our Promoters

The average cost of acquisition of Equity Shares held by our Promoters, as on the date of this Draft Red Herring Prospectus, is set forth below:

S. No.	Name of the Promoter	Number of Equity Shares of face value of ₹ 1 each held	Average cost of acquisition per Equity Share (in ₹)*
1.	Piyush Prakashchandra Somani	24,648,670	0.08
2.	Komal Piyush Somani	10,174,322	Nil#
3.	P.O. Somani Family Trust	11,233,739**	0.15

** Weighted average cost of acquisition has been calculated after considering bonus issuances by our Company and split of face value of equity shares from ₹ 10 per equity share to ₹ 1 per equity share.*
***Held through its trustee, Komal Piyush Somani*
 # Shares outstanding as on the date of certificate have been acquired by way of partial distribution of the trust properties of the P.O. Somani Family Trust and gift, accordingly, weighted average cost of acquisition per equity share is Nil.
Note: As certified by our Statutory Auditors, M/s Shah Khandelwal Jain & Associates, Chartered Accountants, by way of their certificate dated March 30, 2025.

For further details on the acquisition of Equity Shares by our Promoters, see "*Capital Structure – Details of Shareholding of our Promoters and members of the Promoter Group in our Company*" on page 119.

Details of pre-IPO placement

Our Company, in consultation with the Book Running Lead Managers, may consider further issuance of specified securities, by way of private placement(s), preferential allotment(s) or any other mode as may be permitted under the applicable law, aggregating up to ₹ 1,200.00 million prior to filing of the Red Herring Prospectus with the RoC.

The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Issue. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the proposed Objects of the Issue in compliance with applicable law. Prior to the completion of the Issue and allotment pursuant to the Pre-IPO Placement, our

Company shall appropriately intimate the subscribers to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Issue or the Issue may be successful and will result in listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.

Issue of Equity Shares for consideration other than cash or bonus issue in the last one year

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

Split or consolidation of equity shares in the last one year

Our Company has not undertaken split or consolidation of its Equity Shares in the one year preceding 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 sought any exemption from complying with any provisions of securities laws, as on the date of this Draft Red Herring Prospectus.

SECTION III – RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. Potential investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares.

In order to obtain a detailed understanding of our Company and business, potential investors should read this section in conjunction with "Our Business", "Industry Overview", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Restated Consolidated Financial Information" on pages 208, 159, 285 and 363, respectively.

In making an investment decision, potential investors must rely on their own examination of us and our business and the terms of the Issue, including the merits and risks involved. Potential investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue.

We have described below the risks that we believe are material, but these risks may not be the only ones relevant to us or our Equity Shares, the industry in which we operate or to India. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, financial condition, results of operations and cash flows could be adversely affected, the price of our Equity Shares could decline, and investors could lose all or part of their investment.

Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section.

This Draft Red Herring Prospectus contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For further information, see "Forward-Looking Statements" on page 20.

*Unless otherwise indicated, industry and market data used in this section has been derived the report titled "India Data Centre, Cloud Services and Managed Services Industry Outlook" published in March 2025 (the "**Nexdigm Report**"), prepared and issued by Nexdigm Private Limited and exclusively commissioned and paid for by our Company in connection with the Issue. For more details, see "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data" on page 17. A copy of the Nexdigm Report is available on our Company's website at www.esds.co.in/investor-relations/industry-report.*

Internal Risk Factors

1. ***If we fail to innovate in response to new technological changes and technological innovations, or adapt to technological developments or evolving industry standards, our business, financial condition, and results of operations could be adversely affected.***

We offer a comprehensive platform of cloud infrastructure and software solutions consisting of: (1) infrastructure as a service ("**IaaS**"), which is divided into (a) cloud services and cloud computing and (b) colocation and Data Centre services; (2) managed services; and (3) software as a service ("**SaaS**"). For more details, see "*Our Business*" on page 208.

We are engaged in an industry characterized by rapid technological innovation, evolving industry standards, frequent new service introductions, and changing customer demands. We believe that the pace of innovation will continue to accelerate. In order to provide a holistic solution to our client's comprehensive cloud data requirement, we have diversified our comprehensive IaaS cloud computing services portfolio to public clouds, private clouds, virtual private clouds, hybrid clouds, community cloud offerings, and our SaaS offerings to Data Centre management services, vulnerability scanners, web access firewalls and VPN. Our future success depends on our ability to continue to innovate and increase customer adoption of our platform in these and other areas. We need to continue to evaluate our product and service offerings and invest in technologies, services, and partnerships that increase the types of data processed on our platform and the ease with which customers can ingest data into our platform. This may require significant investments, take considerable time and ultimately may not be successful.

As at January 31, 2025, our R&D team comprised 103 members. Our R&D expenses primarily comprise employee salaries. The table below sets out our expenses for research and development and such expenses as a percentage of our revenue from operations for the period and fiscal years indicated.

Particulars	Six months ended September 30, 2024	Year ended March 31,		
		2024	2023	2022
	₹ in million, except percentages			
Expenses for research and development [A]	45.20	126.62	113.98	80.21
Expenses for research and development as a percentage of revenue from operations [B = A / C] (%)	2.63%	4.42%	5.49%	4.11%
Revenue from operations [C]	1,721.50	2,865.18	2,075.66	1,953.58

Further, our cloud computing infrastructure may become obsolete due to the development of new systems to deliver power to or eliminate heat from the servers or as a result of the development of new server technology. In addition, our power and cooling systems are difficult and expensive to upgrade. Accordingly, we may not be able to efficiently upgrade or change these systems to meet new demands without incurring significant costs that we may not be able to pass on to our customers. The obsolescence of our power and cooling systems could have a material adverse effect on our business, financial condition and results of operations.

If we are unable to enhance our platform or offerings to keep pace with these rapidly evolving customer requirements, or if new technologies emerge that are able to deliver competitive products or services at lower prices, more efficiently, more conveniently, or more securely than our platform, our business, financial condition, results of operations and cash flows could be materially adversely affected.

2. ***Our revenue, directly or indirectly, from government entities and government projects represented 29.30%, 34.04%, 33.90% and 29.64% of our revenue from operations for the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022, respectively. Any changes in government policies or budgetary allocations in relation to outsourcing of services may adversely affect our business, financial condition, results of operations and cash flows.***

We have earned revenue from government and quasi-government clients and private sector clients that assist in the execution of government IT projects. Therefore, any changes in relevant government policies or budgetary allocations, could adversely affect our ability to retain business from government and quasi-government entities, or from third parties who work with government entities. Such changes in government policies or budgetary allocations may also adversely affect the clients that assist in execution of government IT projects.

The table below sets out our revenue, directly or indirectly, from government entities and government projects in the period and fiscal years indicated.

Particulars	Six months ended September 30, 2024	Year ended March 31,		
		2024	2023	2022
	₹ in million, except percentages			
Revenue, directly or indirectly, from government entities and government projects [A]	504.32	975.33	703.61	578.96
Revenue, directly or indirectly, from government entities and government projects as a percentage of revenue from operations [B = A/C] (%)	29.30%	34.04%	33.90%	29.64%
Revenue from operations [C]	1,721.50	2,865.18	2,075.66	1,953.58

There have been no changes in relevant government policies or budget allocations in relation to the outsourcing of the type of services we provide that have had a material adverse effect on our revenue from government entities and projects in the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022. However, if there are any adverse changes in relevant government policies or budget allocations in the future, it could adversely affect our ability to attract or retain business from government entities and from third parties who work with government entities, which could adversely affect our business, financial condition, results of operations and cash flows.

3. ***We made a loss for the year for Fiscals 2023 and 2022. There can be no assurance that we will not incur a loss for the year in the future. If we were to experience a loss for the year over continuous fiscal years, especially if the losses were large, our ability to operate our business as a going concern may be jeopardised, we may need to raise additional financing, which may not be available, and you could lose all or substantially all of your investment in the Equity Shares.***

We made a loss for the year for Fiscals 2023 and 2022. The table below sets forth our profit/(loss) for the period/year for the period and fiscal years indicated.

Particulars	For the six months ended September 30, 2024	For the year ended March 31,		
		2024	2023	2022
	₹ in million			
Profit/(Loss) for the period/year	239.34	136.10	(224.60)	(26.63)

Our loss for the year for Fiscal 2023 was ₹224.60 million, which was primarily due to the fact that our revenue from operations increased by 6.25% from ₹1,953.58 million in Fiscal 2022 to ₹2,075.66 million in Fiscal 2023 while our total expenses increased by 19.18% from ₹1,973.22 million in Fiscal 2022 to ₹2,351.63 million in Fiscal 2023. In addition, there were exceptional items of ₹47.78 million, which comprised a payment of ₹30.78 million in DRC-03 and an additional ₹17.00 million in interest provisions, following notices from the CGST Department under section 86A of the Central Goods and Services Tax Act, 2017, which also contributed to our loss for the year. For further details, "*Management's Discussion and Analysis of Financial Condition and Results of Operations - Results of Operations - Fiscal 2023 Compared to Fiscal 2022*" on page 389.

Our loss for the year for Fiscal 2022 was ₹26.63 million, which was primarily due to an exceptional item of ₹35.00 million for the settlement under DRC-03 in connection with a summons from the CGST Department regarding potential GST evasion. For more details our results of operations for Fiscal 2022, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations - Results of Operations - Fiscal 2023 Compared to Fiscal 2022 - Exceptional Items*" on page 391.

There can be no assurance that we will not incur a loss for the period/year in the future. If we were to experience a loss for the year over continuous fiscal years, especially if the losses turn out to be large, our ability operate our business as a going concern may be affected, we may need to raise additional financing, which not be available, and you could lose all or substantially all of your investment in the Equity Shares.

4. ***Our Material Subsidiary, ESDS Cloud FZ-LLC, has a loss for the period/year for the six months ended September 30, 2024, Fiscal 2024, Fiscal 2023, and Fiscal 2022. There can be no assurance that ESDS Cloud FZ-LLC will not incur a loss for the period/year in the future. If ESDS Cloud FZ-LLC were to experience a loss for the year over continuous fiscal years, especially if the losses were large, its ability operate its business as a going concern may be adversely affected, which may require it to raise additional financing, which may not be available, and it would adversely affect our consolidated financial condition, results of operations and cash flows. In addition, our Company could lose its investment in ESDS Cloud FZ-LLC and may not be repaid the money it has lent to ESDS Cloud FZ-LLC, which would have an adverse effect on its financial condition on a standalone basis.***

Our Material Subsidiary, ESDS Cloud FZ-LLC, has incurred a loss for the period/year for the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022. The table below sets forth ESDS Cloud FZ-LLC's profit/(loss) for the period/year for the period and years indicated.

Particulars	For the six months ended September 30, 2024	For the year ended March 31, 2024	2023	2022
	₹ in million			
Profit/(Loss) for the period/year	(38.07)	(60.29)	(69.52)	(55.85)

For information on ESDS Cloud FZ-LLC and more details on its results of operations for the above period and fiscal years, see "*Our Subsidiaries - ESDS Cloud FZ-LLC ("ESDS Cloud FZ")*" on page 253.

The table below sets forth our Company's investment in ESDS Cloud FZ-LLC on a standalone basis as at the dates indicated.

Particulars	As at September 30, 2024	As at March 31, 2024	2023	2022
	₹ in million			
Our Company's investment in ESDS Cloud FZ-LLC	0.20	0.20	0.20	0.20

On December 3, 2024, our Company passed a resolution approving an investment of USD 4.66 million in ESDS Cloud FZ-LLC. On January 9, 2025, ESDS Cloud FZ-LLC received an amount of USD 4.47 million (₹ 385.99 million) from our Company. In connection with this investment, the process of issuing 56 shares with a par value of AED 1,000 in ESDS Cloud FZ-LLC to our Company has commenced, and an application has been submitted to the Dubai Development Authority for approval for such issuance. However, the approval remains pending.

On March 17, 2025, our Company gave an unsecured loan to ESDS Cloud FZ-LLC amounting to ₹399.50 million at an interest rate of 14% per annum, which is repayable on demand.

There can be no assurance that ESDS Cloud FZ-LLC will not incur losses for the period/year in the future. If ESDS Cloud FZ-LLC were to experience a loss for the year over continuous fiscal years, especially if the losses were large, its ability operate its business as a going concern may be adversely affected, which may require it to raise additional financing, which may not be available, and it would adversely affect our consolidated financial condition, results of operations and cash flows. In addition, our Company could lose its investment in ESDS Cloud FZ-LLC and our Company may not be repaid the money it has lent to ESDS Cloud FZ-LLC, which would have an adverse effect on its financial condition on a standalone basis.

5. ***Any unauthorized access to our network or data could harm our reputation, create additional liability and adversely affect our financial condition, results of operations and cash flows.***

A fundamental prerequisite of a customer that wishes to migrate their businesses to a cloud is cyber security. Our cloud platform and products involve the storage and transmission of data, including personally identifiable information. Security breaches or unauthorized access to our platform and products could result in the loss of our or our customers' or users' data, litigation, indemnity obligations, fines, penalties, disputes, investigations and other liabilities. If the security of a cloud is breached, hackers may have access to confidential business and personal data, as well as intellectual property of our customers and our Company.

Under the Digital Personal Data Protection Act, 2023, we may be classified as a Data Fiduciary for personal data that we collect or process. As such, we are subject to statutory obligations to implement reasonable security safeguards and report personal data breaches to the Data Protection Board of India and affected individuals, where applicable. We are also subject to data protections laws in other countries where we have clients. For details, see *"-23. Failure to comply with laws and regulations applicable to our business could subject us to fines and penalties and could also cause us to lose customers or otherwise harm our business*" on page 53. While our agreements with customers generally limit our contractual liability for data breaches occurring at the customer's end, such limitations may not shield us from regulatory liability or enforcement action under applicable data protection laws in India and in other countries where we have clients.

While we aim to provide our customers with a high level of security, we continue to face security threats and attacks from hackers. Since there are many different security breach techniques and such techniques continue to evolve, we may be unable to anticipate attempted security breaches, react in a timely manner or implement adequate preventative measures. In addition, errors due to the action or inaction of our employees, or others with authorized access to our network could lead to a variety of security incidents. A breach of our security could adversely affect our systems, creating disruptions or slowdowns and the information stored on our networks could be accessed, publicly disclosed, altered, lost, or stolen. While since April 1, 2021, there have been no instances of such breaches of security, we cannot assure you that such breaches of security may not occur in the future. Any actual or perceived data breach in the future, whether at our end or relating to data we process, could result in loss of reputation, negative publicity, customer churn, and increased costs, and could materially and adversely affect our business, financial condition and results of operations.

Further, undetected real or perceived errors, failures, bugs or defects may be present or occur in the future in our customer solutions. Such issues may not be found until our customers use our services, which could result in negative publicity, loss of or delay in market acceptance of our services and harm to our brand, weakening of our competitive position, claims by customers for losses sustained by them or failure to meet the stated service level commitments in our customer agreements. In such an event, we may be required, or may choose, for customer relations or other reasons, to expend significant additional resources and incur additional costs in order to help correct such errors, bugs or defects. Any real or perceived errors, failures, bugs or defects in our customer solutions could also impair our ability to attract new customers, retain existing customers or expand their use of our services, which would adversely affect our business, financial condition, results of operations and cash flows.

Any of these negative outcomes could adversely affect client and investor confidence, as well as our business, financial condition, results of operations and cash flows. These risks are likely to increase as we continue to grow and process and store increasingly large amounts of data.

6. ***Our business is highly dependent on our ability to allow our customers to have access to our services on a continuous and seamless basis or within an acceptable amount of time. If we are unable to prevent disruptions to customers' access to our services it could adversely affect our reputation, business, financial condition, results of operations and cash flows.***

Continuous access to our services is a critical aspect of our customers' businesses. For instance, our customers in the BFSI industry depend on our services that support core banking, our corporate customers rely on our cloud to access and back-up corporate data on a real time basis and our "SPOChub" customers rely on the digital marketplace for business transactions. SPOCHUB is a digital marketplace developed by us that enables us and our software vendors to offer software solutions with customised packages to enterprise customers. Consequently, our value proposition and reputation, and in turn our business and results of operations, is highly dependent on our ability to allow our customers to have access to our services on a continuous and seamless basis or within an acceptable amount of time. Any disruption to our services, whether due to internet downtime, Data Centre damage or interruptions, software failure, breakdown of hardware, security breaches or for any other reason, would affect our customers' ability to access our services, which could adversely affect their business.

We operate four Data Centres in India, which are located in Navi Mumbai, Maharashtra; Nashik, Maharashtra; Bengaluru, Karnataka; and Mohali, Punjab. From our Data Centres, we provide our services to a large number of clients and consequently, interruptions, failure or downtime in any one of our Data Centre facilities could affect a large number of customers. Our Data Centres face the risk of overheating. We use an N+M cooling configuration in our Data Centres, where 'N' represents the number of cooling units required to meet the full cooling load under normal operating conditions, and 'M' represents the number of additional (redundant) units deployed to provide backup and support maintenance without impacting operations. The active 'N' units operate in a rotational manner, distributing energy load evenly among them, while the redundant 'M' units remain on standby. This configuration ensures high availability, energy efficiency, and extended lifecycle management of the cooling infrastructure. This setup enables us to carry out regular maintenance of the cooling systems without downtime and significantly reduces the risk of overheating or failure. Since April 1, 2021, have been no incidents of overheating in any of our Data Centres.

Further, in the event that there are any disruptions at our Data Centres due to natural or man-made disasters, workforce disruptions, fire, failure of machinery, or any significant social, political or economic disturbances, our ability to service our customers may be adversely affected.

Our agreements with customers include clauses for payment of damages or penalties for breach of certain provisions of such agreements. Any failure or downtime in our Data Centres could cause our customers to seek damages for losses occurred, delay in payment to us by customers, divert our resources, require us to replace existing equipment or add additional redundant facilities, affect our reputation as a reliable provider of hosting services, cause existing customers to cancel or elect to not renew their contracts or make it more difficult to attract new customers.

Further, in accordance with our arrangements with customers, we are typically required to furnish performance bank guarantees in connection with services or products provided by us. The table below sets forth the details of the performance bank guarantees furnished by us to customers as of the dates mentioned:

Particulars	As at September 30, 2024	As at March 31,		
		2024	2023	2022
	₹ in million			
Performance bank guarantees given to customers	388.33	420.21	396.30	296.24

While there have been no instances since April 1, 2021, where bank guarantees furnished by us have been invoked, we cannot assure you that such guarantees will not be invoked on grounds of any default or alleged default on our part. Invocation of such guarantees may adversely affect our business, reputation and/or financial condition.

Since April 1, 2021, there have been no instances of disruptions to our services, nor instances of any of our customers seeking damages for such disruptions to our services. While we offer round the clock technical support to our customers and ensure that back-up of data is replicated across Data Centres, in order to reduce the impact of such disruptions, we are unable to assure you that such disruptions shall not occur in future and in the event we are unable to prevent such events in the future, our reputation, business, financial condition, results of operations and cash flows may be adversely affected.

7. ***Our growth, in part, depends on our ability to maintain successful relationship with our technology and business collaboration partners and any breakdown of such relationships could adversely affect our business, financial condition, results of operations and cash flows.***

We enter into agreements with third party companies to deliver customers with bundled solutions to whom we offer our Data Centre, cloud and managed services, which assists in execution of large Government IT projects by such companies. We participate in tenders or any other opportunities, in a consortium with such other companies or the customer awards the contract to such companies and certain services such as cloud hosting and/or managed services are outsourced to our Company. We also collaborate with other companies to host SAP HANA (which is an in-memory database, designed to handle transactions and analytics) on our eNlight cloud. Such collaboration allows us to augment technologies, align synergies, reduce the time-to-market and be more competitive in terms of pricing as well as innovation. For further details, see "*Our Business – Technology and Business Collaboration Partners*" on page 227.

The table below sets out our revenue from collaborations with our technology and business partners and such revenue as a percentage of our revenue from operations for the period and fiscal years indicated.

Particulars	Six months ended September 30, 2024	Year ended March 31,		
		2024	2023	2022
	₹ in million, except percentages			
Revenue from collaboration with technology and business partners [A]	454.36	701.02	433.53	374.60
Revenue from collaboration with technology and business partners as a percentage of revenue from operations [B = A/C] (%)	26.39	24.47	20.89	19.17
Revenue from operations [C]	1,721.50	2,865.18	2,075.66	1,953.58

We may also be held liable for breach of performance obligations in such instances. Breakdown of such relationship can affect our business adversely, including reputational harm, loss of revenue and our inability to benefit from technological collaboration. Our partners can terminate the contracts with us due to number of reasons, which include repetitive outages for the cloud infrastructure or network outages. Since April 1, 2021, there have been no such instances of our partners terminating their contracts with us.

Even if we successfully deliver on contracted services and continue to maintain close relationships with our technology and business collaboration partners, several factors outside of our control could cause the loss of or reduction in business or revenue from our existing clients. These factors include:

- the business or financial condition of our technology or business collaboration partner or the economy generally;
- a change in strategic priorities by that partner, resulting in a reduced level of spending on cloud or Data Centre services;
- changes in the personnel at our clients who are responsible for procurement of information technology services or with whom we primarily interact, in cases where the relationship is not institutionalized;
- a demand for price reductions;
- mergers, acquisitions or significant corporate restructurings involving that partner; or
- a decision by that client or partner to move work in-house or to one or several of our competitors.

The loss or diminution in business from any of our major partners could have a material adverse effect on our business, financial condition, results of operations and cash flows.

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

Our total financial indebtedness as at February 28, 2025, was ₹1,101.55 million. For further details, see "*Financial Indebtedness*" on page 402.

The following table sets out our Total Borrowings, Net Debt, Net Debt to Equity Ratio and Interest Coverage Ratio as at the dates indicated.

Particulars	**As at September 30, 2024**	**As at March 31,**		
		2024	**2023**	**2022**
	(₹ in million, except ratios)			
Non-current borrowings	755.02	847.73	929.80	656.13
Current borrowings (including current maturity of non-current borrowings and interest accrued and due on borrowings)	882.12	642.71	718.49	678.66
Total Borrowings	**1,637.14**	**1,490.44**	**1,648.29**	**1,334.80**
Less:				
Cash and cash equivalents	17.04	22.47	168.86	350.60
Bank balances other than cash and cash equivalents	-	-	30.00	146.39
Net Debt(*) [A]	**1,620.10**	**1,467.97**	**1,449.43**	**837.81**
Total equity [B]	2,495.14	2,265.09	2,101.54	2,052.73
Net Debt to Equity Ratio(*) [A/B]	**0.65**	**0.65**	**0.69**	**0.41**
Interest Coverage Ratio(*)	4.65	3.23	1.83	3.31

Notes:

*(1) Total Borrowings is calculated as non-current borrowings plus current borrowings ("**Total Borrowings**").*

*(2) Net Debt is calculated as Total Borrowings less (i) cash and cash equivalents and (ii) bank balances other than cash and cash equivalents ("**Net Debt**").*

(3) Net Debt to Equity Ratio is calculated as Net Debt divided by total equity.

(4) Interest Coverage Ratio is calculated as EBITDA/finance costs. EBITDA is calculated as profit/(loss) before exceptional items and before share of profit/(loss) from associates and/or JV plus depreciation and amortisation expense plus finance costs minus other income.

(*) Non-GAAP financial measure.

We are required to comply with certain restrictive covenants under our financing agreements. Some of the financing arrangements entered into by us include conditions that require our Company to obtain respective lenders' consent prior to carrying out certain activities and entering into certain transactions. Failure to meet these conditions or obtain these consents could have significant consequences on our business, financial condition, results of operations and cash flows. These covenants vary depending on the requirements of the financial institution extending such loan and the conditions negotiated under each financing agreement. Some of the corporate actions that require prior consents from certain lenders include, amongst others: (a) allowing a change of the name of our Company or change in the office address of our Company, (b) effecting any change of control and ownership, (c) effecting any change in our capital structure where the shareholding of our Promoters gets diluted below current levels or leads to dilution in controlling stake for any reason effecting any change in the management set-up, (d) making any amendments in the Memorandum of Association or Articles of Association, (e) effecting any change in the management of our Company and/or composition of and/or remuneration payable to the Board of our Company, (f) attempting or purporting to alienate or creating any mortgage, charge, pledge, hypothecation or lien or encumbrance over our assets, (g) change our Company's constitution / composition and / or undertake or permit any merger, de-merger, consolidation, reorganization, dissolution or reconstitution scheme of arrangement or compromise with our creditors or shareholders (h) repay or pay any principal or interest on any loans availed by our Company, (i) enter into any contract or arrangement whereby our Company's business or operations are controlled, directly or indirectly, by another person, (j) invest by way of share capital or lend or advance fund to or place deposits with other concern, including sister/associate/family/subsidiary/ group concerns, with the exception of normal trade credit or security deposit in the ordinary course of business, and (k) undertake guarantee obligation on behalf of any third party or any other company. For details, see the section, "*Financial Indebtedness*" on page 402. While we have received all relevant consents required for the purposes of undertaking this Issue and related actions and have complied with these covenants our obligations to comply with such covenants may restrict or delay certain actions or initiatives that we may propose to take from time to time. For example, one of our lenders has stipulated that the shareholding of our Promoters and Promoter Group should not fall below 37% of our paid-up equity share capital. While as of the date of this Draft Red Herring Prospectus, our Promoter and members of the Promoter Group collectively hold 46.06%, if the shareholding of our Promoter and Promoter Group were to fall below such threshold, we will require the prior written consent of such lender or will be required to repay relevant facilities availed from such lender. Our failure to observe the covenants under the financing arrangements or to obtain necessary waivers or consents may lead to, among other things, the termination of our credit facilities and acceleration of amounts due under such facilities.

Additionally, some of our loan agreements also require us to maintain certain periodic financial ratios, such as Debt/EBITDA, Debt Service Coverage Ratio, etc. We have not breached any of the periodic financial ratios in the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022.

Some of our financing agreements also contain cross-default and cross-acceleration clauses, which are triggered in the event of default by our Company under the respective financing agreements. In such a case, the lenders under each of these respective loan agreements may, at their discretion, accelerate payment and declare the entire outstanding amounts under these loans due and payable, and in certain instances, enforce their security which has been constituted over our various assets and take possession of those assets, which could adversely affect our liquidity and materially and adversely affect our business, financial condition, results of operations and cash flows. Since April 1, 2021, there have been no such instances of our Company triggering cross-default and cross-acceleration clauses in our financing agreements, having payment accelerated or security enforced.

Our future borrowings may also contain similar restrictive provisions. In the event that we breach any financial or other covenants contained in any of our financing arrangements we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. We cannot assure you that our business will generate sufficient cash to enable us to service our debt or to fund our other liquidity needs. In addition, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing.

9. ***In the six months ended September 30, 2024, our revenue from our top client and top 10 clients represented 22.02% and 56.86% of our revenue from operations, respectively, and any loss or reduction of business from these clients could have a material adverse effect on our business, financial condition, results of operations and cash flows. In addition, our top client for the six months ended September 30, 2024, a BFSI incorporated in Russia, is subject to certain economic sanctions. Although we are not in breach of these sanctions, if the scope of secondary sanctions are increased or new sanctions are implemented such that we would be required to no longer sell our services to this client, it could have a material adverse effect on our business, financial condition, results of operations and cash flows.***

Our ability to maintain our relationships with our top 10 clients for the six months ended September 30, 2024, and in particular our top client for the six months ended September 2024, is essential to the growth and profitability of our business.

The table below sets forth our revenue from our top client, top five clients and top 10 clients based on their contribution to our revenue from operations for the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022, as well as such revenue as percentage of our revenue from operations.

Particulars	Six months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue (₹ in million)	% of revenue from operations	Revenue (₹ in million)	% of revenue from operations	Revenue (₹ in million)	% of revenue from operations	Revenue (₹ in million)	% of revenue from operations
Top client	379.09	22.02%	171.94	6.00%	101.11	4.87%	145.43	7.44%
Top 5 clients	786.29	45.67%	742.13	25.90%	429.10	20.67%	463.46	23.72%
Top 10 clients	978.91	56.86%	1,071.00	37.38%	716.93	34.54%	691.75	35.41%
Revenue from operations	1,721.50	100.00%	2,865.18	100.00%	2,057.66	100.00%	1,953.58	100.00%

Note:

(1) For the six months ended September 30, 2024, our top 10 clients included: a BFSI incorporated in Russia, an autonomous society under a government ministry, an Indian multinational conglomerate, the local branch of a multinational corporation, a government-linked joint venture, a leading telecom infrastructure services provider in India, a government entity, a government regulatory authority, a foreign web hosting service provider and Maharashtra State Road Development Corporation Ltd. The disclosure of client names has only been made for such clients in the six months ended September 30, 2024 who have consented to being named. We have not disclosed the names of our top 10 clients for Fiscals 2024, 2023 and 2022 as the revenue from such clients did constitute 50% or more of our revenue from operations in those respective fiscal years.

Our revenue from our top client for the six months ended September 2024, a BFSI incorporated in Russia, was ₹379.09 million for the six months ended September 30, 2024, which represented 22.02% of our revenue from operations for the six months ended September 30, 2024. We entered into our first agreement with this client in June 2024. The equipment and infrastructure required to deliver our services to this client is located in Navi Mumbai, Maharashtra, India. We receive payments from the client in Indian Rupees into our current account maintained with a scheduled commercial bank in India, via the Special Rupee Vostro Account. The client is subject to sanctions by the United Kingdom's Office of Financial Sanctions Implementation, the European Economic Area and the United States of America's Office of Foreign Assets Control ("**OFAC**"), which were implemented in response to Russia's war with Ukraine. As an Indian company, these primary sanctions do not apply to our Company. However, if the scope of secondary sanctions, including under the Countering America's Adversaries Through Sanctions Act ("**CAATSA**"), a United States federal law that blocks assets and prohibits transactions with entities involved in activities that undermine the national security or foreign policy of the United States, is expanded in relation to this client in the future, it is possible we would no longer be able to sell our services to this client and it may be difficult to receive payment for services already delivered to that client. CAATSA permits the imposition of penalties on entities incorporated or formed outside the United States that engage in "significant transactions" with entities listed on the Specially Designated Nationals and Blocked Persons ("**SDN and Blocked Persons**"), as published by OFAC. Our top client for the six months ended September 30, 2024 is on the SDN and Blocked Persons list. The preliminary test to determine whether an entity is involved in a "significant transaction" is whether the transaction contributes to activities that undermine national security or foreign policy of the United States, and the transaction's relevance to the defence, national security or intelligence sectors. While we believe that the services we provide to this client do not meet the aforementioned criteria, we cannot assure you that the scope of these secondary sanctions will not be increased or that new sanctions will not be implemented such that we would be required to no longer sell our services to this client. In addition, if these sanctions were lifted (partially or completely) in the future, we would face increased competition for this client's continued business from companies in the United Kingdom, the European Economic Area and the United States, which are currently prohibited from transacting with it. The loss of this client as a customer would have a material adverse effect on our business, financial condition, results of operations and cash flows.

While we have entered into long-term agreements with some of our top 10 clients for the six months ended September 30, 2024, we have not entered into long-term agreements with all of our top 10 clients. Accordingly, we cannot assure you that we will continue to receive business from the clients with whom we have not entered into long-term agreements. Our revenue from our top clients may decline due to changes in the type and quantity of services we provide to these clients. A number of factors other than our performance could cause the loss or reduction of revenues from a client, including a client reducing its spending on our services due to a challenging economic environment or other factors, both internal and external, relating to its business, the client switching to another provider or the client changing its outsourcing strategy (i.e., undertaking more work in-house). Our arrangements with our clients do not prevent our clients from in-sourcing services that are currently outsourced to us, and none of our clients have entered into any non-compete agreements with us. We earned revenue from each of our top 10 clients in Fiscals 2024, 2023 and 2022 in the six months ended September 30, 2024.

Furthermore, our reliance on any individual client for a significant portion of our revenues may give that client a certain degree of leverage when negotiating pricing and the other terms and conditions of the agreement(s) between us and that client. The loss of any of our top clients for the six months ended September 30, 2024, or a significant decrease in the revenue we receive from them, could have a material adverse effect on our business, financial condition, results of operations and cash flows.

10. ***For the six months ended September 30, 2024 and Fiscals 2024, 2023, and 2022, the cost of supplies from our top supplier represented 13.94%, 14.16%, 8.55% and 22.78%, of our other expenses plus additions to property, plant and equipment, respectively, and our cost of supplies from our top 10 suppliers represented 48.13% 41.73%, 40.62% and 48.97% of our other expenses plus additions to property, plant and equipment, respectively. We rely on our suppliers for various critical aspects of our information technology infrastructure. If any of our top 10 suppliers ceased supplying products/services to us and we were unable to find a supplier to replace it, it could have an adverse effect on our business, financial condition, results of operations, and cash flows.***

Our top 10 suppliers for the six months ended September 30, 2024 provided us with a broad range of essential hardware and software products and services. This included fundamental IT infrastructure, such as servers, storage solutions, and antivirus software, as well as modern cloud-based storage and computing resources. We also relied on these suppliers for various software services, general IT hardware and software solutions, and comprehensive enterprise-level support. Our suppliers also covered critical security measures, including the renewal of our Fortigate Firewall. Furthermore, we secured essential connectivity services and Data Centre related materials and annual maintenance contracts. We also rely on external vendors for various critical aspects of our information technology infrastructure, including lease providers, infrastructure support teams, and support for virtualisation and data encryption tools. For more details, see "*Our Business - Our Suppliers*" on page 228.

The table below set forth the cost of supplies from our top supplier, top five suppliers and top 10 suppliers based on their contribution to our other expenses plus additions to property, plant and equipment for the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022, as well as such costs as percentage of our other expenses plus additions to property, plant and equipment.

Particulars	Six months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Cost (₹ in million)	% of other expenses	Cost (₹ in million)	% of other expenses	Cost (₹ in million)	% of other expenses	Cost (₹ in million)	% of other expenses
Top supplier	99.94	13.94%	171.70	14.16%	90.76	8.55%	203.33	22.78%
Top 5 suppliers	264.75	36.92%	423.25	34.91%	322.17	30.35%	423.18	47.42%
Top 10 suppliers	345.11	48.13%	505.88	41.73%	431.22	40.62%	437.08	48.97%
Other expenses plus additions to property, plant and equipment	717.01	100.00%	1,212.27	100.00%	1,061.63	100.00%	892.45	100.00%

We have not entered into long term contracts with all of our top suppliers and we purchase some of these products and services on a purchase order basis. While we believe that we will be able to find alternative supplier(s) at competitive prices if a supplier ceases to do business with us or is unable to supply us, there can be no assurance that we will be able to identify such alternative arrangements a timely manner. There have been no instances where we have not been able to purchase the products and services we need for our business in the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022. However, there can be no assurance that this will always be the case and if any of our top suppliers ceases to sell us the products and services we need and we are unable to find one or more suppliers to replace them, it could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our dependence on external vendors may limit our control over the quality and timeliness of IT services, potentially leading to delays in project implementation, increased costs, and reduced operational efficiency. This reliance exposes us to several risks, including potential disruptions in service due to vendor-related issues such as financial instability, operational failures, or cybersecurity breaches. Any interruption in the services provided by our IT vendors could lead to significant downtime, loss of data, and compromised security, which may adversely affect our ability to conduct business operations effectively. We may also face challenges in integrating new technologies or systems provided by external vendors with our existing infrastructure, which could result in operational inefficiencies and increased vulnerability to cyber threats. While we have not faced any such instances since April 1, 2021, any failure to effectively manage our reliance on external vendors for IT requirements could have an adverse effect on our business, financial condition, results of operations, and cash flows.

11. There have been certain instances of delays in payment of statutory dues by us in the past. Any delay in payment of statutory dues by us in future, could result in the imposition of penalties, which could an adverse effect on our financial condition, results of operation and cash flows.

Our Company and our subsidiaries incorporated in India are required to pay certain statutory dues, including provident fund contributions and employee state insurance contributions under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees' State Insurance Act, 1948, respectively, professional taxes, gratuity and tax deducted at source ("**TDS**"). We are also required to pay additional statutory dues, including applicable goods and services tax ("**GST**").

The table below provides for the details of the total employees, total amount of dues paid and unpaid as of the period/ years indicated for our Company for the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022.

Fiscal/Period	No. of employees as on the last date of Fiscal/Period	Total amount due (in ₹ million)	Total amount paid (in ₹ million)	Unpaid (in ₹ million)
The Employees Provident Fund and Miscellaneous Provisions Act, 1952				
For the six months ended September 30, 2024	1,071	25.20	25.20	-
Fiscal 2024	1,119	49.99	49.99	-
Fiscal 2023	1,038	42.35	42.35	-
Fiscal 2022	974	42.43	42.55	-
Employees State Insurance Act, 1948				
For the six months ended September 30, 2024	38	0.15	0.15	-
Fiscal 2024	43	0.30	0.30	-
Fiscal 2023	39	0.87	0.86	0.01
Fiscal 2022	148	1.38	1.38	-
Labour Welfare Fund, 1972				
For the six months ended September 30, 2024	1,032*	0.10	0.10	-
Fiscal 2024	2,114**	0.10	0.10	-
Fiscal 2023	1,874[#]	0.09	0.09	-
Fiscal 2022	1,902[$]	0.09	0.09	-
Professional Tax				
For the six months ended September 30, 2024	1,010	1.19	1.19	-
Fiscal 2024	1,014	2.46	2.46	-
Fiscal 2023	1,038	2.40	2.40	-
Fiscal 2022	972	2.43	2.43	-

Notes:
**Labour welfare fund contribution was made for 1,032 employees for the month of June 2024.*

*** Labour welfare fund contribution was made for 1,061 employees for the month of June 2023 and 1,098 employees for the month of December 2023.*
[#] Labour welfare fund contribution was made for 924 employees for the month of June 2022 and 950 employees for the month of December 2022.
[$] Labour welfare fund contribution was made for 942 employees for the month of June 2021 and 960 employees for the month of December 2021.

There are no employee dues paid or unpaid for Spochub Solutions Private Limited, our Company's subsidiary, for the six months ended September 30, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022.

The table below provides for the details of the payment of income tax by our Company for the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022.

Fiscal/Period	Total amount due (in ₹ million)	Total amount paid (in ₹ million)	Unpaid (in ₹ million)
For the six months ended September 30, 2024	NA	NA	-
Fiscal 2024	41.61	181.33	-
Fiscal 2023	Nil	145.87	-
Fiscal 2022	3.84	106.00	-

There are no outstanding dues paid or unpaid for income tax in relation to Spochub Solutions Private Limited, our Company's subsidiary, for the six months ended September 30, 2024 and Fiscal 2024, Fiscal 2023, Fiscal 2022.

The table below provides the details of payment of Value Added Tax of ESDS Cloud FZ-LLC, which is a material subsidiary, during the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022

Fiscal/Period	Total amount due (in ₹ million)	Total amount paid (in ₹ million)	Unpaid (in ₹ million)
Value Added Tax			
For the six months ended September 30, 2024	Nil	Nil	-
Fiscal 2024	Nil	Nil	-
Fiscal 2023	0.04	0.04	-
Fiscal 2022	Nil	Nil	-

There were no delays in payments of statutory dues payable by our Subsidiaries during the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022. The table below sets out details of the delays in statutory dues payable by our Company during the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022.

Nature of Statutory Dues	Six months ended September 30, 2024			Fiscal 2024			Fiscal 2023			Fiscal 2022		
	Number of instances*	Due Amount including Interest (in ₹ million)	Number of Days#	Number of instances*	Due Amount including Interest (in ₹ million)	Number of Days#	Number of instances*	Due Amount including Interest (in ₹ million)	Number of Days#	Number of instances*	Due Amount including Interest (in ₹ million)	Number of Days#
The Employees State Insurance Act, 1948	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1	0.13	1
The Employees Provident Fund and Miscellaneous Provisions Act, 1952	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	2	6.94	1 to 3
Labour Welfare Fund	Nil	Nil	Nil	Nil	Nil	Nil	1	0.04	90	1	0.09	13
Profession Tax	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1	0.19	17

Nature of Statutory Dues	Six months ended September 30, 2024			Fiscal 2024			Fiscal 2023			Fiscal 2022		
	Number of instances*	Due Amount including Interest (in ₹ million)	Number of Days#	Number of instances*	Due Amount including Interest (in ₹ million)	Number of Days#	Number of instances*	Due Amount including Interest (in ₹ million)	Number of Days#	Number of instances*	Due Amount including Interest (in ₹ million)	Number of Days#
Income Tax Act, 1961 (TDS)	Nil	Nil	Nil	2	0.01	7	5	7.71	1 to 17	10	10.37	1 to 67
Goods and Service Tax, 2017	Nil	Nil	Nil	Nil	Nil	Nil	2	24.21	1 to 30	7	210.63	1 to 29

Notes:

**It means delayed payment of statutory liability under respective laws of a particular period. Delay of one period is counted as one event.*

 # Range reflects minimum and maximum number of days of delay for discharging statutory liability under respective laws.

There have been delays in payment of tax deducted at source for the assessment years 2017-2018, 2018-2019, 2020-2021, 2021-2022 and 2022-2023 by our Company. Our Company received show-cause notices in this regard from the Income Tax Department and our Company has filed compounding applications in this regard. For further details, see "*Outstanding Litigation and Other Material Developments - Litigation involving our Company - - Outstanding litigation proceedings against our Company - Material Tax Proceedings*" on page 406.

Our Company has outstanding GST litigations under Central Goods and Services Act, 2017 for Fiscal 2018, Fiscal 2019, and Fiscal 2020. On March 25, 2025, the GST Appellate Authority issued final orders in relation to these litigations, directing our Company to pay tax liability, interest and penalty aggregating to ₹63.13 million. On March 27, 2025, our Company paid the tax liability of ₹ 10.44 million and on March 29, 2025, our Company filed applications under the "GST Amnesty Scheme", seeking waiver of the interest and penalties imposed.

We cannot assure you that we will not be subject to such penalties and fines in the future for failure to pay statutory dues on time, which may have a material adverse impact on our financial condition, results of operations and cash flows.

Further, we cannot assure you that going forward we will always pay our statutory dues in a timely manner, which could result in penal or other regulatory action including payment of interest on the delay, which could adversely affect our results of operations and financial condition.

12. ***Our funding requirements and the proposed deployment of Net Proceeds are not appraised by any independent agency.***

We intend to use the Net Proceeds for the purposes of purchase and installation of cloud computing and other equipment and infrastructure for our Data Centres and general corporate purposes. For more details, see "*Objects of the Issue"* on page 129. However, such objects of the Issue have not been appraised by an independent agency and are based on our management's judgment and estimates, which are in turn based on our current business plans, market conditions and other commercial and technical factors. Further, in the absence of such independent appraisal, our funding requirements may be subject to change based on various factors that are beyond our control. We may have to revise our funding requirements and deployment of proceeds from time to time on account of a variety of factors, such as our financial condition, market conditions, our prevailing business strategy and requirements, industry competition, interest or exchange rate fluctuations and other external factors, which may not be within the control of our management. Accordingly, prospective investors in the Issue will need to rely upon such judgment and estimates of our management, with respect to the use of proceeds. If such judgment and estimates prove to be inaccurate for any reason whatsoever, our business growth, future plans and consequent results of operation may be adversely affected.

13. ***We have in the past entered into related party transactions and may continue to do so in the future. We cannot assure you that we could not have achieved more favourable terms had such transactions not been entered into with related parties.***

We have entered into transactions with related parties in the past, including remuneration to executive Directors and Key Managerial Personnel. All such transactions have been conducted on an arm's length basis and in compliance with the provisions of the Companies Act, 2013 and have been accounted for in accordance with the applicable accounting standards. However, we cannot assure you that we might have obtained more favourable terms had such transactions been entered into with unrelated parties.

The table below sets forth a summary of our related party transactions for the period and fiscal years indicated.

Particulars	Six months ended September 30, 2024	Year ended March 31,		
		2024	2023	2022
	₹ in million, except percentages			
Arithmetic aggregated absolute total of related party transactions [A]	58.89	135.21	131.62	82.39
Arithmetic aggregated absolute total of related party transactions as a percentage of revenue from operations [B = A/C] (%)	3.42%	4.72%	6.34%	4.22%
Revenue from operations [C]	1,721.50	2,865.18	2,075.66	1,953.58

These related party transactions were for the remuneration of Directors, salaries and allowances to Key Managerial personnel and relatives of Key Managerial Personnel, operating expenses paid to a subsidiary, sitting fees paid to independent Directors, sale of services, interest income and rental income from a subsidiary for a sublease. For further information on our related party transactions, see "*Summary of the Issue Document - Summary of related party transactions*" and "*Restated Consolidated Financial Information – Note 31 (a) – Related party names and Note 31 (b) (I) – Nature of transactions and amounts*" on pages 28 and 339, respectively.

Further, it is likely that we may enter into additional related party transactions in the future. Although related party transactions that we may enter into post-listing of the Equity Shares on the Stock Exchanges would be subject to the Audit Committee, Board or Shareholder approval as necessary under the Companies Act, 2013, and the SEBI Listing Regulations, we cannot assure you that our existing agreements and any such future related party transactions, individually or in the aggregate, will perform as expected or result in the benefit envisaged therein, or that we could not have undertaken such transactions on more favourable terms with any unrelated parties.

14. ***Our Data Centres located in Bengaluru, Karnataka and Mohali, Punjab are operated in terms of master-service agreements entered into by us with the Software Technology Parks of India ("STPI"). In the event the agreements between us and STPI are terminated or we are unable to renew these agreements, we will be required to relocate these Data Centres and we cannot assure you that we will be able to identify alternative locations for such Data Centres in a timely manner or that such alternative locations will not require significant expenditure or be as commercially viable. Any temporary or permanent closure of these Data Centres could adversely affect our ability to service our clients and could materially and adversely affect our business, financial conditions, results of operations and cash flows.***

Two of our four Data Centres, namely, our Bengaluru Data Centre and Mohali Data Centre (together, the "**STPI Data Centres**"), were set up and are currently being operated on premises of STPI, in accordance with the master-service agreements entered into by our Company with STPI in this regard (together, the "**STPI Agreements**"). Details with respect to the terms of the STPI Agreements are set out below:

Data Centre	Term
Bengaluru Data Centre	10 years from July 1, 2020 (being the date of the Data Centre going live), extendable for a further period of five years at the discretion of STPI.
Mohali Data Centre	10 years from the date of the execution of the master services agreement, which was July 5, 2022, which is extendable for a further period of five years at the discretion of STPI

We are required to comply with the terms of the STPI Agreements, including standards of performance and utilisation of the STPI Data Centres. As consideration for us operating the STPI Data Centres on the premises, we are required to pay STPI minimum guaranteed charges or 18% of the revenue generated from the STPI Data Centres (whichever is higher) on an annual basis. We are also dependent on STPI for support in marketing our services to government and quasi-government entities. For further details, see "*Our Business - Properties*" on page 236.

While the STPI Agreements are currently valid for the periods specified above, in the event the STPI Agreements are terminated or we are unable to renew the STPI Agreements, we will be required to re-locate the STPI Data Centres and we cannot assure you that we will be able to identify alternative locations for such Data Centres in a timely manner or that such alternative locations will not require significant expenditure or be as commercially viable. Any temporary or permanent closure of one of the STPI Data Centres could adversely affect our ability to service our clients and could materially and adversely affect our business, financial conditions, results of operations and cash flows.

15. ***We have substantial capital expenditure and working capital requirements and may require additional capital to meet those requirements, which could have an adverse effect on our business, financial condition, results of operations and cash flows.***

Our business is capital intensive and the costs of procuring and setting up cloud computing infrastructure are substantial. Our added tangible fixed assets in the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022, which primarily consist of costs relating to Data Centre equipment and office equipment, are set out in the table below.

Particulars	**As at and for the six months ended September 30,2024**	**As at and for the year ended March 31,**		
		2024	**2023**	**2022**
	₹ in million, except percentages			
Newly added fixed assets[A]	186.12	216.62	230.83	234.38
Newly added fixed assets as a percentage of total assets [B = A/C] (%)	3.09%	3.96%	4.61%	4.49%
Total assets [C]	6,017.76	5,477.09	5,006.96	5,225.58

The actual amount and timing of our future capital requirements may differ from estimates as a result of, among other factors, unforeseen delays, unanticipated expenses, regulatory changes, economic conditions, engineering design changes, weather related delays, technological upgradation and additional market developments. Our sources of additional financing, where required to meet our capital expenditure plans, may include the incurrence of debt or the issue of equity or debt securities or a combination of both. 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 the then current shareholders of our Company.

Further, we require a significant amount of our working capital for meeting operating expenses before payment is received from customers. The table below sets forth our Net Working Capital, trade receivables and trade payables as at the dates indicated and our Net Working Capital Days, Trade Receivables Days, and Trade Payables Days (all as defined below) for the period and fiscals indicated.

Particulars	**As at and for the six months ended September 30, 2024**	**As at and for the year ended March 31,**		
		2024	**2023**	**2022**
Net Working Capital(1)(*) (₹ in million)	1,897.22	1,494.06	1,001.36	349.51
Trade receivables (₹ in million)	842.00	690.03	571.34	638.53
Trade payables (₹ in million)	370.95	232.89	277.12	264.65
Net Working Capital Days(2)(*) (number of days)	(25)	9	(23)	(32)
Trade Receivables Days(2)(*) (number of days)	90	88	100	119
Trade Payables Days(2)(*) (number of days)	115	79	123	151

Notes:

*(1) Net Working Capital is calculated as total current assets less (i) cash and cash equivalents, (ii) bank balances other than cash and cash equivalents, and (iii) total current liabilities, excluding current borrowings ("**Net Working Capital**").*

*(2) Net Working Capital Days is calculated as Receivables Days reduced by Trade Payables Days ("**Net Working Capital Days**"). Trade Receivables Days is calculated as trade receivables as at the last day of the year/period, divided by revenue from operations for the year/period, multiplied by the number of days in the year/period ("**Trade Receivables***

__Days__"). Trade Payables Days is calculated as trade payables minus provision for expenses as at the last day of the year/period, divided by (other expenses minus non-cash items, such as expected credit loss allowance, IPO expenses written off and balance written off for the year/period), multiplied by the number of days in the year/period ("__Trade Payable Days__"). All numbers in days have rounded to the nearest whole day.

(*) Non-GAAP Financial Measure. For a table reconciling this Non-GAAP Financial Measure to an Ind AS measure, see "Management's Discussion and Analysis of Financial and Results of Operations - Reconciliation of non-GAAP financial measures" on page 366.

Our working capital requirements may increase if the payment terms in our agreements include reduced advance payments or longer payment schedules. These factors may result, or have resulted, in increases in the amount of, our receivables, short-term borrowings and the cost of availing such working capital funding. Additionally, if we are unable to obtain an adequate amount of working capital on commercially acceptable terms and in a timely manner or at all, it could have an adverse effect on our business, financial condition, results of operations and cash flows. Continued increases in our working capital requirements could also have an adverse effect on our financial condition and results of operations.

16. Our ability to obtain financing on commercially acceptable terms depends on our credit ratings. Our credit ratings have been downgraded in the past. A downgrade in our credit ratings in the future could could restrict our access to borrowings on commercially acceptable terms and thereby adversely affect our business, financial conditions, results of operations and cash flows.

The cost and availability of borrowings is dependent, among other factors, on our credit ratings received in respect of our borrowing facilities availed from lenders. Credit ratings reflect a rating agency's opinion of our financial strength, operating performance, strategic position, and ability to meet our obligations. The table below sets forth details of our credit ratings since April 1, 2021.

Rating Agency	Instrument	Credit Rating	Rating Date
Acuite Ratings & Research	Fund based and non-fund based working capital limits and term loan	ACUITE BB ACUITE A4+ [Issuer not cooperating] (1)	March 25, 2025
CRISIL	Fund based and non-fund based facilities	CRISIL BBB/Stable CRISIL A3+	June 5, 2024
India Ratings & Research	Fund based and non-fund based working capital limits and term loan	IND BBB/Positive IND A2	April 10, 2024
Acuite Ratings & Research	Fund based and non-fund based working capital limits and term loan	ACUITE BB+ ACUITE A4+ [Issuer not cooperating](1)	December 28, 2023
CRISIL	Fund based and non-fund based facilities	CRISIL B Stable/CRISIL A4 Issuer not cooperating(1)	May 30, 2023
Acuite Ratings & Research	Fund based and non-fund based working capital limits and term loan	ACUITE BBB+/Stable ACUITE A2	October 10, 2022
India Ratings & Research	Fund based and non-fund based working capital limits and term loan	IND BB IND A4+ (Issuer not cooperating) (1)	July 28, 2022
Acuite	Fund based and non-fund based working capital limits and term loan	ACUITE BB+ / ACUITE A4+	July 12, 2022
India Ratings & Research	Fund based and non-fund based working capital limits and term loan	IND BB IND A4+ (Issuer not cooperating) (1)	July 16, 2021

Note:

(1) A rating with 'Issuer not cooperating' is arrived at without any management interaction and is based on best available or limited or dated information on the company. Our Company did not share any information with this rating agency.

As shown in above table, there has been one instance where our ratings have been downgraded since April 1, 2021. On December 28, 2023, Acuite Ratings & Research downgraded our credit ratings from ACUITE

BBB+/Stable (long term securities) and ACUITE A2 (short term securities) to ACUITE BB+ (long term securities) and ACUITE A4+ (short term securities). Any deterioration in our financial condition, results of operations or cash flows from operating activities or a general downturn in our industry could result in a downgrade of our credit ratings in the future, which could in turn lead to an increase in our borrowing costs and constrain our access to borrowings, which could adversely affect our business. In addition, any downgrade of our credit ratings could result in a default under our financing arrangements or lenders imposing additional terms and conditions in any future financing or refinancing arrangements.

17. ***Our individual Promoters, namely, Piyush Prakashchandra Somani and Komal Piyush Somani, and Sarla Prakashchandra Somani, a member of our Promoter Group, have provided personal guarantees for loan facilities obtained by our Company. In the event that any of such facilities are revoked, the lenders for such facilities may require alternate securities, guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities, which could adversely affect our business, financial condition, results of operations and cash flows.***

Our individual Promoters, namely, Piyush Prakashchandra Somani and/or Komal Piyush Somani, and Sarla Prakashchandra Somani, a member of our Promoter Group, have provided guarantees for certain loans availed by our Company from Axis Bank Limited, ICICI Bank Limited, IndusInd Bank Limited and Aditya Birla Finance Limited. The table below sets out our outstanding indebtedness personally guaranteed by our Promoters and Sarla Prakashchandra Somani as at February 28, 2025.

Particulars	**As at February 28, 2025 (₹ in million, except for percentages)**
Our indebtedness(1) personally guaranteed by the Promoters and Sarla Prakashchandra Somani [A]	591.09
Our total indebtedness(1) [B]	1,101.55
Our indebtedness(1) personally guaranteed by the Promoters and Sarla Prakashchandra Somani as a percentage of our total indebtedness(1) [C = A/B] (%)	53.66%

Note:

(1) Indebtedness is calculated as outstanding loan account balances as at February 28, 2025.

For further details of our indebtedness and the terms of such indebtedness, see "*Financial Indebtedness*" on page 402.

In the event that our Promoters and/or Sarla Prakashchandra Somani withdraw or terminate the guarantees, our lenders for such facilities may require alternate securities, guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees or other credit enhancement or security satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our business, financial condition, results of operations and cash flows.

18. ***A substantial portion of our assets are hypothecated or mortgaged in favour of lenders as security for some of our borrowings. As at September 30, 2024 and March 31, 2024, 2023 and 2022, the total value of our hypothecated current assets as a percentage of our total current assets was 85.54%, 84.84%, 76.81% and 79.28%, respectively, and the total value of our mortgaged property, plant and equipment as a percentage of our total property, plant and equipment was 53.34%, 56.62%, 67.16% and 53.66%, respectively. Our lenders may enforce the security in the event of our failure to service our debt obligations, which could adversely affect our business, financial condition, results of operations and cash flows.***

Our secured borrowings are secured by, among other things, a charge by way of hypothecation on our present and future current assets, book debts and movable fixed assets as well as through mortgages on our immoveable fixed assets in favour of the lenders. The table below sets out certain details of our secured borrowings as at the dates indicated.

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
	₹ in million, except for percentages			
Total secured borrowings (current) [A]	520.07	306.67	430.33	449.30
Total secured borrowings (non-current) [B]	755.02	847.73	929.80	652.49
Total secured borrowings (current and non-current) [C = A+B]	1,275.09	1,154.40	1,360.13	1,101.79
Total value of hypothecated current assets [D]	2,337.08	1,804.35	1,388.34	1,550.75
Total current assets [E]	2,732.05	2,126.71	1,807.60	1,956.14
Total value of hypothecated current assets as a percentage of total current assets [F=D/E] (%)	85.54%	84.84%	76.81%	79.28%
Total value of mortgaged property, plant and equipment [G]	1,150.38	1,234.63	1,321.41	1,096.39
Total property, plant and equipment [H]	2,156.82	2,180.50	1,967.48	2,043.32
Total value of mortgaged property, plant and equipment as a percentage of total property, plant and equipment(1) [I = G/H] (%)	53.34%	56.62%	67.16%	53.66%

Note:

(1) Total value of mortgaged property, plant and equipment consists of the written-down value of land & building as on the reporting date and for other assets under property, plant and equipment value is considered to the extent of amount of the loan outstanding as on reporting date.

As these assets are hypothecated or mortgaged in favour of lenders, our rights in respect of transferring or disposing of these assets are restricted. Further, in the event we fail to service our debt obligations, the lenders have the right to enforce the security created in respect of our secured borrowings. If the lenders choose to enforce security and sell our assets to recover the amounts due from us, our business, financial condition, results of operations and cash flows could be adversely affected.

19. There are outstanding litigation proceedings against our Company, Promoters, Directors, Key Managerial Personnel and Senior Management. Any adverse outcome in such proceedings could have an adverse effect on our reputation, business, financial condition, results of operations and cash flows.

There are outstanding legal proceedings against our Company, Promoters, Directors, Key Managerial Personnel and Senior Management, as applicable, which are pending at various levels of adjudication before various courts, tribunals and other authorities.

The summary of outstanding matters set out below includes details of outstanding litigation proceedings involving our Company, Promoters, and Directors in accordance with the SEBI ICDR Regulations and the Materiality Policy, as disclosed in the chapter "*Outstanding Litigation and Other Material Developments*" on page 405.

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoter	Material Civil Litigations^	Aggregate amount involved (₹ in million) *
Company						
By the Company	Nil	NA	NA	NA	1	27.89
Against the Company	Nil	11#	Nil	NA	1**	350.21
Directors						
By our Directors	1@	NA	NA	NA	Nil	2.15
Against the Directors	Nil	1	Nil	NA	1**	184.80
Promoter						
By Promoter	Nil	NA	NA	NA	Nil	Nil
Against Promoter	Nil	1	Nil	Nil	1**	184.80

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoter	Material Civil Litigations^	Aggregate amount involved (₹ in million) *
*For further details of the outstanding litigation proceedings, see "*Outstanding Litigation and Material Developments*" on page 405.						

Notes:

^ In accordance with the Materiality Policy and excludes outstanding taxation proceedings considered material per the Materiality Policy.

** To the extent quantifiable.*

*** One of our former employees, Rajeev Suryaprakash Papneja, has filed a civil suit (the "Suit") against our Company and Piyush Prakashchandra Somani before the Bombay High Court, claiming that he was entitled to 1% shares of the Company, allegedly offered in 2015 or in the alternative, demanding compensation amounting to ₹184.80 million from our Company. For further details in relation to the Suit, see "Outstanding Litigation and Other Material Developments - Litigation involving our Company - Outstanding litigation proceedings against our Company - Other material pending proceedings" on page 406.*

@This includes an outstanding criminal proceeding filed by Jitendra Pathak, who is also a Key Managerial Personnel and a member of our Senior Management.

 # This is inclusive of notices received for delayed remittance of tax deducted at source under the relevant provisions of the Income Tax Act, 1961 and notices received under Sections 73(1) and 74(1) of the Central Goods and Services Tax Act, 2017. For further details, see "Outstanding Litigation and Other Material Developments - Outstanding litigation proceedings against our Company – Material Tax Proceedings" on page 406.

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings involving or outstanding actions taken by statutory or regulatory authorities against our Key Managerial Personnel or members of our Senior Management (other than our Executive Directors as covered above, to the extent applicable).

There can be no assurance that these legal proceedings will be decided in favour of our Company, Promoters, Directors, Key Managerial Personnel and/or Senior Management. In addition, we cannot assure you that no additional liability will arise out of these proceedings. Decisions in such proceedings adverse to our interests could have an adverse effect on our business, financial condition, results of operations and cash flows.

20. If we are unable to modify our pricing models to retain existing customers and attract prospective customers, it could have an adverse effect on our business, financial condition, results of operations and cash flows.

We may be required to change our pricing model from time to time, including as a result of competition, economic conditions, general reductions in our customers' spending levels, pricing studies, or changes in how our services are broadly utilized. Similarly, as we introduce new products and services, or as a result of the evolution of our existing products and services, we may have difficulty determining the appropriate price structure for our products and services. In addition, as new and existing competitors introduce new products or services that compete with ours, or revise their pricing structures, we may be unable to attract new customers at the same price or based on the same pricing model as we have used historically. If we are unable to modify or develop pricing models and strategies that are attractive to existing and prospective customers, while enabling us to significantly grow our sales and revenue relative to our associated costs and expenses in a reasonable period of time, our business, financial condition, results of operations and cash flows may be adversely affected.

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

Our intellectual property is an essential asset of our business. We rely on a combination of trademarks, patents, as well as confidentiality procedures and contractual provisions, to establish and protect our intellectual property rights in India and abroad. For example, we hold patents for our eNlight software, which intelligently identifies customer requirements and applies vertical and diagonal scaling technologies. For details on our patents and registered trademarks, see "*Our Business – Intellectual Property*" on page 232.

The efforts we have taken to protect our intellectual property may not be sufficient or effective, and our trademarks, copyrights and patents may be held invalid or unenforceable. Further, any patents issued to us may not be sufficiently broad to protect our proprietary technologies, and given the costs of obtaining patent protection, we may choose not to seek patent protection for certain of our proprietary technologies. We may not be effective in policing unauthorized use of our intellectual property, and even if we do detect violations, litigation may be necessary to enforce our intellectual property rights. The use of our trademarks or logos by third parties could adversely affect our reputation, which could in turn adversely affect our business and results of operations. While there have been no instances of infringement since April 1, 2021, we may not be able to prevent infringement of our trademarks and a passing off action may not provide sufficient protection until such time that this registration is granted. If our trademarks or other intellectual property are improperly used, the value and reputation of our brands could be harmed.

Agreements entered into with our employees, customers or other third parties that receive access to our proprietary or confidential information typically include confidentiality clauses. No assurance can be given that these agreements will be effective in controlling access to or the distribution of our proprietary information. Further, these agreements will not prevent potential competitors from independently developing technologies that may be substantially equivalent or superior to ours.

Any enforcement efforts we undertake, including litigation, could be time-consuming and expensive, could divert management's attention and may result in a court determining that our intellectual property rights are unenforceable. If we are not successful in cost-effectively protecting our intellectual property rights, our business, financial condition, results of operations and cash flows could be harmed.

22. ***We derived 58.05%, 49.59%, 41.70% and 45.59% of our revenue from operations for the six months ended September 30, 2024, and Fiscals 2024, 2023 and 2022, respectively, from Infrastructure as a Service (IaaS). If there is any decline in demand for IaaS or we are unable to maintain our existing market share in this sector, it could have a material adverse effect on our business, financial condition, results of operations and cash flows.***

We derived 58.05%, 49.59%, 41.70% and 45.59% of our revenue from operations for the six months ended September 30, 2024, and Fiscals 2024, 2023 and 2022, respectively, from IaaS. The table below sets forth our revenue by (i) IaaS, (ii) managed services and (iii) SaaS and such revenue as percentage of revenue from operations for the period and fiscal years indicated.

Type of Product/ Service	**Six months ended September 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Revenue (in ₹ million)	**As a % of revenue from operations**	**Revenue (in ₹ million)**	**As a % of revenue from operations**	**Revenue (in ₹ million)**	**As a % of revenue from operations**	**Revenue (in ₹ million)**	**As a % of revenue from operations**
IaaS	999.39	58.05%	1,420.82	49.59%	865.58	41.70%	890.69	45.59%
Of which:								
Cloud Services and Cloud Computing	*742.95*	*43.16%*	*1,191.09*	*41.57%*	*764.62*	*36.84%*	*845.84*	*43.30%*
Colocation and Data Centre Services	*256.44*	*14.90%*	*229.73*	*8.02%*	*100.96*	*4.86%*	*44.85*	*2.30%*
Managed services	362.74	21.07%	775.39	27.06%	617.60	29.76%	552.26	28.27%
SaaS	359.37	20.88%	668.97	23.35%	592.49	28.54%	510.63	26.14%
Revenue from operations	**1,721.50**	**100.00%**	**2,865.18**	**100.00%**	**2,075.66**	**100.00%**	**1,953.58**	**100.00%**

Our high dependence on IaaS revenue exposes us to risks related to fluctuations in demand, pricing pressures, and competitive dynamics within the IaaS sector. If there is any decline in demand for IaaS or we are unable to maintain our existing market share in this segment, it could have a material adverse effect on our business, financial condition, results of operations and cash flows.

23. ***Failure to comply with laws and regulations applicable to our business could subject us to fines and penalties and could also cause us to lose customers or otherwise harm our business.***

We are subject to laws and regulations governing data privacy and protection, the use of the internet as a commercial medium and data sovereignty requirements and policies are rapidly evolving, extensive, complex, and include inconsistencies and uncertainties.

In India, these laws include the Information Technology Act, 2000 and rules thereunder and the Digital Personal Data Protection Act, 2023 ("**DPDP Act**"), which provides for personal data protection and privacy of individuals, regulates cross border data transfer, and provides several exemptions for personal data processing by the Government. The DPDP Act provides for and imposes restrictions and obligations on data fiduciaries resulting from dealing with personal data and further, provides for levy of penalties for breach of obligations prescribed under the DPDP Act. The Ministry of Electronics and Information Technology, Government of India has introduced a Draft Digital Personal Data Protection Rules, 2025 ("**DPDP Rules**"), which are yet to come into force, which provide detailed guidelines for data fiduciaries, consent managers, and the Data Protection Board to ensure compliance with the DPDP Act. For further details, "*Key Regulations and Policies in India"* on page 239.

We are also subject to the requirements of the General Data Protection Regulation ("**GDPR**"), which governs the collection, processing, and storage of personal data within the European Union (EU) and the United Kingdom. Given the nature of our operations, we may handle personal data in various capacities, and non-compliance with GDPR regulations could expose us to significant risks, including potential fines, penalties, and reputational damage.

These laws and regulations in India and other countries where we have customers impose added costs on our business. Changes in laws or regulations relating to privacy, data protection, and information security, could require us to modify our existing systems or invest in new technologies to ensure compliance with such applicable laws, which may require us to incur additional expenses. The implementation of such laws can increase our data security and compliance related costs thereby adversely affecting our business, financial condition, results of operations and cash flows.

Additionally, our business is also subject to various central, state, local and foreign laws, including employment and labour laws, workplace safety, environmental laws, consumer protection laws, anti-bribery laws, import and export controls, anti-corruption and anti-bribery laws, and tax laws and regulations. For details of certain sector specific laws and regulations in India that are applicable to us, see "*Key Regulations and Policies in India"* on page 239.

While we ensure compliance with applicable laws and regulations relating to our business, we cannot assure you that the Government or the regulatory authorities will not take different interpretations regarding applicability of, or compliance with, the laws and regulatory framework governing our business. Unfavourable changes in the applicability, implementation, or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment 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. Moreover, there is no assurance that the Government or regulatory authorities will not take a different interpretation regarding any of our current business activities being restricted or prohibited under applicable laws or the terms of the regulatory registrations and approvals obtained by us.

Our attempts to comply with applicable legal requirements may not be successful, and may also lead to increased costs for compliance, which may materially and adversely affect our business, financial condition, cash flows, results of operations and prospects. For instance, we have delayed in the payment of statutory dues, including tax deducted as source. See *"- 11. There have been certain instances of delays in payment of statutory dues by us in the past. Any delay in payment of statutory dues by us in future, could result in the imposition of penalties, which could an adverse effect on our financial condition, results of operation and cash flows*." on page 44.

We could be adversely affected if legislations or regulations are expanded or amended to require changes in our business practices, or if such legislations or regulations are interpreted or implemented in ways that negatively affect our business, financial condition, cash flows, results of operations and prospects. Non-compliance with applicable regulations or requirements could subject us to investigations, enforcement actions, and sanctions, mandatory changes to our network and products, disgorgement of profits, fines, and damages, civil and criminal penalties or injunctions, claims for damages by our customers or business collaboration partners, termination of contracts and temporary or permanent debarment from sales to government organizations, any of which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

24. ***None of our Directors have prior experience of holding a directorship in a company listed on the Stock Exchanges. Post listing of the Equity Shares on the Stock Exchanges, our Company will be subject to the applicable regulatory requirements of a listed company, including the regulations prescribed under SEBI Listing Regulations and the Companies Act. Any non-compliance with the regulatory requirements, due to lack of experience or otherwise, may subject us to adverse regulatory actions, and have an adverse effect on the price of the Equity Shares.***

None of our Directors have any prior experience of holding a directorship in a company listed on the Stock Exchanges. Post listing of the Equity Shares, our Company will be subject to the applicable regulatory requirements of a listed company, including the regulations prescribed under SEBI Listing Regulations and the Companies Act. These laws impose various obligations related to corporate governance, disclosure practices, and compliance measures. Any non-compliance with the regulatory requirements, due to lack of experience or otherwise, may subject us to adverse regulatory actions, and have an adverse effect on the price of the Equity Shares.

25. ***Our ability to operate our cloud computing infrastructure relies on access to sufficient, reliable and cost-effective electric power, reliable internet and telecommunication services, cooling solutions and other technical services.***

Since our cloud computing infrastructure relies on third-parties to provide power sufficient to meet operational needs, our cloud computing infrastructure could have a limited or inadequate amount of electrical resources necessary to meet our customer requirements. We attempt to manage our power resources and limit exposure to system downtime due to power outages by having redundant power feeds from the grid and by using backup generators and battery power, such as N+N redundant UPS (i.e., two independent UPS systems, each with the capacity to handle the entire load (N), ensuring continuous power supply even if one system fails) and multiple on-site diesel generators. However, these protections may not limit our exposure to power shortages or outages entirely or may not be able to consistently meet our requirements. Any system downtime resulting from insufficient power resources or power outages or if for any reason such electricity is not available or we are unable to switch to alternate power source in a short time could cause physical damage to equipment, lead to shutdown of our Data Centres, increase our susceptibility to security breaches, increase costs associated with restarting Data Centres, damage our reputation and lead us to lose current and potential customers, which would harm our business and results of operations. Since April 1, 2021, there has not been any instance of system downtime in our Data Centres.

Further, while we are currently able to obtain power at costs that we believe are reasonable, a significant increase in the cost of power or a decrease in its availability could have materially adverse consequences including, among others, placing us at a cost disadvantage if we are forced to increase our service rates. We may lose customers, or our customers may reduce the services purchased from us due to increased power costs and limited availability of power resources, or we may incur costs for Data Centre space which we cannot utilize, which would reduce our revenue and have a material and adverse effect on our cost of revenue and results of operations.

Our offerings also rely on performance of our network infrastructure, including internet and telecommunications services provided by third parties. We depend on uninterrupted and error-free service. We do not exercise control over the providers of these services, which increases our vulnerability to problems with the services provided by them. We may experience interruptions or delays in network service. Any failure on our part or the part of our third-party suppliers to achieve or maintain high data transmission capacity, reliability or performance could significantly reduce customer demand for our services and have a material and adverse effect on our business and results. There have been no such instances of material interruptions or delays in our network service, that have resulted in a reduction of customer demand for our services in the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022.

We need to cool our Data Centres in order to maintain the temperature and humidity levels within a range that permits optimal functionality and any disruption in maintaining cooling can adversely affect our service levels. For more details, see "- *6. Our business is highly dependent on our ability to allow our customers to have access to our services on a continuous and seamless basis or within an acceptable amount of time. If we are unable to prevent disruptions to customers' access to our services it could adversely affect our reputation, business, financial condition, results of operations and cash flows*" on page 38.

We also depend on having timely access to certain key third-party technical personnel, such as engineering firms and key suppliers of electrical and mechanical equipment for our infrastructure. Since April 1, 2021, there has not been any instance of lack of timely access to key third-party technical personnel**.** For any future expansion, we will continue to rely on these personnel and suppliers to develop solutions for us. We may not always have or retain access to such key service providers and equipment suppliers, which could adversely affect our current and any future expansion.

26. If we are unable to hire, integrate, train and retain qualified personnel, our business, financial condition, results of operations and cash flows could suffer.

Our ability to provide quality services, to manage the complexity of our business and our success depends largely on our ability to continue to hire, integrate, train, and retain qualified and highly skilled personnel in the areas at management, sales and marketing, research and development, compliance, finance, human resources and administration and technical team. We are substantially dependent on the continued service of our existing engineering personnel because of the complexity and domain experience involved in our offerings. Additionally, any failure to hire, integrate, train, and adequately incentivize our sales personnel or the inability of our recently hired sales personnel to effectively ramp to target productivity levels could negatively impact our growth and operating margins. Competition for such personnel is intense and the cost of retaining or replacing such personnel may affect our profitability. In particular, a shortage of skilled IT professionals has increased labour costs in the industry (*source: Nexdigm*). In addition, our strategies for growth have placed, and are expected to continue to place, increased demands on our managements' and employees' skills and resources.

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

The table below sets forth the attrition and attrition rate of our employees during the period and Fiscals indicated and the number of our employees as at the dates indicated.

Particulars	**As at and for the 10 months ended January 31, 2025**	**As at and for the year ended March 31,**		
		2024	**2023**	**2022**
Attrition of employees for the period/year [A]	218	261	340	411
Total employees at the end of the period/year [B]	1,027	1,091	1,028	938
Total employees at the end of the period/year plus total employees who left during the period/year [C = A+ B]	1,091	1,028	938	948
Attrition rate of employees for the period/year [D = A/C] (%)	20.59%	24.63%	34.59%	43.58%

For the attrition rate of our Key Managerial Personnel and Senior Management and details on the same, see *" – 36. Our success depends substantially on the continuing services of our Promoters, Key Managerial Personnel and Senior Management. The loss of or our inability to attract or retain such persons could adversely affect our business, financial condition and results of operations and cash flows"* on page 63.

Increased hiring by technology companies and increasing worldwide competition for skilled professionals may lead to a shortage in the availability of suitable personnel in the locations where we operate and hire. In addition, we compete for such talented individuals not only with other companies in our industry but also with companies in other industries, such as software services, engineering services, financial services and technology generally, among others. High attrition rates of professionals would increase our hiring, reskilling, upskilling and training costs and could have an adverse effect on our ability to complete existing contracts in a timely manner, meet customer objectives and expand our business.

27. If we are not successful in executing our growth strategies, our business, financial condition, results of operations and cash flows may suffer.

Our growth is dependent, in part, upon the successful implementation and execution of our growth strategies, which include capitalising on the rising adoption of cloud services market in India and abroad, enhancing collaboration with our partner ecosystem and providing a comprehensive suite of offerings on our digital marketplace, SPOCHUB. For further details, see "*Our Business – Strategies*" on page 218. Implementation of such strategies entail business risks, which include:

- Commercial and business implementation and execution challenges;
- Competition from other cloud services companies;
- Stringent requirements, including stricter support response times and penalties for any failure to meet support requirements;
- Changes in pricing in response to client demand and competitive pressures;
- Business decisions of our clients regarding the use of our services;
- General economic conditions;
- Impact of public health pandemics and global conflict;
- Inability to successfully manage the growth; and
- Inability to innovate successfully.

We must adapt to rapidly changing customer demands and preferences in order to successfully execute our strategies. This requires us to anticipate and respond to customer demands and preferences, address business model shifts, optimize our go-to-market execution by improving our cost structure, align sales coverage with strategic goals, improve channel execution and strengthen our services and capabilities in our areas at strategic focus. We cannot assure you that our growth strategies will be successful in a timely manner or at all or that we will be able to continue to expand further or diversify our portfolio.

Further, our business strategies are based on estimates and forecasts, which are subject to uncertainty and are based on assumptions that may not prove to be accurate. The variables that go into the calculation of opportunities, on whose basis we take business decisions, are subject to change over time. For such reasons and for any other reason whatsoever, if we are unable to implement our strategies, the future growth of our business may be adversely affected.

Our growth strategies will place significant demands on our management as well as our financial, IT, accounting and operating systems. If we are unable to increase or scale up our operations pursuant to our requirements, we may not be able to successfully execute our growth strategy. Further, as we scale-up and diversify our operations, we may not be able to execute our operations efficiently, which may result in delays, increased costs and lower quality services. We cannot assure you that our future performance or growth strategy will be successful. Any of our current or future horizontal and/or vertical integration related strategies may not be executed as planned on account of factors such as lack of adequate experience and increase in competition from peers, amongst others.

Also see *"- 33. One of our growth strategies is to make investments in artificial intelligence (AI) and machine learning (ML) technologies to enhance our capabilities, improve operational efficiencies, and drive innovation. This strategy requires investments in research and development, technology infrastructure, software, and talent acquisition. If our investment does not result in adequate financial returns, our business, financial condition, results of operations and cash flow may be materially affected*" on page 61.

28. We do not own the premises where our offices and Data Centres are located and utilise such premises and Data Centres in terms of lease agreements or master service agreements entered into by us. The termination of such arrangements or our failure to renew the arrangements on terms acceptable to us, if at all, which could adversely affect our business, financial condition, results of operations and cash flows.

We do not own any of the premises where our office or Data Centres are located. All the premises from which we operate are utilised pursuant to leave and license agreements or master services agreements entered into by us ("**MSAs**"). For details, see "*Our Business - Properties*" on page 236. None of the lessors or counter parties to our master services agreements are related parties of our Company.

Accordingly, our continued usage of the premises where our offices and Data Centres are located is dependent on the leave and license/MSAs continuing to be in force. With respect to our Data Centre located in Navi Mumbai, we have entered into a MSA with a Yotta Data Services Private Limited ("**Yotta**") for the usage of the related premises and infrastructure. The premises utilised by Yotta pursuant to a Data Centre services agreement entered into by Yotta with one of its group entities ("**Navi Original Lessee**"), which has in turn, leased the premises from a third party. Accordingly, we are also dependent on the subsistence such agreements entered into by Yotta and the Navi Original Lessee.

Upon the expiration of a leave and license/MSA, we may not be able to renew such leave and license/MSA on terms acceptable to us, if at all. The leave and license/MSA agreements can be terminated, and any such termination would result in us having to relocate such office/Data Centre. If we are required to relocate our Registered Office, our Corporate Office or any of our Data Centres, we may suffer a disruption in our operations, which could adversely affect our results of operations. Migrations to new facilities could also be expensive and present technical challenges that may result in downtime for our affected customers. There can also be no assurances that our plans to mitigate customer downtime for affected customers will be successful. This could damage our reputation and lead us to lose current and potential customers, which could harm our business, financial condition, results of operations and cash flows.

In addition, see *"- 14. Our Data Centres located in Bengaluru, Karnataka and Mohali, Punjab are operated in terms of master-service agreements entered into by us with the Software Technology Parks of India ("STPI"). In the event the agreements between us and STPI are terminated or we are unable to renew these agreements, we will be required to relocate these Data Centres and we cannot assure you that we will be able to identify alternative locations for such Data Centres in a timely manner or that such alternative locations will not require significant expenditure or be as commercially viable. Any temporary or permanent closure of these Data Centres could adversely affect our ability to service our clients and could materially and adversely affect our business, financial conditions, results of operations and cash flows"* on page 47.

29. If we are unable to collect receivables from, or bill our unbilled services to, our clients, our business, financial condition, results of operations and cash flows could be materially adversely affected.

Our business depends on our ability to successfully obtain payment from our customers of the amounts they owe us for our products and services. Our business involves extending credit to our customers, ranging typically from 30 to 140 days. Due to the nature of agreements and arrangements that we enter into, we are subject to counterparty credit risk and any delay in receiving payments or non-receipt of payments may adversely affect our results of operations and cash flows.

Our exposure to credit risk primarily relates to trade receivables. We monitor and limit our exposure to credit risks on a reasonable basis. Our credit risk associated with trade receivables is primarily related to customers not able to settle their obligations as agreed upon. To manage this, we periodically review the financial reliability of our customers, taken into account their financial condition, current economic trends, analysis of historical bad debts and ageing of trade receivables. We manage customer credit risk subject to the established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. We perform an impairment analysis at each reporting date on an individual basis for major clients.

We apply the simplified approach to provide for expected credit losses prescribed by Ind AS 109, "Financial Instruments", which permits the use of the lifetime expected loss provision for all trade receivables. We have computed expected credit losses based on a provision matrix, which uses our historical credit loss experience.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets have substantially the same risk characteristics as the trade receivables for the same types of contracts. We have, therefore, concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The table below sets forth details of our loss allowance as at the dates indicated.

Particulars	Amount (in ₹ million)
Loss allowance as at March 31, 2021	**150.60**
Add/(less): Changes in Loss Allowance	
Bad debts written off during the year	(49.73)
Provision for the year	70.22
Loss allowance as at March 31, 2022	**171.09**
Add/(less): Changes in Loss Allowance	
Bad debts written off during the year	(32.49)
Provision for the period	43.65
Loss allowance as at March 31, 2023	**182.25**
Add/(less): Changes in Loss Allowance	
Bad debts written off during the year	(18.95)
Provision for the period	55.29
Recovery of bad debts	13.52
Loss allowance as at March 31, 2024	**232.11**
Add/(less): Changes in Loss Allowance	
Bad debts written off during the period	(4.00)
Provision for the period	42.92
Recovery of bad debts	-
Loss allowance as at September 30, 2024	**271.02**

For more details, see "*Restated Consolidated Financial Information –Note 34 - Financial risk management – (a) Credit Risk*" on page 347.

The table below sets out our Days Sales Outstanding (as defined below) for the period and fiscal years indicated.

Particulars	**As at and for the six months ended September 30, 2024**	**As at and for the year ended March 31,**		
		2024	**2023**	**2022**
	₹ in million, except days			
Trade receivables [A]	842.00	690.03	571.34	638.53
Revenue from operations [B]	1,721.50	2,865.18	2,075.66	1,953.58
Number of days in the period/year [C]	183	366	365	365
Days Sales Outstanding (DSO) [D = A/B*C] (days)	**90**	**88**	**100**	**119**

Note:

(1) *Days Sales Outstanding (DSO) is calculated by dividing trade receivables at the end of the period/year by revenue from operations for the period/year multiplied by total number of days in the period/year ("**Days Sales Outstanding**"). The number has been rounded to the nearest whole day.*

Our actual credit losses could differ from those that we currently anticipate and, as a result, we might need to adjust our loss allowances. Weak macroeconomic conditions could result in our clients experiencing financial difficulties, including limited access to credit markets, insolvency, or bankruptcy, and, as a result, could cause clients to delay payments to us, request modifications to their payment arrangements that could increase our trade receivables balance, or default on their payment obligations to us. Timely collection of trade receivables also depends on our ability to fulfill our contractual commitments. If we are unable to meet our contractual requirements, we might experience delays in collection of and/ or be unable to collect our trade receivables, and if this occurs, our business, financial condition, results of operations and cash flows could be materially adversely affected. In addition, if we experience an increase in the time to bill and collect for our services, our business, financial condition, results of operations and cash flows could be adversely affected.

30. ***Our individual Promoter, Piyush Prakashchandra Somani, has interest in entities engaged in similar line of business, which may result in conflicts of interest with us. We have not entered into any non-compete agreements with our Promoter or Promoter Group entities. If our Promoter decides to divert opportunities or conduct business through his other business interests, it could have a material adverse effect on our reputation, business, financial condition, results of operations and cash flows.***

Our individual Promoter, Piyush Prakashchandra Somani, is associated with, and consequently interested in certain members of our Promoter Group, namely, Bod Host Limited, Eukhost Limited and Web Hosting UK Com Limited, which are companies engaged in web hosting services in the United Kingdom and United States. As of the date of this Draft Red Herring Prospectus, we do not perceive such entities to be engaged in the same line of business as us and, accordingly, there is no conflict of interest with such entities currently. We have not entered into any non-compete agreements with our individual Promoter or Promoter Group entities, namely, Bod Host Limited, Eukhost Limited and Web Hosting UK Com Limited, and there can be no assurance that our individual Promoter and Promoter Group entities will not compete with our business. If our Promoter decides to divert opportunities or conduct business through his other business interests, it could have a material adverse effect on our reputation, business, financial condition, results of operations and cash flows.

31. ***The markets in which we operate are highly competitive and if we are unable to compete effectively, our business, financial condition, results of operations and cash flows could be adversely affected.***

We face competition from varied players across our different product and service offerings. Such companies principally include companies of Indian origin, such as CtrlS Data Centers Limited, Nxtra By Airtel, Yotta Data Services Private Limited, WebWerks India Private Limited, CYFuture India Private Limited, and E2E Networks Limited (*source: Nexdigm Report*).

Our competitors vary by scale, breadth of service offerings and geographic spread. We compete based on various factors, including price, performance, multi-cloud availability, brand recognition and reputation, customer support, and differentiated capabilities, including ease of implementation and data migration, ease of administration and use, scalability and reliability, data governance, security, and compatibility with existing standards. Some of our present and potential competitors may have substantially greater financial, marketing or technical resources, relationships with large vendor partners, larger global presence, larger customer bases, longer operating history, greater brand recognition than we do. Some of our competitors may be global companies that have larger technical and financial resources and broad customer bases needed to bring competitive solutions to the market. Such companies may use these advantages to offer solutions that are perceived to be as effective or more effective as ours at the same or at a lower price. Further, if our competitors develop and implement technologies and/ or methodologies that yield greater efficiency and productivity, they may be able to offer similar services at lower prices than we do. Our current and potential competitors may also be able to respond more quickly to new technologies or processes and evolution of client demands; may be able to devote greater resources towards the development, promotion and sale of their services than we can; and may also make strategic acquisitions or establish cooperative relationships among themselves or with third parties that increase their ability to address client needs.

Further, we face competition from international companies, including from companies in the United States and China (*source: Nexdigm Report*). Companies in the Philippines and Vietnam are emerging as attractive alternatives for outsourcing due to their competitive labour costs and improving infrastructure (*source: Nexdigm Report*). For more details, see "*Industry Overview-Potential Threats - Economic Factors: Inflation, Rising Costs, and International Competition- Global competition*" on page 199.

We also face competition from cloud service providers with decentralized and open-source offerings. These new entrants focus on blockchain-based, peer-to-peer, and open-source models that challenge the conventional, centralized cloud models offered by established players (*source: Nexdigm Report*). Emerging cloud service providers with decentralized and open-source offerings are starting to disrupt traditional managed and cloud services markets, especially in markets like India, where there is a growing interest in cost-effective, transparent, and highly secure cloud solutions (*source: Nexdigm Report*). For more details, see "*Industry Overview-Potential Threats - New Entrants: Competition from Emerging Tech Firms*" on page 199.

To the extent we face increased price competition, we may have to lower the prices of certain of our services in the future to stay competitive, while simultaneously seeking to maintain or improve our revenue and gross margin. Therefore, we cannot assure you that we will be able to retain our clients while competing against such competitors. Increased competition, our inability to compete successfully, pricing pressures or loss of market share could have a material adverse effect on our business, financial condition, results of operations and cash flows.

For details on operational and financial benchmarking for us and our competitors, see "*Industry Overview - Peer Competitive Benchmarking*" on page 202. In addition, for details in relation to a comparison of the KPIs and certain Ind AS financial measures of our Company with our peer group, see *"Basis for Issue Price – Comparison of our KPIs with our listed industry peer*" on page 146.

For more details, see "*Our Business – Competition*" on page 236.

32. We are committed to transitioning our operations to 100% renewable energy as part of our long-term sustainability strategy. If we are unable to efficiently execute this transition or if the required capital expenditures exceed our projections and we do not see adequate financial returns, it could have a material adverse effect on our business, financial condition, results of operations, and cash flows.

Data Centres generate approximately 3.5% of global greenhouse gas emissions (*source: Nexdigm Report*). To address this issue, Data Centres have to prioritize sustainable practices (*source: Nexdigm Report*). We are committed to transitioning our operations to 100% renewable energy as part of our long-term sustainability strategy. This initiative requires significant capital expenditure, including investments in renewable energy infrastructure, energy-efficient technologies, and other associated costs necessary to achieve this transition. For further details, see "*Our Business - Our Strategies - Transition towards 100% renewable energy for sustainable and efficient operations*" on page 220. While we believe this strategic shift will align us with global sustainability trends and position us favourably in the market, such capital expenditure may place a strain on our financial resources and could affect our ability to fund other strategic initiatives.

The table below sets out our capital expenditure on renewable energy initiatives and such amounts as a percentage of our revenue from operations for the period and fiscal years indicated.

Particulars	**Six months ended September 30, 2024**	**Year ended March 31,**		
		2024	**2023**	**2022**
	₹ in million, except percentages			
Capital expenditure on renewable energy initiatives	8.64	-	-	-
Capital expenditure on renewable energy initiatives as a percentage of revenue from operations [B = A / C] (%)	0.50%	-	-	-
Revenue from operations [C]	1,721.50	2,865.18	2,075.66	1953.58

We plan to incur additional capital expenditure to complete our transition to use 100% renewable energy in or operations. There are risks relating to the successful implementation of our renewable energy initiatives, such as potential delays, cost overruns, or the failure to achieve the expected environmental or financial benefits. If we are unable to efficiently execute this transition or if the required capital expenditures exceed our projections and we do not see adequate financial returns, it could have a material adverse effect on our business, financial condition, results of operations, and cash flows.

33. One of our growth strategies is to make investments in artificial intelligence (AI) and machine learning (ML) technologies to enhance our capabilities, improve operational efficiencies, and drive innovation. This strategy requires investments in research and development, technology infrastructure, software, and talent acquisition. If our investment does not result in adequate financial returns, our business, financial condition, results of operations and cash flow may be materially affected.

In addition, one of our growth strategies is to make investments in artificial intelligence (AI) and machine learning (ML) technologies to enhance our capabilities, improve operational efficiencies, and drive innovation. For details, see "*Our Business - Our Strategies - Expand our business through focusing on enhancing infrastructure, driving AI/ML innovation, and committing to sustainability for efficient scaling and customer value*" on page 218. This strategy requires us to make investments in research and development, technology infrastructure, software, and talent acquisition.

For a table setting forth our investments in research and development for the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022, see *"- 1. If we fail to innovate in response to new technological changes and technological innovations, or adapt to evolving industry standards, our business, financial condition, and results of operations could be adversely affected"* on page 34.

Given our position in the technology industry, our strategy is to leverage our existing resources to develop our AI/ML capabilities and integrate them into our operations. The success of our AI/ML initiatives depends on numerous factors, including the effectiveness of these technologies, the ability to integrate them into our existing systems, and the development of scalable and commercially viable applications. Moreover, there is a risk that the AI/ML solutions may not deliver the expected improvements in performance, cost savings, or revenue generation.

If we are unable to realize the anticipated benefits from our AI/ML investments or if the capital expenditures exceed our projections without generating the expected returns, it could have a material adverse effect on our business, financial condition, results of operations, and cash flows.

34. We have a subsidiary in the UAE, a subsidiary in the United States and customers in countries outside India and, as such, are subject to the risks and uncertainties of conducting business outside India.

We have a subsidiary in the UAE, a subsidiary in the United States and customers in countries outside India and, as such, are subject to the risks and uncertainties of conducting business outside India. For details on our revenue from our customers outside India, see *"- 52. Any downturn in the macroeconomic environment in India could adversely affect our business, financial condition, results of operations and cash flows*" on page 70.

The markets in which we operate are diverse and fragmented, with varying levels of economic and infrastructure development and distinct legal and regulatory systems, and do not operate seamlessly across borders as a single or common market. Therefore, we may be subject to risks inherent in doing business in countries other than India, including:

- challenges caused by distance and cultural differences;
- difficulties in managing global operations and legal compliance costs associated with multiple international locations;
- foreign tax regimes;
- repatriation of our revenues or profits from foreign jurisdictions to India;
- imposition of international sanctions on one or more of the countries in which we operate;
- risks related to the legal and regulatory environment in non-Indian jurisdictions, including with respect to privacy and data;
- burdens of complying with a variety of foreign laws in multiple jurisdictions and liability in case of any failure to comply with such laws;
- fluctuations in currency exchange rates;
- political, social or economic instability;
- reduced protection for or increased violation of intellectual property rights in some countries;
- inadequate local infrastructure; and
- exposure to local banking, currency control and other financial-related risks.

If we are unable to manage our operations outside India successfully, it could have an adverse effect on our business, financial condition, results of operations and cash flows.

35. We have not yet placed orders for the equipment that we propose to finance from the Net Proceeds. In the event of any delay in placing such orders, or in the event the vendors are not able to provide the equipment in a timely manner, or at all, it may result in time and cost overruns and our business, prospects and results of operations may be adversely affected.

A substantial portion of the Net Proceeds, comprising ₹4,807.29 million, is intended to be used for the purposes of purchase and installation of cloud computing equipment and other equipment and infrastructure for our Data Centres. The equipment that we propose to procure for our existing Data Centres will comprise of computer servers, data storage devices, networking equipment and infrastructure including electrical and infrastructure related equipment, such as power distribution units, precision air conditioning, DG sets, LT panels and UPS with isolation transformers, among others. For further details, see "*Objects of the Issue*" on page 129. While we have procured quotations from various vendors, we are yet to receive delivery of any of such equipment. We have not yet placed firm orders for the equipment required. Further, such quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated by such quotations or that there will not be cost escalations. Moreover, the actual amount and timing of our future capital requirements may differ from our estimates as a result of, among other things, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, engineering design changes and technological changes.

In the event of any delay in placing orders, or an escalation in the cost of acquisition of the equipment or in the event the vendors are not able to provide the equipment in a timely manner, or at all, we may encounter time and cost overruns. Further, if we are unable to procure equipment from the vendors from whom we have procured quotations, we cannot assure you that we may be able to identify alternative vendors to provide us with the equipment which satisfy our requirements at acceptable prices. If we are unable to procure the equipment at acceptable prices or in a timely manner, it could result in an increase in capital expenditure, the proposed schedule implementation and the deployment of the Net Proceeds could be extended or may vary accordingly, thereby resulting in an adverse effect on our business, financial condition, results of operations and cash flows.

36. Our success depends substantially on the continuing services of our Promoters, Key Managerial Personnel and Senior Management. The loss of or our inability to attract or retain such persons could adversely affect our business, financial condition and results of operations and cash flows.

Our business and results of operations depends upon the continued efforts and abilities of our Promoters, Key Managerial Personnel and Senior Management. For details on our Key Managerial Personnel and Senior Management, see "*Our Management*" on page 256. From time to time, there have been changes in our management team. The table below sets forth the attrition and attrition rate of our Key Managerial Personnel and Senior Management (combined) during the period and Fiscals indicated.

Particulars	As at and for the 10 months ended January 31, 2025	As at and for the year ended March 31,		
		2024	2023	2022
Attrition of Key Managerial Personnel and Senior Management (combined) for the period/year [A]	0	0	2	1
Total Key Managerial Personnel and Senior Management (combined) at the end of the period/year [B]	9	6	6	6
Total Key Managerial Personnel and Senior Management (combined) at the end of the period/year plus Key Managerial Personnel and Senior Management (combined) who left during the period/year [C = A + B]	9	6	8	7
Attrition rate of Key Managerial Personnel and Senior Management (combined) for the period/year [D = A/C] (%)	0.00%	0.00%	25.00%	14.29%

We cannot assure you that we will continue to retain of our Key Managerial Personnel and Senior Management and if one or more of them were to leave, we would be able to replace such persons in a timely and cost-effective manner or at all. Any loss of members of our Key Managerial Personnel and Senior Management could delay or prevent the achievement of our business objectives, affect our succession planning and adversely affect our business, financial condition, results of operations and cash flows.

In addition, while our Company has a succession plan for our Promoters, Key Managerial Personnel and Senior Management, we need to successfully implement such plans. Any delays or inadequacies in succession planning could expose us to operational disruptions and strategic misalignment. Any sudden departure or reduced involvement of any of our Promoters, Key Managerial Personnel and Senior Management in our business prior than planned could have a material adverse effect on our business, financial condition and results of operations.

In addition, our success and growth also depend upon consistent and continued performance of our employees. For details, see "*– 26. If we are unable to hire, integrate, train and retain qualified personnel, our business could suffer*" on page 56.

37. Our ability to maintain customer satisfaction depends in part on the quality of our customer support. Failure to maintain high-quality customer support could have an adverse effect on our business, financial condition, results of operations, and cash flows.

The successful use of our platform and products requires a high level of support and engagement for our customers. In order to deliver appropriate customer support and engagement, we must successfully assist our customers in deploying and continuing to use our platform and products/services, resolving performance issues, addressing interoperability challenges with the customers' existing IT infrastructure, and responding to security threats and cyber-attacks and performance and reliability problems that may arise from time to time. While our platform and products/services are designed to be highly configurable to be able to rapidly implement customers' reconfigurations, errors in configuring our platform and products/services can result in significant disruption to our customers. Our customer support team faces additional challenges, including those associated with attrition and training new customer support personnel, which may result in increased employee costs. Increased demand for customer support, without corresponding increases in revenue, could increase our costs and adversely affect our business, financial condition, results of operations, and cash flows.

There can be no assurance that we will be able to hire sufficient support personnel, in a timely manner or at all, particularly if our sales exceed our internal forecasts. Also see, *"- 26. If we are unable to hire, integrate, train and retain qualified personnel our business could suffer*" on page 56. To the extent that we are unsuccessful in hiring, training, and retaining adequate support resources, our ability to provide high-quality and timely support to our customers will be negatively impacted, and our customers' satisfaction and their usage of our products could be adversely affected.

38. If we inadvertently infringe on the intellectual property rights of others, our business and results of operations may be adversely affected.

While we take measures to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty as to whether we are infringing on any existing third-party intellectual property rights, which may force us to alter our technologies, obtain licences or cease some of our operations. We may also be susceptible to claims from third parties asserting infringement and other related claims. If claims or actions are asserted against us, we may be subject to costly litigation or may be required to obtain a licence, modify our existing technology or cease the use of such technology and design a new non-infringing technology. Such licences or design modifications can be extremely costly. Further, necessary licences may not be available to us on satisfactory terms, if at all. In addition, we may decide to settle a claim or action against us, which settlement could be costly. We may also be liable for any past infringement. An inadvertent breach or any misuse of intellectual property or proprietary data by any of our employees or sub-contractors may expose us to expensive infringement claims. We have not experienced any claims in relation to the infringement of the intellectual property rights of others instances since April 1, 2021. The occurrence of any of the foregoing in the future could adversely affect our business, results of operations, financial condition and cash flows.

39. We may undertake acquisitions, investments, joint ventures or other strategic alliances, which may have an adverse effect on our ability to manage our business, and such undertakings may be unsuccessful.

We may undertake acquisitions, investments, joint ventures or other strategic alliances to expand our business operations. While we have not undertaken any acquisitions or joint ventures since April 1, 2021, any future acquisitions may expose us to new operational, regulatory, market and geographic risks as well as risks associated with additional capital requirements as well as other considerable risks, including:

- our inability to integrate new operations, personnel, solutions, and technologies;
- unforeseen or hidden liabilities, including exposure to lawsuits associated with newly acquired companies;
- the diversion of resources from our existing businesses;
- failure to comply with laws and regulations as well as industry or technical standards of the overseas markets into which we may expand;
- our inability to generate sufficient revenues to offset the costs and expenses of such acquisitions or strategic investment; and

- potential loss of, or harm to employees or customer relationships.

Any of these events could disrupt our ability to manage our business, which in turn could have an adverse effect on our financial condition, cash flows and results of operations. Such risks could also result in our failure to derive the intended benefits of the acquisitions, and we may be unable to recover our investment in such initiatives.

40. Our brands are integral to our success. If we fail to effectively maintain, promote and enhance our brands, our business, financial condition, results of operations and cash flows could be adversely affected.

We believe that maintaining, promoting, and enhancing our "ESDS" brand and our various product brands, including "eNlight Cloud", "SPOChub", "VTMScan", "Famrut", and "Low Code Magic", is critical to sustaining and expanding our business. Our brand identity extends beyond trademarks to include domain names, copyrights, patents, and proprietary technologies that support our offerings. For details of our intellectual property, see "*Our Business– Intellectual Property*" on page 232. For details of risks in relation to our intellectual property, see "*– 21. We may be unable to protect our intellectual property adequately, which could harm our business, financial condition, results of operations and cash flows*" on page 52.

Additionally, our strategic partnerships, customer relationships, digital presence, marketing campaigns, and participation in industry events contribute to brand recognition and business growth.

Maintaining and enhancing our brand depends largely on our ability to continue to provide quality, well-designed, useful, reliable, and innovative solutions, which we cannot assure you we will do successfully. We believe the importance of brand recognition will increase as competition in our market increases. In addition to our ability to provide reliable and useful solutions at competitive prices, the successful promotion of our brand will also depend on the effectiveness of our marketing efforts. We market our platform and products through our direct sales force, channels partners, and a number of free traffic sources, including customers' word-of-mouth referrals. The table below sets forth our marketing expenses for the period and fiscal years indicated and such expenses as a percentage of our revenue from operations.

Particulars	Six months ended September 30, 2024	Year ended March 31,		
		2024	2023	2022
	₹ in million, except percentages			
Marketing expenses[(1)] [A]	12.71	21.55	13.93	19.65
Marketing expenses as a percentage of revenue from operations [B = A/C] (%)	0.74%	0.75%	0.67%	1.01%
Revenue from operations [C]	1,721.50	2,865.18	2,075.66	1,953.58

Note:

(1) Marketing expenses comprises advertisement and sales promotion expenses.

We cannot assure you, however, that our marketing expenses will lead to increasing revenue, and even if they did, such increases in revenue might not be sufficient to offset the expenses incurred.

41. Exchange rate fluctuations could adversely affect our results of operations.

Our exposure to the risk of changes in foreign exchange rates relates to our operating activities, when revenue and expenses are denominated in a different currency from our Company's functional currency, which is the Indian Rupee. The details of revenue in foreign currency expenses in foreign currency and foreign exchange loss/(gain)for the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022 are provided below:

Particulars	Six months ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue in foreign currency (in ₹ million) [A]	66.41	151.43	156.13	188.61
Revenue in foreign currency as a percentage of revenue from operations [B = A/H] (%)	3.86%	5.29%	7.52%	9.65%
Expenses in foreign currency [C]	5.80	22.49	9.38	6.18

Particulars	Six months ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Expenses in foreign currency as a percentage of total expenses [D = C/G] (%)	0.40%	0.84%	0.39%	0.31%
Foreign exchange fluctuation loss/(gain) (net) (in ₹ million) [E]	0.23	0.69	(1.54)	2.51
Foreign exchange fluctuation loss/(gain) (net) as a percentage of total expenses [F = E/G] (%)	0.02%	0.03%	(0.07)%	0.13%
Total expenses [G]	1,443.86	2,687.64	2,351.63	1,973.22
Revenue from operations [H]	1,721.50	2,865.18	2,075.66	1,953.58

For additional quantitative disclosures on foreign currency risks, see "*Restated Consolidated Financial Information – Note 34(c)(i) – Financial risk management – Market Risk - Foreign currency exchange rate risk*" on page 348.

We did not enter into any forward exchange contracts in the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022.

The exchange rate between the Indian Rupee and foreign currencies has fluctuated in the past may fluctuate in the future. During times of strengthening of the Indian Rupee, we expect that our revenue denominated in foreign currency will generally be negatively affected as foreign currency received will be translated into fewer Indian Rupees. However, the converse positive effect of depreciation in the Indian Rupee may not show an appreciable effect on our results of operations in any given financial period due to other variables affecting our business and results of operations during the same period.

42. We have certain contingent liabilities that have not been provided for in our financial statements, which if they materialise, may have a material adverse effect on our financial condition, results of operations and cash flows.

The table below sets forth our contingent liabilities as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets not provided for as at the dates indicated and the total of such contingent liabilities as a percentage of our Net Worth:

Particulars	As at September 30,	As at March 31,		
	2024	2024	2023	2022
	₹ in million, except percentages			
Claims against the group not acknowledged as debts:				
Indirect tax matters	2.26	19.36	10.84	43.00
Other tax matters	2.62	2.62	2.62	7.51
Department of telecommunication	-	60.07	43.93	40.62
Guarantees excluding financial guarantees:				
Performance bank guarantees given to customers	388.33	420.21	396.30	296.24
Other money for which the group is contingently liable:				
Direct tax matters	-	-	96.34	-
Indirect tax matters	127.23	127.23	130.00	-
Total contingent liabilities [A]	**520.44**	**629.49**	**680.03**	**387.38**
Total contingent liabilities as a percentage of Net Worth [B = A/C] (%)	22.63%	30.51%	34.81%	19.83%
Net Worth[(1)] [C]	2,299.34	2,063.56	1,953.41	1,953.85

Note:

(1) Net Worth is calculated as the aggregate value of the paid-up share capital of our Company and all reserves created out of profits and 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, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation, share based payment reserve, debenture redemption reserve and capital redemption reserve, each as applicable for our Company on a restated basis. Net Worth represents equity attributable to owners of the Company and does not include amounts attributable to non-controlling interest.

For further information, see "*Restated Consolidated Financial Information - Note 30 - Contingencies and commitments*" on page 338. If a significant portion of these contingent liabilities as at September 30, 2024 materialize, it could have a material adverse effect on our financial condition, results of operations and cash flows.

43. Our operations are subject to various risks, including breakdowns, equipment failure, interruptions in the supply of power, internet and telecommunication services and water, third party liability claims, labour disturbances, employee fraud and infrastructure failure, as well as force majeure events such as fire, earthquake, flood, and acts of terrorism. Our insurance coverage may not be adequate to protect us against all potential losses, which could have an adverse effect on our results of operations, cash flows and financial condition.

Our operations are subject to various risks, including breakdowns, failure or substandard performance of equipment, interruptions in the supply of power, internet and telecommunication services and water, third party liability claims, labour disturbances, employee fraud and infrastructure failure, as well as fire, theft, robbery, earthquake, flood, acts of terrorism and other force majeure events. In particular, our Data Centre operations are heavily dependent on a consistent and uninterrupted supply of power, internet and telecommunication services and water. For further details, see "- *25. Our ability to operate our cloud computing infrastructure relies on access to sufficient, reliable and cost-effective electric power, reliable internet and telecommunication services, cooling solutions and other technical services"* on page 55.

We maintain customary insurance policies for our Data Centres, business premises, including buildings and equipment, vehicles and insurance for our staff. In addition, we also maintain insurance policies covering directors' and officers' liability and key man insurance. However, we are not insured against environmental damages (which are not included in any insurance policies), and terrorist acts (except for our Mohali Data Centre). For further information, see "Our *Business – Insurance"* on page 236.

The table below sets out the net value of insurable assets, insurance coverage, and insurance coverage as percentage of the net value of insurable assets as at the dates indicated.

Particulars	**As at September 30, 2024**	**As at March 31, 2024**	**2023**	**2022**
	₹ in million, except percentages			
Net value of insurable assets(1) [A]	2,028.48	2,050.57	1,854.91	1,929.11
Insurance coverage [B]	3,301.40	3,295.65	3,202.69	3,152.34
Insurance coverage as percentage of net value of insurable assets [C= B/A] (%)	162.75%	160.72%	172.66%	163.41%

Notes:

(1) Insurable assets are all assets excluding land, leasehold land improvements and intangible assets

While we believe that the insurance coverage that we maintain would be reasonably adequate to cover the normal risks associated with the operation of our business, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. Our insurance policies may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. Additionally, in future, we may be required to bear increased premiums for our insurance to provide coverage for unforeseen circumstances, such as global pandemics. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all.

We did incur any material uninsured loss or a loss that exceeded the limits of our insurance policies in the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, and which is not covered by insurance or exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our business, financial condition, results of operations, and cash flows may be adversely affected.

44. We are required to maintain certain approvals or licenses required in the ordinary course of business and the failure to obtain them in a timely manner or at all may adversely affect our operations.

We require certain approvals, licenses, registrations and permissions for operating our business. Further, the approvals that we obtain may stipulate certain conditions requiring our compliance for which we may be required to make compliance-related expenditure. Failure to obtain, maintain or renew any approvals or licences, in a timely manner or at all, may result in a levy of penalties or other regulatory action against us, in accordance with applicable laws, which may have an adverse effect on our business. Certain of these permits and approvals are valid for a certain period and are required to be renewed at regular intervals in accordance with the timelines prescribed under the relevant statutes. We need to apply for certain such approvals, including the renewal of approvals that expire from time to time, in the ordinary course of our business.

As at the date of this Draft Red Herring Prospectus, except for the professional tax registration issued by the relevant state authorities for our Mohali Data Centre, for which we have made the necessary application, our Company has obtained all material approvals required for its business and operations. For details of such licenses, registrations and approvals for our Company and our Material Subsidiary, see "*Government and Other Approvals*" on page 415.

If we fail to comply with the terms and conditions of our approvals, we may incur increased costs, be subject to penalties or have our approvals and permits revoked. Any such revocation of our approvals or permits or failure to continue to obtain or renew the approvals and permits required for our operations, could result in a disruption in our operations, and our business prospects, financial condition, results of operations and cash flows may be adversely affected.

45. Our Promoters and certain of our Directors, Key Managerial Personnel and Senior Management, are interested in our Company's performance in addition to their remuneration and reimbursement of expenses.

Our Promoters and certain of our Directors, Key Managerial Personnel and Senior Management are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses and such interests are to the extent of their shareholding in our Company, dividend payable to them, other distribution in respect of such shareholdings and loans taken/repaid from Directors, Key Managerial Personnel and Senior Management. For the payments that are made by our Company to certain members of the Promoter Group, see *"Restated Consolidated Financial Information – Note 31 (a) – Related party names and Note 31 (b) (I) – Nature of transactions and amounts"* on page 339. Further, our Promoters, Directors, Key Managerial Personnel and Senior Management may also be deemed to be interested in the contracts, agreements and arrangements entered into or to be entered into by our Company with any company which is promoted by them or in which they hold directorships or any partnership firm in which they are partners.

Further, our Promoter and Whole-time Director, Komal Piyush Somani is also interested as a beneficiary and trustee of the P.O. Somani Family Trust to the extent of the shareholding of the P.O. Somani Family Trust in our Company.

Certain of our Key Managerial Personnel and members of our Senior Management are interested to the extent of options granted to them under the ESOP 2021 and ESOP 2024. See "*Our Promoters and Promoter Group - Interests of Promoters*", "*Our Management - Interest of Directors"* and "*Our Management - Interest of Key Managerial Personnel and Senior Management*" on pages 281, 262 and 276, respectively.

46. Increases in interest rates would adversely affect our financial condition, results of operations and cash flows.

Certain of our borrowings are subject to floating rates of interest, which change based on changes in the marginal cost of funds-based lending rate or prime lending rate of the respective lenders. Increases in these rates would increase the interest rates payable on our borrowings subject to floating rates of interest, which would adversely affect our financial condition, results of operations and cash flows.

The table below sets out our Total Borrowings that are subject to floating rates of interest and such borrowings as a percentage of our Total Borrowings as at the dates indicated.

Particulars	As at September 30, 2024	As at March 31,		
		2024	2023	2022
	₹ in million, except percentages			
Total Borrowings subject to floating rates of interest [A]	343.26	225.74	582.93	780.22
Total Borrowings subject to floating rates of interest as a percentage of Total Borrowings [B=A/C] (%)	20.97%	15.15%	35.37%	58.45%
Total Borrowings [C]	1,637.14	1,490.44	1,648.29	1,334.80

47. After the completion of the Issue, our Promoters along with the Promoter Group will continue to collectively hold a substantial shareholding in our Company.

As on the date of this Draft Red Herring Prospectus, our Promoters and members of the Promoter Group together hold 46.06% of the paid up Equity Share capital of our Company. For details of their shareholding pre-Issue and post-Issue, see "*Capital Structure*" on page 96.

After the completion of the Issue, our Promoters along with the Promoter Group will continue to collectively hold substantial shareholding in our Company, and will continue to exercise significant influence over our business policies and affairs. The interests of the Promoters as our controlling shareholders could conflict with our interests or the interests of its other Shareholders. We cannot assure you that the Promoters will act to resolve any conflicts of interest in our favour and any such conflict may adversely affect our ability to execute our business strategy or to operate our business. For further details in relation to the interests of our Promoters in the Company, please see *"Our Promoters and Promoter Group", "Our Management"* and *"Restated Consolidated Financial Information– Note 31(b)(I) Nature of transactions and amounts"* on pages 279, 256 and 340, respectively.

48. Any variation in the utilisation of the Net Proceeds as disclosed in the Red Herring Prospectus shall be subject to certain compliance requirements, including prior Shareholders' approval.

We propose to use the Net Proceeds for purchase and installation of cloud computing and other equipment and infrastructure for our Data Centres and general corporate purposes. For further details of the proposed objects of the Issue, see the section titled "*Objects of the Issue*" on page 129.

We cannot currently determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, we cannot undertake any variation in the utilisation of the Net Proceeds from the Issue as disclosed in the Red Herring Prospectus without obtaining the Shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not 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 or controlling shareholders, if applicable, would be required to provide an exit opportunity to the Shareholders who do not agree with our proposal to modify the objects of the Issue, if the thresholds prescribed by SEBI in this regard is triggered, at a price and manner as prescribed by SEBI. Additionally, the requirement for our Promoters or controlling Shareholders to provide an exit opportunity to such dissenting Shareholders may deter the Promoters or controlling Shareholders 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 or the controlling Shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity to such dissenting Shareholders.

In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, 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 unutilized portion of Issue Proceeds, if any, which may adversely affect our business, financial condition, results of operations and cash flows.

49. This Draft Red Herring Prospectus contains certain non-GAAP financial measures and certain other selected statistical information related to our operations and financial performance. These non-GAAP measures and statistical information may vary from any standard methodology that is applicable across

the industry, and therefore may not be comparable with financial or statistical information of similar nomenclature computed and presented by other peer companies.

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance, including EBIT, EBITDA, EBIT Margin, EBITDA Margin, PAT Margin, have been included in this Draft Red Herring Prospectus. We have computed and disclosed such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of cloud services companies, many of which provide such non-GAAP financial measures and other statistical and operational information when reporting their financial results. These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by our other peer companies.

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

Our Company has not declared dividends in the six months ended September 30, 2024 or Fiscals 2024, 2023 or 2023 or since October 1, 2024 to the date of this Draft Red Herring Prospectus.

Our Board has adopted a dividend distribution policy. For details, see "*Dividend Policy*" on page 284.

Our ability to pay dividends in the future will depend on a number of factors identified in the dividend policy of our Company, retained earnings, earnings and profitability outlook, operating cash flow, interim dividend and dividend pay-out trends, depreciation of past years, profits, capital requirements, financial commitments and financial requirements including business expansion plans, cost of borrowings, other corporate actions and other relevant or material factors considered relevant by our Board, and external factors, such as the state of the economy and capital markets, applicable taxes including dividend distribution tax, regulatory changes and other relevant or material factors considered relevant by our Board. The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. Additionally, in the future, we may be restricted by the terms of our financing agreements in making dividend payments unless otherwise agreed with our lenders. We cannot assure you that we will be able to pay dividends in the future.

51. We have issued Equity Shares at prices that may be lower than the Issue Price in the last 12 months.

We have issued and allotted certain Equity Shares at a price that may be lower than the Issue Price in the period of 12 months preceding the date of this Draft Red Herring Prospectus. For further details, see "*Capital Structure – Notes to the Capital Structure*" on page 109. The prices at which Equity Shares were issued by us in the past year should not be taken to be indicative of the Price Band, Issue Price and the trading price of our Equity Shares after listing. We cannot assure you that the Equity Shares to be issued in the future will be at or lower than the Issue Price.

External Risk Factors

52. Any downturn in the macroeconomic environment in India could adversely affect our business, financial condition, results of operations and cash flows.

The table below sets forth our revenue from operations from customers in India and outside India for the period and fiscal years indicated.

Location of customers	Six months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue from operations (₹ in million)	% of revenue from operations	Revenue from operations (₹ in million)	% of revenue from operations	Revenue from operations (₹ in million)	% of revenue from operations	Revenue from operations (₹ in million)	% of revenue from operations
India	1,276.00	74.12%	2,713.75	94.71%	1,919.53	92.48%	1,764.96	90.35%
Outside India	445.50	25.88%	151.43	5.29%	156.13	7.52%	188.61	9.65%
Of which:								
Russia	*379.09*	*22.02%*	-	-	-	-	-	-
United Kingdom	*47.78*	*2.78%*	*94.58*	*3.30%*	*87.47*	*4.21%*	*88.31*	*4.52%*
Others	*18.63*	*1.08%*	*56.85*	*1.98%*	*68.66*	*3.31%*	*100.30*	*5.13%*
Total	**1,721.50**	**100.00%**	**2,865.18**	**100.00%**	**2,075.66**	**100.00%**	**1,953.58**	**100.00%**

As shown in the table below, the majority of our revenue from operations is from customers in India. Therefore, any downturn in the macroeconomic environment in India could adversely affect our business, financial condition, results of operations and cash flows. The Indian economy could be adversely affected by various factors, such as the adverse effects of pandemics, epidemics, political and regulatory changes, including adverse changes in the Government's liberalisation policies, social disturbances, religious or communal tensions, terrorist attacks and other acts of violence or war, natural calamities, volatility in interest rates, volatility in commodity and energy prices, a loss of investor confidence in other emerging market economies and any worldwide financial instability. In addition, an increase in India's trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could increase interest rates and adversely affect liquidity, which could adversely affect the Indian economy.

53. Any downturn in the macroeconomic environment, increases in trade barriers, or the imposition of sanctions or increase in the scope of sanctions, in particular in relation to Russia, that we are required to comply with in countries that we export to could adversely affect our business, financial condition, results of operations and cash flows.

We are exposed to macroeconomic downturns and geopolitical tensions, trade policies, and regulatory changes in the countries we export to, which was primarily Russia for the six months ended September 30, 2024. For information on our revenue from operations from customers in India and outside India, see "- *52. Any downturn in the macroeconomic environment in India could adversely affect our business, financial condition, results of operations and cash flows*" on page 70.

We had ₹379.09 million in revenue from our top client for the six months ended September 30, 2024, which represented 22.02% of our revenue from operations for the six months ended September 30, 2024. Our top client for the six months ended September 30, 2024 is a BFSI incorporated in Russia, which is subject to certain sanctions that were introduced as a result of Russia invading the Ukraine. These sanctions do not currently apply to our Company. For details, see *"-9. In the six months ended September 30, 2024, our revenue from our top client and top 10 clients represented 22.02% and 56.86% of our revenue from operations, respectively, and any loss or reduction of business from these clients could have a material adverse effect on our business, financial condition, results of operations and cash flows. In addition, our top client for the six months ended September 30, 2024, a BFSI incorporated in Russia, is subject to certain economic sanctions. Although we are not in breach of these sanctions, if the scope of secondary sanctions are increased or new sanctions are implemented such that we would be required to no longer sell our services to this client, it could have a material adverse effect on our business, financial condition, results of operations and cash flows*" on page 41.

The war between Russia and the Ukraine and the sanctions imposed in relation thereto could adversely affect the Russian economy and thereby adversely affect the business, financial condition, results of operations and cash flows of our top client for the six months ended September 30, 2024. The loss of this client as a customer or a material decrease in the revenue we earn from it would have a material adverse effect on our business, financial condition, results of operations and cash flows.

54. The occurrence of natural disasters and man-made disasters that adversely affect one or more of our Data Centres, Registered Office and/or Corporate Office could adversely affect our business, financial condition, results of operations and cash flows.

Our Data Centres are located in Nashik, Maharashtra, Mumbai, Maharashtra, Bengaluru, Karnataka and Mohali, Punjab. For details, see "*Our Business - Data Centres"* on page 231. Our Registered Office is located in Nashik, Maharashtra and our Corporate Office is located in Navi Mumbai, Maharashtra. The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, fires, explosions, pandemics (such as COVID-19) and epidemics (such as H7N9, H5N1, and H1N1), and man-made disasters, including acts of war and terrorism, other acts of violence and war that adversely affect any of our Data Centres or offices, could adversely affect our business, financial condition, results of operations and cash flows. While we maintain insurance coverage in relation to our Data Centres, Registered Office and Corporate Office, it may be insufficient to protect us against all potential losses, which could adversely affect our results of operations, cash flows, and financial condition. The occurrence of natural disasters or man-made disasters has not had a material adverse effect on our business, financial condition, results of operations or cash flows in the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022.

In addition, terrorist attacks and other acts of violence or war as well as civil unrest or rioting in India could create a perception that investment in Indian companies involves a higher degree of risk, thereby adversely affecting the market price of the Equity Shares.

55. Changing laws, rules and regulations and legal uncertainties, including any adverse application of tax laws and regulations leading to new compliance requirements could have a material adverse effect on our business, financial condition, results of operations and cash flows.

The regulatory and policy environment in which we operate are evolving and are subject to change. Our business and financial condition could be materially adversely affected by changes in the laws, rules or regulations applicable to us, or the interpretations of such existing laws, rules and regulations, or the promulgation of new laws, rules and regulations. The governmental and regulatory bodies could notify new regulations and/ or policies, which could require us to obtain approvals and licenses from the government and other regulatory bodies, impose onerous requirements and conditions on our operations. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent could be time-consuming as well as costly for us to resolve and could affect the viability of our current business or restrict our ability to grow our business in the future.

In addition, unfavourable changes in or interpretations of existing laws, or the promulgation of new laws, rules and regulations, including foreign investment laws governing our business, operations and investments in our Company by non-residents, could result in us being deemed to be in contravention of such laws and/ or could require us to apply for additional approvals.

Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income-tax, turnover tax, goods and service tax, stamp duty and other special taxes and surcharges that are introduced on a temporary or permanent basis from time to time. The final determination of our tax liabilities involves the interpretation of local tax laws and related regulations in each jurisdiction as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time. Any future increases or amendments could affect the overall tax efficiency of companies operating in India and could result in significant additional taxes becoming payable. If the tax costs associated with certain transactions because of a particular tax risk materializing are greater than anticipated, it could affect the profitability of such transactions.

The Government introduced (a) the Code on Wages, 2019 ("**Wages Code**"); (b) the Code on Social Security, 2020 ("**Social Security Code**"); (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020, which consolidate, subsume and replace numerous existing central labour legislations. The Labour Codes are to come into force on such date as may be notified in the official gazette by the Central Government and different provisions of the Labour Codes may have varying effective dates. While the rules for implementation under these codes have not been notified, we are yet to determine the impact of all or some such laws on our business and operations, which could restrict our ability to grow our business in the future. For example, the Social Security Code aims to provide uniformity in providing social security benefits to employees, which were previously segregated under different acts and had different applicability and coverage. The Social Security Code has introduced the concept of workers outside traditional employer-employee work-arrangements (including online and digital platforms), such as 'gig workers' and 'platform workers' and provides for the mandatory registration of such workers in order to enable these workers to avail benefits of, among others, life and disability cover, health and maternity benefits and old age protection, under schemes framed under the Social Security Code from time to time. The Social Security Code also provides that such schemes could, among other things, be partly funded by contributions from online platforms. The implementation of such laws has the ability to increase our employee and labour costs, thereby adversely affecting our results of operations and cash flows.

Further, on July 1, 2024, the Government implemented The Bharatiya Nyaya Sanhita, 2023, Bharatiya Nagrik Suraksha Sanhita, 2023 and Bhartiya Sakshya Adhiniyam, 2023, which have replaced the Indian Penal Code, 1860, Code of Criminal Procedure, 1973 and the Indian Evidence Act, 1872, respectively.

Additionally, the Government of India announced the Union Budget for the Fiscal 2026 on February 1, 2025. Following this, the Finance Bill 2025 was enacted by the Parliament of India and received the President's assent on March 29, 2025, becoming the Finance Act, 2025, effective April 1, 2025. Further, a bill was introduced in the Lok Sabha on February 13, 2025 to consolidate and amend the laws relating to income-tax, via the Income-tax Act, 2025. There is no certainty on the impact of the tax laws or other regulations, which may adversely affect our business, financial condition, results of operations and cash flows or on the industry in which we operate. We are yet to determine the impact of all or some such laws on our business and operations, which may restrict our ability to grow our business in the future.

We could incur increased costs and other burdens relating to compliance with such new requirements, which could also require significant management time and other resources, and any failure to comply could adversely affect our business, financial condition, results of operations and cash flows. Changes in changing laws or regulations did not a material adverse effects on our business, financial condition, results of operations and cash flows in the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022. However, there is no assurance that such incidents will not occur in the future.

56. Our ability to borrow in foreign currencies is restricted by Indian law.

Indian companies are subject to foreign exchange regulations that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our ability to borrow in foreign currencies and, therefore, could negatively affect our ability to obtain financing on competitive terms. In addition, we cannot assure you that any required approvals for borrowing in foreign currency will be granted to us without onerous conditions, or at all. Such, and other, limitations on raising foreign capital could adversely affect our business, financial condition, results of operations and cash flows.

57. A third party could be prevented from acquiring control over our Company because of anti-takeover provisions under Indian law.

There are provisions in Indian law that could delay, deter or prevent a future takeover or change in control of our Company. These provisions could discourage or prevent certain types of transactions involving actual or threatened change in control of our Company. Under the Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions could also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the SEBI Takeover Regulations.

58. A downgrade in India's sovereign debt rating by international rating agencies could adversely affect our debt ratings and the terms on which we are able to raise additional borrowings or refinance any existing borrowings.

India's sovereign debt rating could be downgraded due to several factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, all of which are outside our control. Any adverse changes to India's sovereign debt rating by international rating agencies could adversely affect our debt ratings and the terms on which we are able to raise additional borrowings or refinance any existing borrowings, which could have an adverse effect on our business, financial condition, results of operations and cash flows.

59. Increases in inflation can have several significant impacts on the Data Centre industry by influencing both demand and operational costs. Increased costs could result in a decrease in our profits.

Inflation can have several significant impacts on the Data Centre industry by influencing both demand and operational costs (*source: Nexdgim Report*). Increasing inflation in India could cause the costs of rent, wages, components and other expenses to rise. For example, production prices for CPUs and memory chips have increased (*source: Nexdgim Report*). If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could have an adverse effect on our business, financial condition, results of operations and cash flows.

India has managed to keep its inflation rate within the target range of 2-6%, at 5.4% for Fiscal 2024 (*source: Nexdgim Report*). While the core inflation, that is inflation without including Food and Energy price changes, sat at 4.3% for Fiscal 2024, the Food Inflation (CFPI) was at 7.5%, which is almost twice the CFPI in Fiscal 2022, when it was at 3.8% (*source: Nexdgim Report*). However, there can be no assurance that the rate of inflation will not increase in the future.

60. Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and International Financial Reporting Standards ("IFRS"), which investors may be more familiar with and may consider material to their assessment of our financial condition, results of operations and cash flows.

Our Restated Consolidated Financial Information included in this Draft Red Herring Prospectus is prepared and presented in accordance with Ind AS, and restated in accordance with requirements of the Companies Act, SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI. Ind AS differs in certain significant respects from IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. We have not attempted to quantify the impact of U.S. GAAP, IFRS or any other system of accounting principles on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP, IFRS or any other accounting principles. Accordingly, the degree to which the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

Risks Relating to the Equity Shares and the Issue

61. The Issue Price, market capitalization to revenue multiple and enterprise value based on the Issue Price of our Company may not be indicative of the market price of the Equity Shares on the listing of the Equity Shares on the Stock Exchanges or thereafter.

Our revenue from operations and profit/(loss) for the period and fiscal years indicated are set out in the table below.

Particulars	As at and for the six months ended September 30, 2024	As at and for the year ended March 31,		
		2024	2023	2022
	₹ in million, except percentages and ratios			
Revenue from operations [A]	1,721.50	2,865.18	2,075.66	1,953.58
Profit / (Loss) for the period/year	239.34	136.10	(224.60)	(26.63)
Market capitalisation (at the Issue Price) [B]*	[●]	[●]	[●]	[●]
Market capitalisation (at the Issue Price) to revenue from operations ratio [C=B/A]*	[●]	[●]	[●]	[●]
Enterprise value (at the Issue Price) to EBITDA*	[●]	[●]	[●]	[●]

Note:
** To be updated in the Prospectus.*

The Issue Price of the Equity Shares is proposed to be determined based on assessment of market demand for the Equity Shares issued through a book-building process, and certain quantitative and qualitative factors as set out in the section titled "*Basis for the Issue Price*" on page 139 and the Issue Price, multiples and ratios may not be indicative of the market price of the Equity Shares on the listing of the Equity Shares on the Stock Exchanges or thereafter.

Prior to the Issue, there has been no public market for our 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 relevant financial parameters based on which the Price Band would be determined, shall be disclosed in the advertisement that would be issued for publication of the Price Band.

The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India, announcements by us or our competitors of significant acquisitions, strategic alliances, our competitors launching new products/services or superior products/services, pandemics, announcements by third parties or governmental entities of significant claims or proceedings against us, volatility in the securities markets in India and other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

62. Statistical and industry data in this Draft Red Herring Prospectus has been derived from an industry report exclusively commissioned and paid for by our Company for the purpose of the Issue. Reliance on information from the industry report for making an investment decision in the Issue is subject to inherent risks.

We have availed the services of Nexdigm Private Limited, an independent third party research agency, to prepare and issue the report titled "*India Data Centre, Cloud Services and Managed Services Industry Outlook*" published in March 2025 (the "**Nexdigm Report**"), which was exclusively commissioned and paid for by our Company in connection with the Issue. Nexdigm Private Limited is not a related party of our Company, its directors, its promoters, subsidiaries, Key Managerial Personnel, Senior Management or the BRLMs. For more details on the Nexdigm Report, see, *"Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data"* on page 17. A copy of the Nexdigm Report is available on our Company's website of our Company at www.esds.co.in/investor-relations/industry-report.

The Nexdigm Report is a paid report and is subject to various limitations and based upon certain assumptions that are subjective in nature. The Nexdigm Report contains estimates, projections and forecasts as well as forward looking statements that could prove to be incorrect. Statements from third parties in the Nexdigm Report that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Red Herring Prospectus.

The Nexdigm Report is not a recommendation to buy or sell securities in any company covered in the Nexdigm Report. Accordingly, prospective investors should not place undue reliance on or base their investment decision solely on information derived from the Nexdigm Report included in this Draft Red Herring Prospectus.

63. The determination of the Price Band is based on various factors and assumptions and the Issue Price of the Equity Shares could not be indicative of the market price of the Equity Shares upon listing on the Stock Exchanges. Investors bear the risk of fluctuations in the price of Equity Shares and there can be no assurance that a liquid market for the Equity Shares will develop following the listing of the Equity Shares on the Stock Exchanges.

There has been no public market for the Equity Shares prior to the Issue, so the determination of the Price Band is based on various factors and assumptions and will be determined by our Company in consultation with the BRLMs. The Issue Price will be determined by our Company in consultation with the BRLMs, through the Book Building Process in terms of Regulation 28 and Schedule XIII of SEBI ICDR Regulations. The relevant financial parameters based on which the Price Band will be determined shall be disclosed in the advertisement that will be issued for the publication of the Price Band. The Issue Price will be based on numerous factors, as described under in "*Basis for Issue Price*" on page 139. This price may not necessarily be indicative of the market price of the Equity Shares after the Issue is completed. You may not be able to re-sell your Equity Shares at or above the Issue

Price and could, as a result, lose all or part of your investment. The price at which the Equity Shares will trade at after the Issue will be determined by the marketplace and could be influenced by many factors, including:

- our financial condition, results of operations and cash flows;
- the history of and prospects for our business;
- an assessment of our management, our past and present operations and the prospects for, as well as the timing of, our future revenues and cost structures;
- the valuation of publicly traded companies that are engaged in business activities similar to ours;
- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial condition, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements of significant claims or proceedings against us;
- new laws and government regulations that directly or indirectly affect our business;
- additions or departures of Key Managerial Personnel;
- changes in interest rates;
- fluctuations in stock market prices and volume; and
- general economic conditions.

The Indian stock markets have, from time to time, experienced significant price and volume fluctuations that have affected market prices for the securities of Indian companies. As a result, investors in the Equity Shares could experience a decrease in the value of the Equity Shares regardless of our business, financial condition, results of operations and cash flows.

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

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

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately two Working Days from the Bid/ Issue Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within three Working Days of the Bid/ Issue Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise any delay in commencing trading in the Equity Shares would restrict investors' ability to dispose their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

65. Investors could be subject to Indian taxes arising out of capital gains and stamp duty on the sale of the Equity Shares and will be subject to India taxes on any dividends.

Capital gains arising from the sale of our Equity Shares are generally taxable in India. Additionally, a securities transaction tax ("**STT**") shall be levied on and collected by an Indian stock exchange on which our Equity Shares are sold.

Any capital gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months immediately preceding the date of transfer will be subject to tax at the prescribed rate for long-term capital gains depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short-term capital gains tax in India at the prescribed rates.

Capital gains arising from the sale of our Equity Shares will be exempt from taxation in India in cases where an exemption is provided under a treaty between India and the country of which the seller is a resident. As a result, subject to any relief available under an applicable tax treaty or under the laws of their own jurisdictions, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of our Equity Shares.

Pursuant to the Finance (No. 2) Act, 2024, long-term capital gains will be taxed at the rate of 12.5% without any indexation benefits for any transfer which takes place on or after July 23, 2024 and short-term capital gains will be taxed at the rate of 20% for any transfer which takes place on or after July 23, 2024.

The Finance Act, 2019 introduced new provisions under the Indian Stamp Act, 1899, thereby providing that in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount

Unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations, could result in Investors being subject to additional taxes on the sale of our Equity Shares and Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

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

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. 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 all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed including Allotment pursuant to the Issue within three Working Days from the Bid/ Issue Closing Date or such other timeline as may be prescribed under applicable law, 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, or changes to our business or financial condition, could 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 could 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.

67. Fluctuations in the exchange rate between the Rupee and other currencies could have an adverse effect on the value of the Equity Shares in those currencies, independent of our results of operations.

Upon listing, the Equity Shares will be quoted in Rupees on the Stock Exchanges. Any dividends in respect of the Equity Shares will be paid in Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time it takes to undertake such conversion could reduce the net dividend received by investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, could reduce the net proceeds received by investors. The exchange rate between the Rupee and other currencies (such as the U.S. dollar, the Euro, the pound sterling, the Hong Kong dollar and the Singapore dollar) has changed substantially in the past and could fluctuate substantially in the future, which could have an adverse effect on the value of the Equity Shares and returns from the Equity Shares in foreign currency terms, independent of our results of operations.

68. Foreign investors are subject to investment restrictions under Indian law that limit our ability to attract foreign investors, which could adversely affect the trading price of the Equity Shares.

Under foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. Further, this conversion is subject to the shares having been held on a repatriation basis and, either the security having been sold in compliance with the pricing guidelines or, the RBI's approval having been obtained for the sale of shares and corresponding remittance of the sale proceeds. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained with or without any particular terms or conditions.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020, which came into effect from April 22, 2020, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the FDI Policy. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all.

Our ability to raise foreign capital under the FDI route is therefore constrained by Indian law, which could adversely affect our business, financial condition, results of operations and cash flows. For further information, see *"Restrictions on Foreign Ownership of Indian Securities"* on page 460.

69. Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India must offer holders of its equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares who have voted on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless our Company makes such a filing. Our Company may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, you could suffer future dilution of your ownership position and your proportional interests in our Company would be reduced.

70. Subsequent to the listing of the Equity Shares on the Stock Exchanges, we could be subject to surveillance measures, such as the Additional Surveillance Measures and the Graded Surveillance Measures by the Stock Exchanges in order to enhance the integrity of the market and safeguard the interest of investors.

Subsequent to the listing of the Equity Shares, we could be subject to Additional Surveillance Measures ("**ASM**") and Graded Surveillance Measures ("**GSM**") by the Stock Exchanges. These measures are in place to enhance the integrity of the market and safeguard the interest of investors. The criteria for shortlisting any security trading on the Stock Exchanges for ASM is based on objective criteria, which includes market based parameters such as high low price variation, concentration of client accounts, close to close price variation, market capitalization, average daily trading volume and its change, and average delivery percentage, among others. Securities are subject to GSM when its price is not commensurate with the financial health and fundamentals of the issuer.

Specific parameters for GSM include net worth, net fixed assets, price to earnings ratio, market capitalization and price to book value, among others. Factors within and beyond our control could lead to our securities being subject to GSM or ASM. In the event our Equity Shares are subject to such surveillance measures implemented by any of the Stock Exchanges, we could be subject to certain additional restrictions in connection with trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which could have an adverse effect on the market price of our Equity Shares or could in general cause disruptions in the development of an active trading market for our Equity Shares.

71. Any future issuance of Equity Shares or convertible securities or other equity-linked securities by us could dilute your shareholding and sales of the Equity Shares by our major shareholders could adversely affect the trading price of the Equity Shares.

We could be required to finance our growth through future equity offerings. Any future issuance of our Equity Shares, convertible securities or securities linked to our Equity Shares by us, including through exercise of employee stock options may dilute your shareholding in us. Any future equity issuances by us, including a primary offering, may lead to the dilution of investors' shareholdings in us. Any disposal of Equity Shares by our major shareholders or the perception that such issuance or sales could occur, including to comply with the minimum public shareholding norms applicable to listed companies in India could adversely affect the trading price of the Equity Shares, which could lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. We cannot assure you that we will not issue further Equity Shares or that the shareholders will not dispose of, pledge or encumber the Equity Shares in the future. Any future issuances could also dilute the value of your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the market price of the Equity Shares.

72. It may not be possible for investors to enforce any judgment obtained outside India against our Company, the Directors, the Key Managerial Personnel and Senior Management in India, respectively, except by way of a lawsuit in India on such judgment.

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

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908. India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, including the United Kingdom, United Arab Emirates, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements established in the Indian Code of Civil Procedure, 1908. The Code of Civil Procedure, 1908 only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be directly enforceable in India. The party in whose favour a final foreign judgment in a non-reciprocating territory is rendered may bring a fresh suit in a competent court in India based on the final judgment within three years of obtaining such final judgment. However, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with the public policy in India. Further, we cannot assure you that a suit brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approval would be acceptable. Such an amount may also be subject to income tax in accordance with applicable law.

SECTION IV – INTRODUCTION

THE ISSUE

The following table sets forth the details of the Issue:

Issue of Equity Shares (1)#	Up to [●] Equity Shares of face value of ₹ 1 each, aggregating up to ₹ 6,000.00 million
The Issue consists of:	
A. QIB Portion(2)(3)	Not less than [●] Equity Shares of face value of ₹ 1 each, aggregating up to ₹ [●] million
Of which:	
Anchor Investor Portion(3)	Up to [●] Equity Shares of face value of ₹ 1 each
Net QIB Portion (assuming the Anchor Investor Portion is fully subscribed)	[●] Equity Shares of face value of ₹ 1 each
Of which:	
Available for allocation to Mutual Funds only (5% of the Net QIB Portion)(6)	[●] Equity Shares of face value of ₹ 1 each
Balance of the Net QIB Portion for all QIBs, including Mutual Funds	[●] Equity Shares of face value of ₹ 1 each
B. Non-Institutional Portion(2)(4)(5)	Not more than [●] Equity Shares of face value of ₹ 1 each aggregating up to ₹ [●] million
Of which:	
One-third available for allocation to Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million	[●] Equity Shares of face value of ₹ 1 each
Two-third available for allocation to Bidders with an application size of more than ₹ 1.00 million	[●] Equity Shares of face value of ₹ 1 each
C. Retail Portion(2)(5)	Not more than [●] Equity Shares of face value of ₹ 1 each aggregating up to ₹ [●] million
Pre and post-Issue Equity Shares	
Equity Shares outstanding prior to the Issue (as on the date of this Draft Red Herring Prospectus)	100,427,753 Equity Shares of face value of ₹ 1 each
Equity Shares outstanding after the Issue*	[●] Equity Shares of face value of ₹ 1 each
Utilisation of Net Proceeds	See "*Objects of the Issue*" on page 129 for information about the use of the Net Proceeds.

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

(1) *The Issue has been authorized by a resolution of our Board dated December 20, 2024, and by our Shareholders pursuant to a special resolution dated January 25, 2025. Our Company, in consultation with the Book Running Lead Managers, may consider a Pre-IPO Placement aggregating up to ₹ 1,200.00 million, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Issue. Prior to the completion of the Issue and allotment pursuant to the Pre-IPO Placement, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Issue or the Issue may be successful and will result in listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.*

(2) *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, as applicable, at the discretion of our Company, in consultation with the BRLMs, and the Designated Stock Exchange, subject to applicable laws. Under-subscription, if any, in the QIB Portion (excluding the Anchor Investor Portion) will not be allowed to be met with spill-over from other categories or a combination of categories of Bidders.*

(3) *Our Company in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will be accordingly reduced for the shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the remaining Equity Shares shall be added back to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than the Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as*

specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than the Anchor Investors) in proportion to their Bids. For details, see "Issue Procedure" on page 440.

(4) *The Equity Shares available for allocation to NIBs under the Non-Institutional Portion, shall be subject to the following, and in accordance with the SEBI ICDR Regulations: Not more than 15% of the Issue shall be available for allocation to NIBs of which (i) one-third of the portion available to NIBs shall be reserved for Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to NIBs shall be reserved for Bidders with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of NIBs.*

(5) *Allocation to Bidders in all categories, except the Anchor Investor Portion, Non-Institutional Portion, and the Retail Portion, shall be made on a proportionate basis subject to valid Bids received at or above the Issue Price, as applicable. The allocation to each RIB and NIB shall not be less than the minimum Bid Lot and minimum application size, subject to availability of Equity Shares in the Retail Portion and the Non-Institutional Portion, respectively, and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in the SEBI ICDR Regulations. Allocation to Anchor Investors shall be on a discretionary basis in accordance with the SEBI ICDR Regulations.*

For further details, see *"Issue Structure"*, "*Issue Procedure*" and "*Terms of the Issue*" on pages 437, 440 and 431, respectively.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our Restated Consolidated Financial Information. Please also see, "*Restated Consolidated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 285 and 363, respectively.

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

RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in million, unless otherwise stated)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
ASSETS				
Non-current assets				
Property, plant and equipment	2,156.82	2,180.50	1,967.48	2,043.32
Right-of-use of assets	923.29	995.05	830.73	850.90
Capital work-in-progress	-	-	-	0.70
Intangible assets	27.03	47.75	109.73	164.53
Non-current financial assets	99.64	102.27	274.94	207.86
Deferred-tax Assets (net)	-	-	16.49	-
Other non-current assets	78.93	24.81	-	2.13
Total non-current assets	**3,285.71**	**3,350.38**	**3,199.36**	**3,269.44**
Current assets				
Current financial assets				
Trade receivables	842.00	690.03	571.34	638.53
Unbilled receivables	893.22	515.20	314.07	339.05
Cash and cash equivalents	17.04	22.47	168.86	350.60
Other bank balances	-	-	30.00	146.39
Other current financial assets	584.82	576.65	304.07	76.18
Income-tax assets	211.25	142.38	234.93	163.70
Other current assets	**183.73**	**179.97**	**184.33**	**241.69**
Total current assets	**2,732.05**	**2,126.71**	**1,807.60**	**1,956.14**
Total assets	**6,017.76**	**5,477.09**	**5,006.96**	**5,225.58**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	92.89	92.89	92.89	91.57
Other equity				
Reserves and surplus	2,314.78	2,079.75	1,963.07	1,897.03
Other reserves	87.46	86.45	49.96	68.44
Equity attributable to owners of ESDS Software Solution Limited	**2,495.14**	**2,259.10**	**2,105.92**	**2,057.04**
Non-controlling interest	-	6.00	(4.38)	(4.31)
Total equity	**2,495.14**	**2,265.09**	**2,101.54**	**2,052.73**
LIABILITIES				
Non-current liabilities				
Non current financial liabilities				
Non-current borrowings	755.02	847.73	929.80	656.13
Lease liabilities	844.81	933.12	558.70	608.31
Employee benefit obligations	137.52	121.80	91.06	83.97
Deferred tax liabilities (net)	85.37	56.47	-	36.14
Total non-current liabilities	**1,822.72**	**1,959.11**	**1,579.56**	**1,384.55**
Current liabilities				
Current financial liabilities				
Current borrowings	882.12	642.71	718.49	678.66
Lease liabilities	172.54	164.49	145.20	205.00
Trade payables				
Total outstanding dues of micro enterprises and small enterprises	121.37	5.72	59.78	10.71
Total outstanding dues of creditors other than micro enterprises and small enterprises	249.57	227.17	217.34	253.94
Other current financial liabilities	113.64	101.21	57.38	537.31
Employee benefit obligations	3.54	3.13	3.08	3.09
Income-tax liabilities	-	-	-	0.26
Other current liabilities	157.13	108.45	124.59	99.33
Total current liabilities	**1,699.91**	**1,252.89**	**1,325.87**	**1,788.30**
Total liabilities	**3,522.63**	**3,212.00**	**2,905.42**	**3,172.85**
Total equity and liabilities	**6,017.76**	**5,477.09**	**5,006.96**	**5,225.58**

RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(₹ in million, unless otherwise stated)

Particulars	For the six months period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from operations	1,721.50	2,865.18	2,075.66	1,953.58
Other income	12.23	56.18	46.76	33.17
Total income	**1,733.74**	**2,921.36**	**2,122.42**	**1,986.75**
Expenses				
Employee benefit expense	452.09	850.72	770.07	708.49
Finance costs	158.93	315.75	259.27	177.19
Depreciation and amortisation expense	301.96	525.52	491.48	429.47
Other expenses	530.89	995.65	830.80	658.07
Total expenses	**1,443.86**	**2,687.64**	**2,351.63**	**1,973.22**
Profit/ (loss) before exceptional items	**289.88**	**233.72**	**(229.22)**	**13.53**
Exceptional Items (refer note no. 39)				
Rates and Taxes	0.34	6.55	47.78	35.00
Penalty	-	4.18		
Profit/ (loss) before tax	**289.53**	**222.99**	**(276.99)**	**(21.47)**
Income tax expense				
Current tax (MAT)	22.67	9.10	-	4.46
Less: MAT credit entitlement	(3.55)	-	-	(4.46)
Prior year taxes		4.35		
Deferred tax	31.08	73.45	(52.39)	5.16
Total tax expense/ (write-back of tax expense)	**50.19**	**86.89**	**(52.39)**	**5.16**
Profit/ (loss) for the period/ year [A]	**239.34**	**136.10**	**(224.60)**	**(26.63)**
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Revaluation surplus on Land and Building	-	38.97	-	-
Changes in the fair value of equity instruments at FVOCI	-	-	-	-
Remeasurement of post-employment benefit obligations	(6.75)	(14.08)	(0.26)	3.24
Income tax/ (write-back of income tax) relating to these items	1.88	3.92	0.07	(0.90)
Total other comprehensive income for the year, net of tax	**(4.87)**	**28.80**	**(0.19)**	**2.34**
Items that will be reclassified to Profit or Loss				
Foreign exchange differences on translation of foreign operations	0.75	(6.54)	(22.79)	(1.42)
Total other comprehensive income/ (loss) for the period/ year, net of tax [B]	**(4.12)**	**22.27**	**(22.98)**	**0.92**
Total comprehensive income/ (loss) for the period/ year [A+B]	**235.22**	**158.37**	**(247.58)**	**(25.71)**
Profit is attributable to:				
Owners of ESDS Software Solution Limited	239.34	125.72	(224.53)	(27.24)
Non-controlling interest	-	10.38	(0.07)	0.61
	239.34	**136.10**	**(224.60)**	**(26.63)**
Other comprehensive income/ (loss) is attributable to:				
Owners of ESDS Software Solution Limited	(4.12)	22.27	(22.98)	0.91
Non-controlling interest	-	-	-	-

Particulars	For the six months period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
	(4.12)	**22.27**	**(22.98)**	**0.91**
Total comprehensive income/ (loss) is attributable to:				
Owners of ESDS Software Solution Limited	235.22	147.99	(247.51)	(26.32)
Non-controlling interest	-	10.38	(0.07)	0.61
	235.22	**158.37**	**(247.58)**	**(25.71)**
Earnings per equity share for profit / (loss) attributable to owners of ESDS Software Solution Limited				
Basic (face value of equity shares: ₹ 1 per share)	2.58	1.35	(2.42)	(0.30)
Diluted (face value of equity shares: ₹ 1 per share)	2.58	1.35	(2.42)	(0.30)

RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS

(₹ in million, unless otherwise stated)

	Particulars	For the six months period ended September 30, 2024	For the year Ended March 31, 2024	For the year Ended March 31, 2023	For the year Ended March 31, 2022
A)	**Cash flows from operating activities**				
	Profit/ (loss) before tax	289.53	222.99	(276.99)	(21.47)
	Adjustments for				
	Depreciation and amortisation expense	301.96	525.52	491.48	429.47
	(Gain)/Loss on disposal of property, plant and equipment	-	(0.09)	0.03	0.00
	Expected Credit loss allowance	42.92	55.29	43.65	70.22
	Balances written off	1.00	-	-	-
	Interest income classified as investing activities	(14.51)	(34.65)	(15.63)	(12.52)
	Balance write back	(0.80)	-	-	-
	Finance costs	158.93	315.75	259.27	177.19
	Unrealised exchange (gain)/loss	0.23	0.69	(1.54)	2.51
	Employee stock option expenses	0.82	5.18	5.44	5.45
	Operating profit before working capital changes	**780.07**	**1,090.68**	**505.71**	**650.86**
	Changes in working capital				
	(Increase) / Decrease in trade receivables	(574.13)	(375.79)	50.05	(245.01)
	(Increase) / Decrease in other current and non current financial assets	(4.52)	(251.26)	15.45	(32.82)
	(Increase) / Decrease in other current assets	(57.87)	(20.46)	59.49	(104.53)
	Increase / (Decrease) in trade payables	137.33	(44.23)	12.47	(4.82)
	Increase / (Decrease) in employee benefit obligations	9.39	16.71	6.82	10.41
	Increase/ (Decrease) of current borrowings	237.68	(80.49)	16.33	412.54
	Increase/ (Decrease) in other current and non current liabilities	48.67	(16.14)	25.26	2.01
	Increase/ (Decrease) in other current and non current financial liabilities	11.70	57.66	(55.81)	(8.91)
	Cash generated from operations	**588.32**	**376.67**	**635.78**	**679.72**
	Income taxes paid (net of refunds received)	(90.02)	79.10	(71.23)	(102.02)
	Net cash inflow/ (outflow) from operating activities	**498.30**	**455.77**	**564.54**	**577.70**
B)	**Cash flows from investing activities**				
	Investments in property, plant and equipment and intangible assets	(185.39)	(230.45)	(361.75)	(605.58)
	Proceeds from sale of property, plant and equipment		-	-	-
	Bank balances not considered as cash and cash equivalents	(1.02)	181.34	(194.02)	(103.44)
	Interest/ income on investment received	14.51	34.65	15.63	12.52
	Net cash flows from investing activities	**(171.90)**	**(14.46)**	**(540.14)**	**(696.50)**
C)	**Cash flows from financing activities**				
	Proceeds from issue of preference shares	-	-	-	199.99
	Proceeds from rights issue of shares	-	-	-	7.00
	Proceeds from issue of Non-convertible debentures	-	-	450.00	300.00
	Share application money received allotment pending	-	-	-	300.00
	Increase/ (decrease) of non-current borrowings	(92.71)	(82.07)	(176.33)	(83.42)
	Principal elements of lease payments	(130.26)	(277.71)	(281.48)	(277.50)
	Proceeds from issue of equity share capital (including securities premium and net of refund	-	-	(9.05)	-

	Particulars	For the six months period ended September 30, 2024	For the year Ended March 31, 2024	For the year Ended March 31, 2023	For the year Ended March 31, 2022
	of share application money)				
	Interest paid on borrowings	(108.93)	(229.62)	(190.96)	(121.67)
	Net cash inflows/ (outflow) from financing activities	**(331.90)**	**(589.39)**	**(207.83)**	**324.40**
	Net increase / (decrease) in cash and cash equivalents	**(5.51)**	**(148.08)**	**(183.43)**	**205.60**
	Foreign currency translation impact on cash and cash equivalents	0.08	1.70	1.69	1.18
	Cash and cash equivalents at the beginning of the financial year	22.47	168.86	350.60	143.82
	Cash and cash equivalents at the end of the period / year	**17.04**	**22.47**	**168.86**	**350.60**

GENERAL INFORMATION

Registered Office of our Company

The address of our Registered Office is as follows:

ESDS Software Solution Limited
B-24 & 25, NICE Area
M.I.D.C, Satpur
Nashik – 422 007 Maharashtra, India

For details of the changes in our Registered Office, see "*History and Certain Corporate Matters – Changes in our registered office*" on page 246.

Corporate Office of our Company

The address of our Corporate Office is as follows:

ESDS Software Solution Limited
Unit No. B-01, Ground Floor
Empire Tower, Gut No. 31,
Mouje Elthan, Thane – 400 078
Maharashtra, India

Company Registration Number and Corporate Identity Number

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

(a) Registration number: 155433
(b) Corporate identity number: U72200MH2005PLC155433

The Registrar of Companies

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

100, Everest, Marine Drive
Mumbai – 400 002, Maharashtra, India

Board of Directors

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

Name	Designation on the Board	DIN	Address
Piyush Prakashchandra Somani	Managing Director and Chairman	02357582	Flat No. 1004, B-Wing, Kraabi Samrat Tropicano, Gangapur Road, Serene Meadows, Anandwali, Nashik – 422 013, Maharashtra, India
Komal Piyush Somani	Whole-time Director	08477154	Flat No. 1004, B-Wing, Kraabi Samrat Tropicano, Gangapur Road, Serene Meadows, Anandwali, Nashik – 422 013, Maharashtra, India
Jitendra Pathak	Additional Director (Executive)*	09000712	Future Tower No. 56, Flat No. 1407, Amanora Park Town, Behind Amanora Mall, Hadapsar, Pune City, Pune – 411 028, Maharashtra, India
Thandankorai Ganapathy Dhandapani	Independent Director	09239677	106, Bayview Apartment, 4th Seaward Road, Valmiki Nagar, Thiruvanmiyur, Chennai – 600 041, Tamil Nadu, India
Pamela Kumar	Independent Director	07616165	#23 UAS Layout, N S Halli, Bangalore North, R.M.V. Extension, Stage, Bangalore – 560 094, Karnataka, India
Venkatesh Natarajan	Independent Director	07471917	Prestige Bella Vista, Tower 19, 7th Floor, Flat No 19084, Mount Poonamallee Road, Chennai, Ayyappanthangal, Kancheepuram – 600 056, Tamil Nadu, India

**Pursuant to resolution of our Board dated February 4, 2024, he has been appointed as an Additional Director (Executive). His appointment is subject to approval of our Shareholders.*

For further details of our Board of Directors, see "*Our Management - Board of Directors*" on page 256.

Company Secretary and Compliance Officer

Prasad Deochand Deokar is the Company Secretary and Compliance Officer our Company. His contact details are as follows:

Prasad Deochand Deokar
B-24 & 25, NICE Area
M.I.D.C, Satpur
Nashik – 422 007
Maharashtra, India
Telephone: +91 253-771 2244
E-mail: secretarial@esds.co.in

Book Running Lead Managers

DAM Capital Advisors Limited
PG-1, Ground Floor, Rotunda Building,
Dalal Street, Fort,
Mumbai – 400 001
Maharashtra, India
Telephone: +91 22 4202 2500
E-mail: esds.ipo@damcapital.in
Investor Grievance ID: complaint@damcapital.in
Website: www.damcapital.in
Contact person: Puneet Agnihotri
SEBI Registration Number: MB/INM000011336

Systematix Corporate Services Limited
The Capital, A Wing No. 603-606
6th Floor, Plot No. C-70, G-Block BKC, Bandra East
Mumbai - 400 051, Maharashtra, India
Telephone: +91 22 6619 8000
E-mail: esds@systematixgroup.in
Investor Grievance ID: investor@systematixgroup.in
Website: www.systematixgroup.in
Contact person: Rabindra Kumar/ Jinal Sanghvi
SEBI Registration Number: INM000004224

Inter-se Allocation of Responsibilities between the BRLMs

The table below sets forth the inter-se allocation of responsibilities and coordination for various activities among the BRLMs:

S. No.	Activity	Responsibility	Co-ordination
1.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments, and positioning strategy	BRLMs	DAM Capital
2.	Due diligence of Company including its operations / management / business plans / legal etc., Drafting and design of Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus. Ensure compliance and completion of prescribed formalities with the Stock Exchanges, SEBI including finalisation of RHP, Prospectus, Issue Agreement, and Underwriting Agreements and RoC filing and uploading of documents on the document repository platform of the Stock Exchanges	BRLMs	DAM Capital
3.	Drafting and approval of all statutory advertisements and preparation of Audiovisual (AV) presentation	BRLMs	DAM Capital
4.	Drafting and approval of all publicity material other than statutory advertisements as mentioned in point 3 above, including corporate advertising and brochures and filing of media compliance report with SEBI	BRLMs	Systematix
5.	Appointment of Registrar, Ad agency (including coordination of all agreements)	BRLMs	DAM Capital
6.	Appointment of all other intermediaries including Printer, Banker (s) to the Issue, sponsor bank, syndicate members, share escrow agent, monitoring agency, etc. (including coordination of all agreements)	BRLMs	Systematix
7.	Preparation of road show presentation and FAQs for the road show team	BRLMs	Systematix

S. No.	Activity	Responsibility	Co-ordination
8.	International institutional marketing of the Issue, which will cover, inter alia: Institutional marketing strategy Finalising the list and division of international investors for one-to-one meetings Finalising international road show and investor meeting schedules	BRLMs	Systematix
9.	Domestic institutional marketing of the Issue, which will cover, inter alia: Finalising the list and division of domestic investors for one-to-one meetings Finalising domestic road show and investor meeting schedules	BRLMs	DAM Capital
10.	Conduct non-institutional marketing of the Issue, which will cover, inter-alia: Formulating strategies for marketing to Non – Institutional Investors	BRLMs	DAM Capital
11.	Conduct retail marketing of the Issue, which will cover, inter-alia: Finalising media, marketing, public relations strategy and publicity budget including list of frequently asked questions at retail road shows; Finalising collection centres Finalising centres for holding conferences for brokers etc. Finalising commission structure and co-ordinate with RTA for commission payouts Follow-up on distribution of publicity and Issue material including form, RHP / Prospectus and deciding on the quantum of the Issue material	BRLMs	Systematix
12.	Coordination with Stock Exchanges for book building software, bidding terminals and mock trading	BRLMs	Systematix
13.	Preparation of CAN for Anchor Investors, Managing Anchor book related activities and submission of letters to regulators post completion of anchor allocation	BRLMs	Systematix
14.	Managing the book and finalization of pricing in consultation with Company	BRLMs	DAM Capital
15.	Post-Issue activities – finalisation of the basis of allotment, coordination with various agencies connected with the post-Issue activity such as registrar to the Issue, bankers to the Issue, Self-Certified Syndicate Banks etc., including responsibility for underwriting arrangements, as applicable, listing of instruments, demat credit and refunds / unblocking of funds, coordination for investor complaints related to the Issue, submission of final post issue report.	BRLMs	DAM Capital

Syndicate Members

[•]

Legal Counsel to the Company as to Indian Law

Khaitan & Co
10th, 13th & 14th Floors, Tower 1C
One World Centre
841, Senapati Bapat Marg
Mumbai – 400 013
Maharashtra, India
Tel.: +91 22 6636 5000

Registrar to the Issue

MUFG Intime India Private Limited
(formerly known as Link Intime India Private Limited)
C-101, 247 Park, 1st Floor
L B S Marg, Vikhroli (West)
Mumbai - 400 083

Maharashtra, India
Tel.: +91 81081 14949
E-mail: esdssoftware.ipo@in.mpms.mufg.com
Investor Grievance Email: esdssoftware.ipo@in.mpms.mufg.com
Website: https://in.mpms.mufg.com
Contact Person: Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Bankers to the Issue

Escrow Collection Bank(s)

[●]

Public Issue Account Bank(s)

[●]

Refund Bank(s)

[●]

Sponsor Bank(s)

[●]

Designated Intermediaries

Self-Certified Syndicate Banks

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

SCSBs eligible as Issuer Banks for UPI Mechanism

In accordance with SEBI ICDR Master Circular, UPI Bidders using the UPI Mechanism may only apply through the SCSBs and mobile applications using the UPI handles specified on the website of the SEBI. The list of SCSBs through which Bids can be submitted by UPI Bidders using the UPI Mechanism, including details such as the eligible mobile applications and UPI handle which can be used for such Bids, is available on the website of the SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

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

Registered Brokers

Bidders can submit ASBA Forms in the Issue using the stock broker network of the stock exchange, i.e. through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and www.nseindia.com/productsservices/initial-public-offerings-asba-procedures, respectively, as updated from time to time.

Collecting Depository Participants

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

Experts

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

Our Company has received written consent dated March 30, 2025 from M/s Shah Khandelwal Jain & Associates, Chartered Accountants, our Statutory Auditors, holding a valid peer review certificate from ICAI, to include their name as required under Section 26 of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an 'expert' as defined under Section 2(38) of Companies Act, 2013 in respect of the: (i) their examination report dated March 13, 2025 on the Restated Consolidated Financial Information; and (ii) the statement of possible special tax benefits available to our Company and Shareholders dated March 30, 2025 included in this Draft Red Herring Prospectus (iii) certificates issued by them in connection with the Issue. Such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Our Company has received written consent from NBN Auditing of Accounts, Chartered Accountants, to include their name as required under section 26 of the Companies Act, 2013 in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 in respect of their report dated March 26, 2025 on the statement of special tax benefits available to ESDS Cloud FZ-LLC, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Consent dated March 30, 2025 from Apt Data Center Consultants India LLP, an independent IT consultant in the field of data centre infrastructure, to include their name as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an independent consultant with respect to the certificate issued by them with respect to our Data Centres and the proposed purchase of cloud computing equipment and other equipment and infrastructure for our Data Centres.

Statutory Auditor to our Company

M/s Shah Khandelwal Jain & Associates
Level 3, Riverside Business Bay
Wellesley Road, Near RTO (Sangam Bridge)
Pune – 411 001
Maharashtra, India
E-mail: ashish.khandelwal@skj.ican.in
Tel.: +91 20 6721 5500
Firm registration number: 142740W
Peer review no.: 017885

Changes in Auditors

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

Bankers to our Company

Axis Bank Limited
Address: Trishul, 3rd Floor, Opposite Samartheshwar Temple, Law Garden, Ellis bridge
Ahmedabad - 380 006, Gujarat, India.
Contact Person: Manan Bhatt
Telephone: +91 020 6622 3753
E-mail: cbbpune.branchhead@axisbank.com
Website: www.axisbank.com

ICICI Bank Limited
Address: Service Centre, Bandra-Kurla Complex Bandra (East), Mumbai - 400 051
Maharashtra, India.
Contact Person: Sandeep Khetan
Telephone: + 91 22 4008 6028
E-mail: sandeep.khetan@icicibank.com
Website: www.icicibank.com

IndusInd Bank Limited
Address: 11th Floor, Tower 1A, One World Centre
841 SB Marg, Prabhadevi, Mumbai - 400 013
Maharashtra, India.
Contact Person: Ramesh Bhanushali
Telephone: +91 98924 60272
E-mail: ramesh.bhanushali@indusind.com
Website: www.indusind.com

Grading of the Issue

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

Appraising Entity

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

Green Shoe Option

No green shoe option is contemplated under the Issue.

Monitoring Agency

Our Company shall, in compliance with Regulation 41 of the SEBI ICDR Regulations, appoint a monitoring agency for the monitoring of the utilisation of the Gross Proceeds and proceeds of the pre-IPO placement (if consummated), prior to filing of the Red Herring Prospectus. For further details in relation to the proposed utilisation of the Gross Proceeds, please see "*Objects of the Issue – Monitoring of utilisation of funds*" on page 137.

Credit Rating

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

Debenture Trustee

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

Filing

A copy of this Draft Red Herring Prospectus has been filed electronically with SEBI through SEBI intermediary portal at https://siportal.sebi.gov.in in accordance with the SEBI master circular SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024, and as specified in Regulation 25(8) of SEBI ICDR Regulations. A copy of this Draft Red Herring Prospectus will also be filed with SEBI at:

Securities and Exchange Board of India
Corporation Finance Department Division of Issues and Listing
SEBI Bhavan, Plot No. C4 A, 'G' Block
Bandra Kurla Complex, Bandra East
Mumbai - 400 051
Maharashtra, India

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act would be filed with the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act would be filed with the RoC at its office, and through the electronic portal. For details of the address of the RoC, see "- *The Registrar of Companies*" on page 88.

Book Building Process

Book building, in the context of the Issue, refers to the process of collection of Bids from Bidder(s) on the basis of the Red Herring Prospectus and the Bid cum Application Forms and Revision Forms. The Price Band and minimum Bid Lot will be decided by our Company, in consultation with the BRLMs if not disclosed in the Red Herring Prospectus, will be advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a Hindi national daily newspaper) and [●] edition of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra where our Registered Office is located), at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. The Issue Price shall be determined by our Company, in consultation with the BRLMs after the Bid/Issue Closing Date. For further details, see "*Issue Procedure*" on page 440.

All investors, other than Anchor Investors, shall only participate through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs. UPI Bidders shall participate through the ASBA process either by (i) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (ii) or by using the UPI Mechanism. Non-Institutional Bidders with an application size of up to ₹ 0.50 million shall use the UPI Mechanism and shall also provide their UPI ID in Bid cum Application Forms submitted with Members of the Syndicate, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Anchor Investors are not permitted to participate in the Issue through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bids during the Bid/ Issue Period and withdraw their Bids until the Bid/ Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Allocation to QIBs (other than Anchor Investors) and Non-Institutional Investors will be in accordance with the SEBI ICDR Regulations while allocation to Anchor Investors will be on a discretionary basis. For further details, see "*Terms of the Issue*", "*Issue Structure*" and "*Issue Procedure*" on pages 431, 437 and 440, respectively.

Each Bidder by submitting a Bid in the Issue, will be deemed to have acknowledged the above restrictions and the terms of the Issue.

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

Bidders should note that the Issue is also subject to (i) filing of the Prospectus with the RoC and (ii) obtaining final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after the Allotment within two Working Days of the Bid/Issue Closing Date or such other time period as prescribed under the Applicable Law.

For further details on the method and procedure for Bidding, see "*Issue Procedure*" on page 440.

Underwriting Agreement

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

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

(The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed prior to the filing of the Prospectus with the RoC, as applicable. This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC, as applicable)

(₹ in million)

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

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

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

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

CAPITAL STRUCTURE

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

(in ₹ except share data)

		Aggregate value at face value	Aggregate value at Issue Price*
A	**AUTHORIZED SHARE CAPITAL**		
	460,000,000 Equity Shares of face value of ₹ 1 each	460,000,000	-
B	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE**		
	100,427,753 Equity Shares of face value of ₹ 1 each	100,427,753	-
C	**PRESENT ISSUE**		
	Issue of up to [●] Equity Shares of face value of ₹ 1 each aggregating up to ₹ 6,000.00 million(1) ^	[●]	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE***		
	[●] Equity Shares of face value of ₹ 1 each	[●]	-
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Issue (₹ million) (as on date of this Draft Red Herring Prospectus)		3,108.94
	After the Issue (₹ million)		[●]

^ Our Company, in consultation with the Book Running Lead Managers, may consider a Pre-IPO Placement aggregating up to ₹ 1,200.00 million, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Issue. Prior to the completion of the Issue and allotment pursuant to the Pre-IPO Placement, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Issue or the Issue may be successful and will result in listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.

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

(1) The Issue has been authorized by a resolution of our Board dated December 20, 2024, and has been authorized by a special resolution of our Shareholders dated January 25, 2025.

Changes in the authorized share capital of our Company

For details of the changes to the authorized share capital of our Company in the past 10 years, see *"History and Certain Corporate Matters – Amendments to our Memorandum of Association"* on page 246.

Notes to the capital structure

1. **Share capital history of our Company**

(a) ***Equity Share capital***

Our Company is in compliance with the Companies Act, 1956 and the Companies Act, 2013, to the extent applicable, with respect to issuance of securities from the date of incorporation of our Company till the date of filing of this Draft Red Herring Prospectus.

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

Date of allotment	Reason/Nature of allotment	No. of equity shares allotted	Face value (₹)	Issue price per equity share (₹)	Nature of consideration	Cumulative No. of equity shares	Cumulative paid-up Equity Share capital (₹)	Number of allottees	Details of allottees and number of equity shares allotted to the allottees	
August 18, 2005^	Subscription to the Memorandum of Association	10,000	10	10	Cash	10,000	100,000	2	**Name of allottee**	**Number of equity shares**
									Piyush Prakashchandra Somani	5,000
									Sarla Prakashchandra Somani	5,000
March 31, 2010	Further issue	10,000	10	10	Cash	20,000	200,000	2	**Name of allottee**	**Number of equity shares**
									Piyush Prakashchandra Somani	5,000
									Sarla Prakashchandra Somani	5,000
September 7, 2012	Bonus issue in the ratio of 247 equity shares of ₹ 10 each for every one equity share of ₹10 each held by the shareholders in our Company	4,940,000	10	NA	NA	4,960,000	49,600,000	2	**Name of allottee**	**Number of equity shares**
									Piyush Prakashchandra Somani	2,470,000
									Sarla Prakashchandra Somani	2,470,000
February 4, 2015	Preferential allotment	262,100	10	43	Cash	5,222,100	52,221,000	1	**Name of allottee**	**Number of equity shares**
									Canbank	262,100

Date of allotment	Reason/Nature of allotment	No. of equity shares allotted	Face value (₹)	Issue price per equity share (₹)	Nature of consideration	Cumulative No. of equity shares	Cumulative paid-up Equity Share capital (₹)	Number of allottees	Details of allottees and number of equity shares allotted to the allottees
									Venture Capital Fund Limited acting in its capacity as the investment manager and trustee of Emerging India Growth Fund (the Fifth Fund) of Canbank Venture Capital Fund
Pursuant to a resolution of our Shareholders passed in their extraordinary general meeting held on July 26, 2021, each fully paid up equity share of our Company of face value ₹10 was sub-divided into 10 Equity Shares of face value of ₹ 1 each. Accordingly, the cumulative number of equity shares of our Company was sub-divided from 5,222,100 equity shares of ₹ 10 each to 52,221,000 Equity Shares of ₹ 1 each.									
December 3, 2021	Allotment pursuant to the conversion of CCPS	23,514,770	1	30#	Cash*	75,735,770	75,735,770	2	**Name of allottee** – **Number of equity shares** South Asia Growth Fund II, L.P. – 17,212,810 GEF ESDS Partners, LLC – 6,301,960
	Allotment pursuant to the conversion of Class A CCPS	6,692,157	1	61.27#	Cash*	82,427,927	82,427,927	2	**Name of allottee** – **Number of equity shares** South Asia Growth Fund II Holdings, LLC – 6,649,331 South Asia EBT Trust (acting through its trustee Orbis Trusteeship Services Private Limited) – 42,826
	Allotment pursuant to the conversion of CCDs	1,139,908	1	194.11#	Cash*	83,567,835	83,567,835	2	**Name of allottee** – **Number of equity shares** South Asia Growth Fund II – 1,132,611

Date of allotment	Reason/Nature of allotment	No. of equity shares allotted	Face value (₹)	Issue price per equity share (₹)	Nature of consideration	Cumulative No. of equity shares	Cumulative paid-up Equity Share capital (₹)	Number of allottees	Details of allottees and number of equity shares allotted to the allottees	
									Holdings, LLC	
									South Asia EBT Trust (acting through its trustee Orbis Trusteeship Services Private Limited)	7,297
	Allotment pursuant to conversion of Class B1 CCPS	325,920	1	239.33#	Cash*	83,893,755	83,893,755	2	**Name of allottee**	**Number of equity shares**
									South Asia Growth Fund II Holdings, LLC	323,835
									South Asia EBT Trust (acting through its trustee Orbis Trusteeship Services Private Limited)	2,085
	Allotment pursuant to conversion of Class C CCPS	677,930	1	295.00#	Cash*	84,571,685	84,571,685	2	**Name of allottee**	**Number of equity shares**
									South Asia Growth Fund II Holdings, LLC	673,591
									South Asia EBT Trust (acting through its trustee Orbis Trusteeship Services Private Limited)	4,339
December 12, 2021	Rights issue	7,000,000	1	1	Cash	91,571,685	91,571,685	11	**Name of allottee**	**Number of equity shares**
									Piyush Prakashchandra Somani	2,052,696
									Sarla	153,122

Date of allotment	Reason/Nature of allotment	No. of equity shares allotted	Face value (₹)	Issue price per equity share (₹)	Nature of consideration	Cumulative No. of equity shares	Cumulative paid-up Equity Share capital (₹)	Number of allottees	Details of allottees and number of equity shares allotted to the allottees	
									Prakashchandra Somani	
									P.O. Somani Family Trust	1,717,478
									Prajakta Rushikesh Jadhav	1
									Komal Piyush Somani	1
									Pooja Prakashchandra Somani	1
									ESDS Employee Benefit Trust	182,094
									South Asia Growth Fund II, L.P.	1,583,506
									South Asia Growth Fund II Holdings, LLC	726,668
									GEF ESDS Partners, LLC	579,753
									South Asia EBT Trust (acting through its trustee, Orbis Trusteeship Services Private Limited)	4,680
May 12, 2022	Preferential allotment	1,322,500	1	220	Cash	92,894,185	92,894,185	1	**Name of allottee**	**Number of equity shares**
									InCred Wealth Private Limited (formerly known as InCred Capital Infusion Advisory Services Private Limited)	1,322,500

Date of allotment	Reason/Nature of allotment	No. of equity shares allotted	Face value (₹)	Issue price per equity share (₹)	Nature of consideration	Cumulative No. of equity shares	Cumulative paid-up Equity Share capital (₹)	Number of allottees	Details of allottees and number of equity shares allotted to the allottees	
									Name of allottee	**Number of equity shares**
October 25, 2024	Private Placement	4,634,151	1	164	Cash	97,528,336	97,528,336	75	Mukul Mahavir Agrawal	914,634
									Saranya Mukul Agrawal	25,000
									Divyanshi Mukul Agrawal	25,000
									Gaurishankar Jhalani	24,390
									Akriti Agarwal	24,390
									Parag Chandulal Mehta	24,390
									Prateek Jain	18,293
									Gaurav Jain	6,098
									Ace Investments	12,195
									Vijay Khetan	12,195
									Susham Jayant Sirsat	12,195
									Bhavin Haresh Thakkar	6,098
									Sambhaw Kumar Jain	3,049
									Ajay Jayram Prabhudesai	3,659
									Hemant Jashwantrai Desai	3,659
									Sandeep Ajmera	2,439
									Deepak Agrawal	2,439
									Chaitali K Shah	1,829
									Capri Global Holdings Pvt. Ltd	243,902
									Ravikiran Jayantilal Surana	6,098
									Dhara Ramesh Gandhi	6,098
									Ashish Kacholia	374,634

Date of allotment	Reason/Nature of allotment	No. of equity shares allotted	Face value (₹)	Issue price per equity share (₹)	Nature of consideration	Cumulative No. of equity shares	Cumulative paid-up Equity Share capital (₹)	Number of allottees	Details of allottees and number of equity shares allotted to the allottees	
									RBA Finance & Investment Co.	374,634
									Ashish Rathi	24,390
									Mitul Prafulbhai Mehta	24,390
									Abhijit Nripen Kumar Mukerjee	4,390
									Anupam Agarwal	3,049
									Pritesh Talakshi Chheda	3,659
									Samedh Trinity Partners	3,659
									Mayvenn Partners	1,829
									Manish Omprakash Kukreja	6,098
									Sunil Satyanarayan Dayma	6,098
									Kopal Tak	6,098
									Amar Amarbahadur Maurya	8,537
									Anchorage Capital Scheme I	243,902
									Vanaja Sunder Iyer	414,634
									Columbus Fin Vest Private Ltd	243,902
									JVS Holdings LLP	134,146
									AART Corporate Advisors Private Limited	182,927
									Ajay Thakurdas Jaisinghani	60,976
									Reina Ramesh	79,268

Date of allotment	Reason/Nature of allotment	No. of equity shares allotted	Face value (₹)	Issue price per equity share (₹)	Nature of consideration	Cumulative No. of equity shares	Cumulative paid-up Equity Share capital (₹)	Number of allottees	Details of allottees and number of equity shares allotted to the allottees	
									Jaisingahni	
									Nikhil Ramesh Jaisinghani	24,390
									Shweta Agrawal	6,098
									Reshma Manish Kukreja	6,098
									Karan Umesh Dharnidharka	12,195
									Rakesh Brijmohan Agrawal	12,195
									One-Up Financial Consultants Pvt Ltd	171,951
									Shivan Consultants LLP	2,439
									Investment Advisors LLP	2,439
									Shrey Loonker	6,098
									Tattvam AIF Trust- Cat III AIF	30,488
									Pitam Goel	30,488
									Tanay Gupta	24,390
									Nikki Dipang Kamdar	9,146
									Atul Khandelwal	9,146
									Paran Khandelwal	9,146
									Sureshchandra Khandelwal	3,659
									Prem Kumar Bajaj	6,098
									Pooja Gupta	610
									Madhulata Khandelwal	3,049
									Yechuri Koteswara Rao	3,049

Date of allotment	Reason/Nature of allotment	No. of equity shares allotted	Face value (₹)	Issue price per equity share (₹)	Nature of consideration	Cumulative No. of equity shares	Cumulative paid-up Equity Share capital (₹)	Number of allottees	Details of allottees and number of equity shares allotted to the allottees	
									Amrut Bharat Opportunities Fund – Series I	12,195
									Sonam Hemraj Udasi	3,049
									Deepa Jain	12,195
									Saumik Ketankumar Doshi	60,976
									Jitendra Sanghavi	73,171
									Moheet Vinod Kumar Agrawal	60,976
									Nexta Enterprises LLP	60,976
									Savitt Universal Ltd.	3,049
									Niveshaay Hedgehog LLP	170,732
									NKA Resources LLP	121,951
									Vivek Jain	73,171
									Swati Shah	4,878
									Abdul Razzaq	12,195
									Anchal Maheshwari	12,195
February 1, 2025	Private Placement	2,899,417	1	225	Cash	100,427,753	100,427,753	72	**Name of allottee**	**Number of equity shares**
									Mukul Mahavir Agrawal	2,222,222
									Saranya Mukul Agrawal	4,174
									Divyanshi Mukul Agrawal	4,174
									Gaurishankar Jhalani	4,072
									Akriti Agarwal	4,072
									Parag Chandulal Mehta	4,072

Date of allotment	Reason/Nature of allotment	No. of equity shares allotted	Face value (₹)	Issue price per equity share (₹)	Nature of consideration	Cumulative No. of equity shares	Cumulative paid-up Equity Share capital (₹)	Number of allottees	Details of allottees and number of equity shares allotted to the allottees	
									Prateek Jain	3,054
									Gaurav Jain	1,018
									Ace Investments	2,036
									Vijay Khetan	2,036
									Susham Jayant Sirsat	2,036
									Bhavin Haresh Thakkar	1,018
									Sambhaw Kumar Jain	509
									Ajay Jayram Prabhudesai	610
									Hemant Jashwantrai Desai	610
									Sandeep Ajmera	407
									Deepak Agrawal	407
									Chaitali K Shah	305
									Capri Global Holdings Pvt. Ltd	40,728
									Ravikiran Jayantilal Surana	1,018
									Dhara Ramesh Gandhi	1,018
									Ashish Kacholia	76,670
									RBA Finance & Investment Co.	76,670
									Ashish Rathi	5,483
									Mitul Prafulbhai Mehta	4,496
									Abhijit Nripen Kumar Mukerjee	733
									Anupam Agarwal	509
									Pritesh Talakshi Chheda	610
									Samedh Trinity	610

Date of allotment	Reason/Nature of allotment	No. of equity shares allotted	Face value (₹)	Issue price per equity share (₹)	Nature of consideration	Cumulative No. of equity shares	Cumulative paid-up Equity Share capital (₹)	Number of allottees	Details of allottees and number of equity shares allotted to the allottees	
									Partners	
									Mayvenn Partners	305
									Manish Omprakash Kukreja	1,018
									Sunil Satyanarayan Dayma	1,723
									Kopal Tak	1,018
									Amar Amarbahadur Maurya	2,004
									Anchorage Capital Scheme I	40,728
									Vanaja Sunder Iyer	86,877
									JVS Holdings LLP	22,400
									AART Corporate Advisors Private Limited	30,546
									Ajay Thakurdas Jaisinghani	10,182
									Reina Ramesh Jaisinghani	13,236
									Nikhil Ramesh Jaisinghani	4,072
									Shweta Agrawal	1,018
									Reshma Manish Kukreja	1,018
									Karan Umesh Dharnidharka	2,036
									Rakesh Brijmohan Agrawal	2,036
									One-Up Financial	28,713

Date of allotment	Reason/Nature of allotment	No. of equity shares allotted	Face value (₹)	Issue price per equity share (₹)	Nature of consideration	Cumulative No. of equity shares	Cumulative paid-up Equity Share capital (₹)	Number of allottees	Details of allottees and number of equity shares allotted to the allottees	
									Consultants Pvt Ltd.	
									Grace Investment Advisors LLP	407
									Shrey Loonker	1,018
									Tattvam AIF Trust-Cat III AIF	5,091
									Pitam Goel	11,440
									Tanay Gupta	4,072
									Nikki Dipang Kamdar	1,527
									Atul Khandelwal	1,527
									Paran Khandelwal	1,527
									Sureshchandra Khandelwal	610
									Prem Kumar Baja	1,018
									Pooja Gupta	101
									Madhulata Khandelwal	509
									Yechuri Koteswara Rao	509
									Amrut Bharat Opportunities Fund – Series I	4,858
									Sonam Hemraj Udasi	509
									Deepa Jain	2,036
									Saumik Ketankumar Doshi	10,182
									Jitendra Sanghavi	12,218
									Moheet Vinod Kumar Agrawal	10,182
									Nexta	10,182

Date of allotment	Reason/Nature of allotment	No. of equity shares allotted	Face value (₹)	Issue price per equity share (₹)	Nature of consideration	Cumulative No. of equity shares	Cumulative paid-up Equity Share capital (₹)	Number of allottees	Details of allottees and number of equity shares allotted to the allottees	
									Enterprises LLP	
									Niveshaay Hedgehog LLP	32,843
									NKA Resources LLP	55,640
									Vivek Jain	12,218
									Swati Shah	814
									Abdul Razzaq Shaikh	2,036
									Anchal Maheshwari	2,036

^ The date of subscription to the MoA is August 8, 2005. Our Company obtained the certificate of incorporation from the RoC on August 18, 2005. The allotment of equity shares pursuant to the initial subscription was taken on record by our Board on August 18, 2005.

**Consideration for such allotments of Equity Shares was paid at the time of allotment of the relevant Preference Shares or CCDs, as the case may be.*

[#]Represents the price at which the Preference Shares or CCDs were converted into equity shares of our Company. Such price has been computed based on the consideration paid by the allottees at the time of allotment of the relevant Preference Shares or CCDs.

(b) ***Preference Share capital***

As on the date of this Draft Red Herring Prospectus, our Company has no outstanding preference shares.

2. Except as detailed below, our Company has not issued any Equity Shares through bonus issue or for consideration other than cash:

<table>
<tr><th rowspan="2">Date of allotment</th><th rowspan="2">Reason/Nature of allotment</th><th rowspan="2">No. of equity shares allotted</th><th rowspan="2">Face value (₹)</th><th rowspan="2">Issue price per equity share (₹)</th><th rowspan="2">Benefits accrued to our Company</th><th rowspan="2">Nature of consideration</th><th colspan="2">Details of allottees and number of equity shares allotted to the allottees</th></tr>
<tr></tr>
<tr><td rowspan="3">September 7, 2012</td><td rowspan="3">Bonus issue in the ratio of 247 equity shares of ₹ 10 each for every one equity share of ₹10 each held by the shareholders in our Company</td><td rowspan="3">4,940,000</td><td rowspan="3">10</td><td rowspan="3">NA</td><td rowspan="3">NA</td><td rowspan="3">NA</td><td>Name of allottee</td><td>Number of equity shares</td></tr>
<tr><td>Piyush Prakashchandra Somani</td><td>2,470,000</td></tr>
<tr><td>Sarla Prakashchandra Somani</td><td>2,470,000</td></tr>
</table>

3. Our Company has not issued any equity shares or preference shares out of its revaluation reserves at any time since incorporation.

4. Our Company has not issued or allotted any equity shares pursuant to any schemes of arrangement approved under Sections 391-394 of the Companies Act, 1956 or Sections 230-234 of the Companies Act, 2013.

5. Our Company shall ensure that transactions in the Equity Shares (i) by our Promoters and the Promoter Group between the date of filing of this Draft Red Herring Prospectus and the date of closure of the Issue and (ii) pursuant to the Pre-IPO Placement (in part or entirety, if undertaken), shall be intimated to the Stock Exchanges within 24 hours of such transaction.

6. Except for the private placement of 4,634,151 Equity Shares of face value of ₹ 1 each on October 25, 2024, and private placement of 2,899,417 Equity Shares of face value of ₹ 1 each on February 1, 2025, as disclosed under "- *Notes to Capital Structure – 1. Share Capital History of our Company – (a) Equity Share Capital*" on page 97, our Company has not issued any equity shares in the preceding one year at a price that may be lower than the Issue Price.

7. ***Shareholding Pattern of our Company***

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

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of partly paid-up Equity Shares held (V)	Number of shares underlying depository receipts (VI)	Total number of Equity Shares held (VII) =(IV)+(V) + (VI)	Shareholding as a % of total number of Equity Shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of voting rights held in each class of securities (IX)				Number of Equity Shares underlying outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B+ C)			Number (a)	As a % of total shares held (b)	Number (a)	As a % of total shares held (b)	
								Class eg: Equity Shares	Class eg: Others	Total								
(A)	Promoter & Promoter Group	6	46,260,541	-	-	46,260,541	46.06	46,260,541	-	46,260,541	46.06	-	46.06	-	-	-	-	46,260,541
(B)	Public	1,143	51,930,978	-	-	51,930,978	51.71	51,930,978	-	51,930,978	51.71	-	51.71	-	-	27,272	0.03	51,930,978
(C)	Non-Promoter Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	1	2,236,234	-	-	2,236,234	2.23	2,236,234	-	2,236,234	2.23	-	2.23	-	-	-	-	2,236,234
	Total	**1,150**	**100,427,753**	**-**	**-**	**100,427,753**	**100.00**	**100,427,753**	**-**	**100,427,753**	**100.00**	**-**	**100.00**	**-**	**-**	**27,272**	**0.03**	**100,427,753**

Note: Based on the beneficiary position statement dated March 28, 2025. Certain Equity Shares are under joint holding and the number of shareholders is calculated based on the number of folios as reflected in the beneficiary position statement.

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

(a) As on the date of the filing of this Draft Red Herring Prospectus (based on the beneficiary position statement dated March 28, 2025), our Company has 1,150 Shareholders.

(b) Set forth below is a list of Shareholders holding 1% or more of the paid-up Equity Share capital of our Company, on a fully diluted basis, and other large Shareholders such that the shareholding aggregating to at least 80% of our paid-up Equity Share capital, as on the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares of ₹ 1 each	Percentage of the pre-Issue Equity Share capital on a fully diluted basis (%)
1.	Piyush Prakashchandra Somani	24,648,670	24.54
2.	P.O. Somani Family Trust^	11,233,739	11.19
3.	Komal Piyush Somani	10,174,322	10.13
4.	Mukul Mahavir Agrawal	7,032,960	7.00
5.	Vanaja Sundar Iyer	2,823,301	2.81
6.	Seema Dilip Vora	2,666,667	2.66
7.	Suresh Kumar Agarwal	2,491,592	2.48
8.	Ashish Kacholia	2,464,320	2.45
9.	ESDS Employee Benefit Trust	2,236,234	2.23
10.	NKA Resources LLP	1,808,182	1.80
11.	Anchorage Capital Fund -Anchorage Capital Scheme I	1,323,591	1.32
12.	Capri Global Holdings Private Limited	1,323,591	1.32
13.	Columbus Fin Vest Private Limited	1,268,863	1.26
14.	Ketan V Thakkar-Prop	1,200,000	1.19
15.	Emerge Capital Opportunities Scheme	1,111,111	1.11
16.	Niveshaay Hedgehogs LLP	1,067,328	1.06
17.	Aart Corporate Advisors Private Limited	992,694	0.99
18.	One Up Financial Consultants Private Limited	933,132	0.93
19.	Caprize Global LLP	930,232	0.93
20.	Dipika Mangesh Chauhan	756,858	0.75
21.	JVS Holdings LLP	727,975	0.72
22.	Niveshaay Hedgehogs Fund	666,667	0.66
23.	Madan Lal Balad	666,667	0.66
	Total	**80,548,696**	**80.21**

Note: Based on the beneficiary position statement dated March 28, 2025.
^ The Equity Shares are held by Komal Piyush Somani, in the capacity of the Trustee

(c) Set forth below is a list of Shareholders holding 1% or more of the paid-up Equity Share capital of our Company, on a fully diluted basis, and other large Shareholders such that the shareholding aggregating to at least 80% of our paid-up Equity Share capital, as of 10 days prior to the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares of ₹ 1 each	Percentage of the pre-Issue Equity Share capital on a fully diluted basis (%)
1.	Piyush Prakashchandra Somani	24,648,670	24.54
2.	P.O. Somani Family Trust^	11,233,739	11.19
3.	Komal Piyush Somani	10,174,322	10.13
4.	Mukul Mahavir Agrawal	7,032,960	7.00
5.	Vanaja Sundar Iyer	2,823,301	2.81
6.	Seema Dilip Vora	2,666,667	2.66
7.	Suresh Kumar Agarwal	2,491,592	2.48
8.	Ashish Kacholiya	2,464,320	2.45
9.	ESDS Employee Benefit Trust	2,236,234	2.23
10.	NKA Resources LLP	1,808,182	1.80
11.	Capri Global Holdings Private Limited	1,323,591	1.32
12.	Anchorage Capital Fund - Anchorage Capital Scheme I	1,323,591	1.32
13.	Columbus Fin Vest Private Limited	1,268,863	1.26
14.	Ketan V Thakkar-Prop	1,200,000	1.19

Sr. No.	Name of the Shareholder	No. of Equity Shares of ₹ 1 each	Percentage of the pre-Issue Equity Share capital on a fully diluted basis (%)
15.	Emerge Capital Opportunities Scheme	1,111,111	1.11
16.	Niveshaay Hedgehogs LLP	1,067,328	1.06
17.	Aart Corporate Advisors Private Limited	992,694	0.99
18.	One Up Financial Consultants Private Limited	933,132	0.93
19.	Caprize Global LLP	930,232	0.93
20.	Dipika Mangesh Chauhan	793,650	0.79
21.	JVS Holdings LLP	727,975	0.72
22.	Niveshaay Hedgehogs Fund	666,667	0.66
23.	Mukesh Madanlal Jain	666,667	0.66
	Total	**80,585,488**	**80.24**

Note: Based on the beneficiary position statement dated March 21, 2025.
^ The Equity Shares are held by Komal Piyush Somani, in the capacity of the Trustee

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

Sr. No.	Name of the Shareholder	No. of Equity Shares of ₹ 1 each	Percentage of the Equity Share capital on a fully diluted basis (%)
1.	Piyush Prakashchandra Somani	26,852,696	28.91
2.	P.O. Somani Family Trust^	22,467,478	24.19
3.	South Asia Growth Fund II, L.P.	20,714,896	22.30
4.	South Asia Growth Fund II Holdings, LLC	9,506,036	10.23
5.	GEF ESDS Partners, LLC	7,584,133	8.16
6.	ESDS Employee Benefit Trust	2,382,094	2.26
7.	Sarla Prakashchandra Somani	1,874,910	2.02
	Total	**91,382,243**	**98.37**

Note: Based on the beneficiary position statement dated March 30, 2024.
^ The Equity Shares are held by Komal Piyush Somani, in the capacity of the Trustee

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

Sr. No.	Name of the Shareholder	No. of Equity Shares of ₹ 1 each	Percentage of the Equity Share capital on a fully diluted basis (%)
1.	Piyush Prakashchandra Somani	26,852,696	28.91
2.	P.O. Somani Family Trust^	22,467,478	24.19
3.	South Asia Growth Fund II, L.P.	20,714,896	22.30
4.	South Asia Growth Fund II Holdings, LLC	9,506,036	10.23
5.	GEF ESDS Partners, LLC	7,584,133	8.16
6.	ESDS Employee Benefit Trust	2,382,094	2.56
7.	Sarla Prakashchandra Somani	1,874,910	2.02
	Total	**91,382,243**	**98.37**

Note: Based on the beneficiary position statement dated March 31, 2023.
^ The Equity Shares are held by Komal Piyush Somani, in the capacity of the Trustee

9. Except for allotment of Equity Shares pursuant to the Issue or any options which may be granted or exercised pursuant to the ESOP 2024, our Company presently does not intend or propose and is not under negotiations or considerations to alter its capital structure for a period of six months from the Bid/Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Specified Securities (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares), whether on a preferential basis, or by way of issue of bonus shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise.

10. Except for the employee stock options that may be allotted or granted pursuant to the ESOP 2021 and ESOP 2024, there are no outstanding warrants, options or convertible securities or rights to convert debentures, loans or other instruments or which would entitle any person any option to receive Equity Shares as on the

date of this Draft Red Herring Prospectus.

11. ***Employee stock option plans***

ESOP 2021

Our Company has formulated an employee stock option plan namely the ESDS Employees Stock Ownership Plan - 2021 ("**ESOP 2021**") pursuant to the resolutions passed by our Board on August 7, 2021, and August 26, 2021, by our Shareholders in their extra-ordinary general meetings held on August 9, 2021 and August 27, 2021. The ESOP 2021 was subsequently amended pursuant to the resolution passed by our Shareholders on January 25, 2025 upon recommendation by our Nomination and Remuneration Committee. The ESOP 2021 is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SEBI SBEBSE Regulations**"). Pursuant to the ESOP 2021, a maximum of 2,500,000 options may be granted to eligible employees (as defined under the ESOP 2021), which may result in not more than 2,500,000 Equity Shares of ₹ 1 each.

The ESOP 2021 shall be administered by the ESDS Employee Benefit Trust and shall be supervised by the Nomination and Remuneration Committee. As on the date of this Draft Red Herring Prospectus, the ESDS Employee Benefit Trust holds 2,236,234 Equity Shares of ₹ 1 each in connection with the ESOP 2021.

The objective of the ESOP 2021 is to (a) enable our Company to attract and retain talented human resources by offering them the opportunity to acquire a continuing equity interest in our Company which will reflect their efforts in building the growth and the profitability of our Company; (b) provide employees an opportunity for investment in our Company's equity in recognition of their efforts to grow and build our Company; and (c) reward our employees on the basis of certain performance criteria.

Details of grants, exercise and lapsed options (on a cumulative basis) pursuant to the ESOP 2021 as on the date of this Draft Red Herring Prospectus are as follows:

Particulars	Total
Total number of options which may be granted under the ESOP 2021 (**A**)	2,500,000
Total Options granted (**B**)	2,045,000
Options forfeited/lapsed/cancelled (**C**)	902,000
Options vested (excluding options that have been exercised) **(D)**	888,240
Unvested options in force (**E**)	108,900
Options exercised	145,860
Money realized by exercise of options by the ESDS Employee Benefit Trust* (in ₹)	9,480,900
Total Equity Shares of ₹ 1 each transferred by the ESDS Employee Benefit Trust pursuant to exercise of options	145,860
Total number of options in force (**F=D+E**)	997,140
Total Equity Shares of ₹ 1 each to be transferred by the ESDS Employee Benefit Trust pursuant to exercise of options in force (vested options and unvested options) *	997,140
Remaining pool of options (**H=A-B+C**)	1,357,000

**ESOP 2021 is implemented through the trust route i.e., through the ESDS Employee Benefit Trust. Accordingly, upon valid exercise of options held by the option grantees, Equity Shares will be transferred by the ESDS Employee Benefit Trust to the relevant option grantee and no fresh Equity Shares shall be issued by our Company.*

The following table sets forth the particulars of ESOP 2021, including options granted during the last three Fiscals and as on the date of this Draft Red Herring Prospectus. The details of the ESOP 2021 given below, have been certified by our Statutory Auditors, M/s Shah Khandelwal Jain & Associates, Chartered Accountants, by way of their certificate dated March 30, 2025:

Particulars	For the period from October 1, 2024 till the date of this Draft Red Herring Prospectus	For the six months period ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total options outstanding (including vested and unvested	1,247,000	1,277,000	1,375,000	1,763,000	Nil

Particulars	For the period from October 1, 2024 till the date of this Draft Red Herring Prospectus	For the six months period ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
options) as at the beginning of the period					
Options granted	Nil	Nil	Nil	Nil	2,045,000
Options vested (excluding options that have been exercised)	888,240	1,122,300	893,900	687,500	0
Options exercised	145,860	Nil	Nil	Nil	Nil
Options forfeited/ lapsed/ cancelled	104,000	30,000	98,000	388,000	282,000
Options outstanding (total of vested and unvested options)	997,140	1,247,000	1,277,000	1,375,000	1,763,000
Exercise price of options	65	65	65	65	65
Total no. of Equity Shares of ₹ 1 each that would arise as a result of full exercise of options granted (net of forfeited/ lapsed/ cancelled options)*	Nil	Nil	Nil	Nil	Nil
Variation in terms of options	Nil	Nil	Nil	Nil	Nil
Money realised by exercise of options by the ESDS Employee Benefit Trust (in ₹)	9,480,900	Nil	Nil	Nil	Nil
Employee wise details of options granted to:					
Key management personnel and senior management					
Rushikesh Jadhav	Nil	Nil	Nil	Nil	100,000
Sameer Redij	Nil	Nil	Nil	Nil	50,000
Kishore Shah#	Nil	Nil	Nil	Nil	17,000
Aniket Khandelwal	Nil	Nil	Nil	Nil	30,000**
Ashok Pomnar	Nil	Nil	Nil	Nil	50,000
Rajeev Papneja	Nil	Nil	Nil	Nil	150,000**
Sandeep Mehta	Nil	Nil	Nil	Nil	150,000**
Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	NA	NA	NA	NA	NA
Identified employees who are granted options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant	Nil	Nil	Nil	Nil	Nil

<table>
<tr><th>Particulars</th><th>For the period from October 1, 2024 till the date of this Draft Red Herring Prospectus</th><th>For the six months period ended September 30, 2024</th><th>Fiscal 2024</th><th>Fiscal 2023</th><th>Fiscal 2022</th></tr>
<tr><td>Fully diluted EPS on a pre-Issue basis pursuant to the issue of equity shares on exercise of options* calculated in accordance with the applicable accounting standard on ‘Earnings Per Share’</td><td>Not available</td><td>2.58</td><td>1.35</td><td>(2.42)</td><td>(0.30)</td></tr>
<tr><td>Difference between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that shall have been recognised if the Company had used fair value of options and impact of this difference on profits and EPS of the Company</td><td>Nil</td><td>Nil</td><td>Nil</td><td>Nil</td><td>Nil</td></tr>
<tr><td>Description of the pricing formula and the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option</td><td colspan="5">
<table>
<tr><th>Fiscals</th><th>Exercise price</th><th>Expected volatility</th><th>Risk free rate</th><th>Expected life</th><th>Weighted average fair value as on grant date</th><th>Method of valuation</th></tr>
<tr><td>From October 1, 2024 till the date of this DRHP</td><td>65</td><td>20.33%</td><td>3 to 6 years</td><td>5.65%</td><td>18.35</td><td rowspan="4">Black Scholes Model</td></tr>
<tr><td>Six months period ended September 30, 2024</td><td>65</td><td>20.33%</td><td>3 to 6 years</td><td>5.65%</td><td>15.96</td></tr>
<tr><td>Fiscal 2024</td><td>65</td><td>20.33%</td><td>3 to 6 years</td><td>5.65%</td><td>13.38</td></tr>
<tr><td>Fiscal 2023</td><td>65</td><td>20.33%</td><td>3 to 6 years</td><td>5.65%</td><td>10.60</td></tr>
</table>
</td></tr>
<tr><td>Impact on profits and EPS of the last three years if the Company had followed the accounting policies specified in the SEBI SBEBSE Regulations in respect of options granted in the last three years</td><td>Nil</td><td>Nil</td><td>Nil</td><td>Nil</td><td>Nil</td></tr>
<tr><td>Intention of the key managerial personnel, senior</td><td>Nil</td><td>Nil</td><td>Nil</td><td>Nil</td><td>Nil</td></tr>
</table>

Particulars	For the period from October 1, 2024 till the date of this Draft Red Herring Prospectus	For the six months period ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
management and whole-time directors who are holders of Equity Shares allotted/ transferred on exercise of options granted under ESOP 2021, to sell their Equity Shares within three months after the date of listing of the Equity Shares in the initial public offer, if any					
Intention to sell Equity Shares arising out of ESOP 2021 within three months after the date of listing, by directors, key managerial personnel, senior management and employees having Equity Shares issued/transferred under ESOP 2021 amounting to more than one per cent. of the issued capital (excluding outstanding warrants and conversions)	Nil	Nil	Nil	Nil	Nil

Note: As certified by our Statutory Auditors, M/s Shah Khandelwal Jain & Associates, Chartered Accountants, pursuant to their certificate dated March 30, 2025.

[*]ESOP 2021 is implemented through the trust route i.e., through the ESDS Employee Benefit Trust. Accordingly, upon valid exercise of options held by the option grantees, Equity Shares will be transferred by the ESDS Employee Benefit Trust to the relevant option grantee and no fresh Equity Shares shall be issued by our Company.

***Aniket Khandelwal, Rajeev Papneja and Sandeep Mehta who were KMP/ in the Senior Management of our Company, were granted 30,000, 150,000 and 150,000 options respectively. These options were lapsed due to resignation of them from the Company.*

[#] Kishore Shah was identified as member of Senior Management of our Company as the time of grant of the options, however, as on date he is not a member of Senior Management of our Company

ESOP 2024

Our Company has formulated an employee stock option scheme namely the ESDS Employee Stock Option Plan 2024 ("**ESOP 2024**") pursuant to the resolutions passed by our Board on December 6, 2024, and by our Shareholders in their extra-ordinary general meeting held on January 25, 2025. The ESOP 2024 is in compliance with the SEBI SBEBSE Regulations. Pursuant to the ESOP 2024, a maximum of 3,000,000 options may be granted to eligible employees (as defined under the ESOP 2024), which may result in not more than 3,000,000 Equity Shares of ₹ 1 each.

The ESOP 2024 shall be administered by the Nomination and Remuneration Committee.

The objective of the ESOP 2024 is (i) to enable the employees of our Company and our Subsidiaries and Associates, to get a share in the value that they help to create for our Company over a period of time; (ii) To attract and retain talented people, who add to the strength of our Company; and (iii) to reward employees for good performance in the past and to motivate similar performance in the future.

Details of grants, exercise and lapsed options (on a cumulative basis) pursuant to the ESOP 2024 as on the date of this Draft Red Herring Prospectus are as follows:

Particulars	ESOP 2024
Total number of options which may be granted under the ESOP 2024 (**A**)	3,000,000
Total Options granted (**B**)	2,060,000
Options forfeited/ lapsed/ cancelled (**C**)	10,000
Vested options in force (**D**)	Nil
Unvested options in force (**E**)	2,050,000
Options exercised	Nil
Money realized by exercise of options	Nil
Number of Equity Shares of ₹ 1 each issued pursuant to exercise of options	Nil
Total number of options in force (**F**=**D**+**E**)	2,050,000
Number of Equity Shares of ₹ 1 each to be issued pursuant to exercise of options in force (vested options and unvested options)	2,050,000
Remaining pool of options (**H**=**A**-**B**+**C**)	950,000

The following table sets forth the particulars of ESOP 2024, including options granted during the last three Fiscals and as on the date of this Draft Red Herring Prospectus. The details of the ESOP 2024 given below, have been certified by our Statutory Auditors, M/s Shah Khandelwal Jain & Associates, Chartered Accountants, by way of their certificate dated March 30, 2025:

Particulars	For the period from October 1, 2024 till the date of this Draft Red Herring Prospectus	For the six months period ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total options outstanding (including vested and unvested options) as at the beginning of the period	Nil	NA	NA	NA	NA
Options granted	2,060,000	NA	NA	NA	NA
Options vested (excluding options that have been exercised)	Nil	NA	NA	NA	NA
Options exercised (including options pending for allotment)	Nil	NA	NA	NA	NA
Options forfeited/ lapsed/ cancelled	10,000	NA	NA	NA	NA
Options outstanding (total of vested and unvested options)	2,050,000	NA	NA	NA	NA
Exercise price of options (₹)	225	NA	NA	NA	NA
Total no. of Equity Shares of ₹ 1 each that would arise as a result of full exercise of options granted (net of forfeited/ lapsed/ cancelled options)	2,050,000	NA	NA	NA	NA
Variation in terms of options	Nil	NA	NA	NA	NA
Money realised by exercise of options (in ₹)	Nil	NA	NA	NA	NA
Total no. of options in force (vested and unvested options)	2,050,000	NA	NA	NA	NA
Employee wise details of options granted to:					
Key management personnel and senior management					
Jitendra Pathak	50,000	NA	NA	NA	NA
Ashok Pomnar	50,000	NA	NA	NA	NA
Rajeev Barnwal	50,000	NA	NA	NA	NA
Sameer Redij	25,000	NA	NA	NA	NA
Prasad Deochand Deokar	30,000	NA	NA	NA	NA
Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year					
Amit Sisodiya	133,000	NA	NA	NA	NA
Identified employees who are	Nil	NA	NA	NA	NA

<table>
<tr><th>Particulars</th><th>For the period from October 1, 2024 till the date of this Draft Red Herring Prospectus</th><th>For the six months period ended September 30, 2024</th><th>Fiscal 2024</th><th>Fiscal 2023</th><th>Fiscal 2022</th></tr>
<tr><td>granted options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Fully diluted EPS on a pre-Issue basis pursuant to the issue of equity shares on exercise of options calculated in accordance with the applicable accounting standard on ‘Earnings Per Share’</td><td>Not available</td><td>NA</td><td>NA</td><td>NA</td><td>NA</td></tr>
<tr><td>Difference between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that shall have been recognised if the Company had used fair value of options and impact of this difference on profits and EPS of the Company</td><td>Nil</td><td>NA</td><td>NA</td><td>NA</td><td>NA</td></tr>
<tr><td>Description of the pricing formula and the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option</td><td colspan="5">
<table>
<tr><th>Time period of option vesting from the grant date</th><th>Exercise Price</th><th>Expected Volatility</th><th>Expected Life</th><th>Risk Free Rate</th><th>Fair value of the options as on grant date</th><th>Method of valuation</th></tr>
<tr><td>12 months</td><td>225</td><td>18.45%</td><td>2.50 years</td><td>6.56%</td><td>225</td><td rowspan="4">Black Scholes Model</td></tr>
<tr><td>24 months</td><td>225</td><td>20.03%</td><td>3.50 years</td><td>6.59%</td><td>225</td></tr>
<tr><td>36 months</td><td>225</td><td>20.09%</td><td>4.50 years</td><td>6.64%</td><td>225</td></tr>
<tr><td>48 months</td><td>225</td><td>22.93%</td><td>5.50 years</td><td>6.69%</td><td>225</td></tr>
</table>
</td></tr>
<tr><td>Impact on profits and EPS of the last three years if the Company had followed the accounting policies specified in the SEBI SBEBSE Regulations in respect of options granted in the last three years</td><td>NA</td><td>NA</td><td>NA</td><td>NA</td><td>NA</td></tr>
<tr><td>Intention of the key managerial personnel, senior management and whole-time directors who are holders of Equity Shares allotted on exercise of options granted under ESOP 2024, to sell their Equity Shares within three months after the date of listing of the Equity Shares in the initial public offer, if any</td><td>NA</td><td>NA</td><td>NA</td><td>NA</td><td>NA</td></tr>
<tr><td>Intention to sell Equity Shares arising out of ESOP 2024 within three months after the date of</td><td>NA</td><td>NA</td><td>NA</td><td>NA</td><td>NA</td></tr>
</table>

Particulars	For the period from October 1, 2024 till the date of this Draft Red Herring Prospectus	For the six months period ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
listing, by directors, key managerial personnel, senior management and employees having Equity Shares issued under ESOP 2024 amounting to more than one per cent. of the issued capital (excluding outstanding warrants and conversions)					

Note: As certified by our Statutory Auditors, M/s Shah Khandelwal Jain & Associates, Chartered Accountants, pursuant to their certificate dated March 30, 2025.

The ESOP 2021 and the ESOP 2024 are in compliance with the SEBI SBEBSE Regulations, which has been certified by Milind Gujar & Associates, Practicing Company Secretary, by way of their certificate dated March 30, 2025. Further, the options granted under the ESOP 2021 and ESOP 2024 are in compliance with the Companies Act, 2013 and the options under the ESOP have been granted to eligible employees only as defined under the SEBI SBEBSE Regulations and the Companies Act, 2013.

Details of shareholding of our Promoters and members of the Promoter Group in our Company

- As on the date of this Draft Red Herring Prospectus, our Promoters hold 46,056,731 Equity Shares of face value of ₹ 1 each and members of Promoter Group (other than our Promoters) hold 203,810 Equity Shares of face value of ₹ 1 each, equivalent to 45.86% and 0.20% of the pre-Issue issued, subscribed and paid-up Equity Share capital of our Company, respectively, on a fully diluted basis, as set forth in the table below.

S. No.	Name of the Shareholder	Pre-Issue Equity Share capital		Post-Issue Equity Share capital*	
		No. of Equity Shares of face value of ₹ 1 each	% of total Shareholding on a fully diluted basis	No. of Equity Shares of face value of ₹ 1 each	% of total Shareholding on a fully diluted basis
Promoters					
1.	Piyush Prakashchandra Somani	24,648,670	24.54	[●]	[●]
2.	Komal Piyush Somani	10,174,322	10.13	[●]	[●]
3.	P.O. Somani Family Trust^	11,233,739	11.19	[●]	[●]
Sub-total (A)		**46,056,731**	**45.86**	[●]	[●]
Promoter Group (other than Promoters)					
1.	Sarla Prakashchandra Somani	3,788	Negligible	[●]	[●]
2.	Pooja Prakashchandra Somani	100,011	0.10	[●]	[●]
3.	Prajakta Rushikesh Jadhav	100,011	0.10	[●]	[●]
Sub-total (B)		**203,810**	**0.20**	[●]	[●]
Total (A+B)		**46,260,541**	**46.06**	[●]	[●]

** Subject to finalisation of Basis of Allotment*
^ The Equity Shares are held by Komal Piyush Somani, in the capacity of the Trustee

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

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

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

Nature of transaction	Date of allotment/ Transfer / Transmission	No. of equity shares	Face value per equity share (₹)	Issue price/ Transfer price per equity share (₹)	Percentage of the pre-Issue capital (%)*	Percentage of the post-Issue capital (%)
Piyush Prakashchandra Somani						
Subscription to the Memorandum of Association	August 18, 2005^	5,000	10	10	0.05	[●]
Further issue	March 31, 2010	5,000	10	10	0.05	[●]
Bonus issue	September 7, 2012	2,470,000	10	-	24.59	[●]
Pursuant to a resolution of our Shareholders passed in the extraordinary general meeting held on July 26, 2021, each fully paid up equity share of our Company of face value ₹10 was sub-divided into 10 Equity Shares of ₹ 1 each. Accordingly, the number of Equity Shares held by Piyush Prakashchandra Somani was sub-divided from 2,480,000 equity shares of ₹10 each to 24,800,000 Equity Shares of ₹1 each.						
Rights issue	December 12, 2021	2,052,696	1	1	2.04	[●]
Transfer to Real & Sons	October 7, 2024	(232,558)	1	215.00	(0.23)	[●]
Transfer to Pitam Goel	October 17, 2024	(100,000)	1	215.00	(0.10)	[●]
Transfer to Swati Goel	October 17, 2024	(100,000)	1	215.00	(0.10)	[●]
Transfer to Anapagamini	October 17, 2024	(558,200)	1	215.00	(0.56)	[●]
Transfer to Caprize Global LLP	October 17, 2024	(930,232)	1	215.00	(0.93)	[●]
Transfer to KJMC Financial Services Limited	October 17, 2024	(69,600)	1	215.00	(0.07)	[●]
Transfer to KJMC Corporate Advisors (India) Limited	October 17, 2024	(23,200)	1	215.00	(0.02)	[●]
Gift to Sarla Prakashchandra Somani	October 21, 2024	(90,236)	1	Nil[$]	(0.09)	[●]
Gift to Komal Piyush Somani	October 23, 2024	(100,000)	1	Nil[$]	(0.10)	[●]
Total		**24,648,670**			**24.54**	[●]
Komal Piyush Somani						
Transfer from Sarla Prakashchandra Somani	June 1, 2021	1	10	10	Negligible	[●]
Pursuant to a resolution of our Shareholders passed in the extraordinary general meeting held on July 26, 2021, each fully paid up equity share of our Company of face value ₹10 was sub-divided into 10 Equity Shares of ₹ 1 each. Accordingly, the number of Equity Shares held by Komal Piyush Somani was sub-divided from 1 equity share of ₹10 each to 10 Equity Shares of ₹1 each.						
Rights Issue	December 12, 2021	1	1	1	Negligible	[●]
Gift from Piyush Prakashchandra Somani	October 23, 2024	100,000	1	Nil[$]	0.10	[●]
Transfer to Tushar Aggarwal	December 5, 2024	(100,000)	1	215.00	(0.10)	[●]
Partial distribution of the trust properties of the P.O. Somani Family Trust	February 6, 2025	11,033,739	1	Nil	10.99	[●]
Transfer to Dipika Mangesh Chauhan	February 28, 2025	(571,428)	1	225.00	(0.57)	[●]
Transfer to Bigcapita Securities Private Limited	March 6, 2025	(288,000)	1	225.00	(0.29)	[●]
Total		**10,174,322**			**10.13**	**[●]**
P.O. Somani Family Trust						
Gift from Sarla Prakashchandra Somani	August 30, 2021	20,750,000	1	Nil[$]	20.66	[●]
Rights Issue	December 12, 2021	1,717,478	1	1	1.71	[●]

Nature of transaction	Date of allotment/ Transfer / Transmission	No. of equity shares	Face value per equity share (₹)	Issue price/ Transfer price per equity share (₹)	Percentage of the pre-Issue capital (%)*	Percentage of the post-Issue capital (%)
Partial distribution of the trust properties of the P.O. Somani Family Trust in favour of its beneficiaries in the below manner: (a) Komal Piyush Somani: 11,033,739 Equity Shares of face value of ₹ 1 each (b) Prajakta Jadhav: 100,000 Equity Shares of face value of ₹ 1 each (c) Pooja Somani: 100,000 Equity Shares of face value of ₹ 1 each	February 6, 2025	(11,233,739)	1	Nil	(11.19)	[●]
Total		**11,233,739**			**11.19**	**[●]**

^ The date of subscription to the MoA is August 8, 2005. Our Company obtained the certificate of incorporation from the RoC on August 18, 2005. The allotment of equity shares pursuant to the initial subscription was taken on record by our Board on August 18, 2005.
** As adjusted for the sub-division of the face value of the equity shares of our Company from ₹10 each to ₹1 each, to the extent applicable.*
$ Transfer by way of gifts.

- All Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment or acquisition of such Equity Shares, as the case may be. Further, none of the Equity Shares held by our Promoters is pledged as on the date of this Draft Red Herring Prospectus.

- As on the date of this Draft Red Herring Prospectus, our Promoter Group (other than our Promoters) hold 203,810 Equity Shares of face value of ₹ 1 each, constituting 0.20% of the pre-Issue issued, subscribed and paid-up Equity Share capital of our Company. The details of the shareholding of the members of the Promoter Group (other than our Promoters) as on the date of filing of this Draft Red Herring Prospectus are set forth in the table below.

S. No.	Name of the Shareholder	Pre-Issue		Post-Issue*	
		No. of Equity Shares of face value of ₹ 1 each	% of paid-up Equity Share capital	No. of Equity Shares	% of paid-up Equity Share capital
1.	Sarla Prakashchandra Somani	3,788	0.00	[●]	[●]
2.	Pooja Prakashchandra Somani	100,011	0.10	[●]	[●]
3.	Prajakta Rushikesh Jadhav	100,011	0.10	[●]	[●]
	Total	**203,810**	**0.20**	[●]	[●]

* *Subject to finalisation of Basis of Allotment.*

- Except as disclosed in "*– History of the share capital held by our Promoters – Build-up of our Promoters' shareholding in our Company*" on page 120, none of the Promoters have purchased or sold any Equity Shares of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

- Except as disclosed in "*– History of the share capital held by our Promoters – Build-up of our Promoters' shareholding in our Company*" and *" – Secondary transactions of equity shares and preference shares"* on pages 120 and 122, none of the members of the Promoter Group, or the Directors and their relatives and the relatives of the Promoters have purchased or sold any Equity Shares of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

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

Secondary transactions of equity shares and preference shares

Other than as disclosed below and in "– *History of the share capital held by our Promoters – Build-up of our Promoters' shareholding in our Company*" on page 120, there have been no secondary transactions for acquisition of securities of our Company by our Promoters and members of our Promoter Group.

Date of transfer of Equity Shares	Number of Equity Shares transferred	Details of the transferor(s)	Details of the transferee(s)	Face value per Equity Share (₹)	Transfer price per Equity Share (₹)	Nature of transaction	Nature of consideration
June 1, 2021	1	Sarla Prakashchandra Somani	Komal Piyush Somani	10	10	Transfer	Cash
	1		Prajakta Rushikesh Jadhav	10	10		
	1		Pooja Prakashchandra Somani	10	10		
August 30, 2021	20,750,000		P.O. Somani Family Trust	1	-	Gift	Nil
September 2, 2021	2,200,000		ESDS Employee Benefit Trust	1	-	Gift	Nil
March 31, 2022	105,455		Adroit Fin Sec Pvt Ltd	1	220	Transfer	Cash
June 15, 2022	22,727		Adroit Fin Sec Pvt Ltd	1	220	Transfer	Cash
August 14, 2024	1,600	Uni Alt Assets	Sarla Prakashchandra Somani	1	260	Transfer	Cash
August 21, 2024	5,000			1	260		Cash
September 3, 2024	4,940			1	260		Cash
September 8, 2024	36,364	Sarla Prakashchandra Somani	Amar Amarbahadur Maurya	1	154	Transfer	Cash
	12,987		Sonam Hemraj Udasi	1			
September 9, 2024	25,974	Sarla Prakashchandra Somani	Manish Omprakash Kukreja	1	154	Transfer	Cash
	15,584		Sureshchandra Khandelwal	1			
	12,987		Madhulata Khandelwal	1			
	12,987		Yechuri Koteswara Rao	1			
	20,779		Swati Shah	1			
	25,974		Prem Kumar Bajaj	1			
	2,597		Pooja Gupta	1			
	1,29,870		Pitam Goel	1			
	2,59,740		Moheet Vinod Kumar Agrawal	1			
	18,701		Abhijit Nripen Kumar Mukerjee	1			
	12,987		Anupam Agarwal	1			
	15,584		Pritesh Talakshi Chheda	1			
	15,584		Samedh Trinity Partners	1			
	7,792		Mayvenn Partners	1			
	25,974		Kopal Tak	1			
	51,948		Amrut Bharat Opportunities Fund Series I	1			

Date of transfer of Equity Shares	Number of Equity Shares transferred	Details of the transferor(s)	Details of the transferee(s)	Face value per Equity Share (₹)	Transfer price per Equity Share (₹)	Nature of transaction	Nature of consideration
September 10, 2024	51,948	Sarla Prakashchandra Somani	Karan Dharnidharka	1	154	Transfer	Cash
	51,948		Rakesh Agrawal	1			
	25,974		Sunil Satyanarayan Dayma	1			
September 11, 2024	38,961	Sarla Prakashchandra Somani	Atul Khandelwal	1	154	Transfer	Cash
	38,961		Paran Khandelwal	1			
	25,974		Shweta Agrawal	1			
	25,974		Reshma Kukreja	1			
	77,922		Prateek Jain	1			
September 12, 2024	10,390	Sarla Prakashchandra Somani	Shivan Consultants LLP	1	154	Transfer	Cash
	10,390		Grace Investment Advisors LLP	1			
	25,974		Shrey Loonker	1			
September 13, 2024	106,494	Sarla Prakashchandra Somani	Saranya Agrawal	1	154	Transfer	Cash
	106,494		Divyanshi Agrawal	1			
	103,896		Akriti Agarwal	1			
	103,896		Parag Chandulal Mehta	1			
	15,584		Hemant Jasvantrai Desai	1			
	12,987		Sambhaw Kumar Jain	1			
	15,584		Ajay Jayram Prabhudesai	1			
	10,390		Sandeep Kamalnayan Ajmera	1			
	10,390		Deepak Agrawal	1			
	25,974		Ravikiran Jayantilal Surana	1			
	25,974		Dhara Ramesh Gandhi	1			
	51,948		Deepa Jain	1			
	129,870		NKA Resources LLP	1			
	51,948		Vivek Jain	1			
	77,922		Niveshaay Hedgehog LLP	1			
	25,974		Bhavin Haresh Thakkar	1			
September 16, 2024	47,170	Amrish Devda	Sarla Prakashchandra Somani	1	309	Transfer	Cash
	208,524	Sarang Porwal		1			
	57,500	King Kaling Porwal		1			
	400	Priyanka Agarwal		1			
	21,875	Shalini Porwal		1			
	42,208	Priyangi Porwal		1			
	198,229	Ravi Kant Porwal		1			
	27,917	Shubhra Porwal		1			
	88,182	Surya Kant Porwal		1			
September	115,385	Abhimanyu	Sarla	1	309	Transfer	Cash

Date of transfer of Equity Shares	Number of Equity Shares transferred	Details of the transferor(s)	Details of the transferee(s)	Face value per Equity Share (₹)	Transfer price per Equity Share (₹)	Nature of transaction	Nature of consideration
17, 2024		Choradia	Prakashchandra Somani				
	61,538	Ashok Choradia		1			
	3,571	Abhishek Porwal		1			
	2,296	Akash Vijayvargiya		1			
	13,725	Sameersingh Modi		1			
	202,141	Shashi Kant Porwal		1			
September 17, 2024	103,896	Sarla Prakashchandra Somani	Ashish Rathi	1	154	Transfer	Cash
	103,896		Mitul Prafulbhai Mehta	1			
	103,896		Gaurishankar Jhalani	1			
	51,948		Vijay Ramvallabh Khetan	1			
	51,948		Susham Jayant Sirsat	1			
	15,584		Hemant Jasvantrai Desai	1			
	7,792		Chaitali K Shah	1			
	259,740		Saumik Ketan Doshi	1			
	311,688		Jitendra Rasiklal Sanghavi	1			
September 18, 2024	3,636	Anshul Jain	Sarla Prakashchandra Somani	1	309	Transfer	Cash
	400	Shyam Bihari Sahu		1			
	28,846	Raksha Porwal		1			
	28,846	Manisha Porwal		1			
	9,804	Usha Modi		1			
September 19, 2024	1,784	Arihant Capital	Sarla Prakashchandra Somani	1	309	Transfer	Cash
September 23, 2024	8,062	Nirmala Lakshmi		1	309	Transfer	Cash
September 24, 2024	1,000	Uni Alt Assets		1	309	Transfer	Cash
October 4, 2024	71,428	Harsheel Mansukh Satra		1	309	Transfer	Cash
	9,929	Ashutosh Soni		1		Transfer	Cash
October 7, 2024	103,896	Sarla Prakashchandra Somani	Tanay Gupta	1	154	Transfer	Cash
	38,961		Nikki Dipang Kamdar	1			
	12,987		Savitt Universal Lts.	1			
October 14, 2024	1,788	Arihant Capital	Sarla Prakashchandra Somani	1	309	Transfer	Cash
October 21, 2024	90,236	Piyush Prakashchandra Somani	Sarla Prakashchandra Somani	1	-	Gift	Nil
October 22, 2024	23,256	Sarla Prakashchandra Somani	Umang Kumar	1	215	Transfer	Cash
October 22, 2024	93,024	Sarla Prakashchandra	Bullhorn Investment Private	1	215	Transfer	Cash

Date of transfer of Equity Shares	Number of Equity Shares transferred	Details of the transferor(s)	Details of the transferee(s)	Face value per Equity Share (₹)	Transfer price per Equity Share (₹)	Nature of transaction	Nature of consideration
		Somani	Limited				
October 25, 2024	2,000	Dinesh Kumar	Sarla Prakashchandra Somani	1	309	Transfer	Cash
December 5, 2024	100,000	Komal Piyush Somani	Tushar Aggarwal	1	1	Transfer	Cash
February 6, 2025	11,033,739	P.O. Somani Family Trust	Komal Piyush Somani	1	1	Partial distribution of the trust properties of the P.O. Somani Family Trust in favour of its beneficiaries	NA
	100,000		Pooja Deepen Mantri	1	1		
	100,000		Prajakta Rushikesh Jadhav	1	1		
February 28, 2025	571,428	Komal Piyush Somani	Dipika Mangesh Chauhan	1	225	Transfer	Cash
March 6, 2025	288,000		Bigcapita Securities Private Limited	1	225	Transfer	Cash

12. ***Details of Promoters' contribution and lock-in:***

(i) Pursuant to Regulations 14 and 16(1) of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by the Promoters shall be locked in for a period of three years as minimum promoter's contribution from the date of Allotment ("**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 ("**Promoters' One Year Lock-in**"), since a majority of the Gross Proceeds are proposed to be utilised for capital expenditure. Please see "*Objects of the Issue*" page 129.

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

Name of the Promoters	Date of allotment/ acquisition of the Equity Shares	Date when shares were fully paid-up**	Nature of transaction	No. of Equity Shares**	Face value (₹)	Issue/ acquisition price per Equity Share (₹)	No. of Equity Shares locked -in*	Percentage of the pre-Issue paid-up capital (%)	Percentage of the post-Issue paid-up capital (%)	Date up to which the Equity Shares are subject to lock-in
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total							[●]	[●]	[●]	[●]

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

(iii) Our Promoters have given consent to include such number of Equity Shares held by him as may constitute 20% of the fully diluted post-Issue Equity Share capital of our Company as Promoters' Contribution.

(iv) Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoters' Contribution from the date of filing the Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, in accordance with the SEBI ICDR Regulations except as may be permitted, in accordance with the SEBI ICDR Regulations.

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

- The Equity Shares offered for Promoters' Contribution do not include equity shares acquired in the three immediately preceding years (a) for consideration other than cash and revaluation of assets or capitalisation of intangible assets; or (b) resulting from a bonus issue of Equity Shares out of revaluation reserves or unrealised profits of our Company or from a bonus issuance of equity shares against Equity Shares, which are otherwise ineligible for computation of Promoters' Contribution;

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

- Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company and hence, no Equity Shares have been issued in the one immediately preceding year pursuant to conversion from a partnership firm; and

- The Equity Shares forming part of the Promoters' Contribution are not subject to any pledge.

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

In terms of Regulation 16(1)(b) and Regulation 17 of the SEBI ICDR Regulations, the entire pre-Issue Equity Share capital of our Company (other than the Promoters' Contribution and Promoters' One Year Lock-in as prescribed in "- *Details of Promoters' contribution and lock-in*" on page 125) will be locked-in for a period of six months from the date of Allotment in the Issue, except:

(a) any Equity Shares which may be allotted to the employees under the ESOP 2024 pursuant to exercise of stock options held by such employees (whether currently employees or not);

(b) Equity Shares held by the ESDS Employee Benefit Trust or transferred to employees by the ESDS Employee Benefit Trust pursuant to exercise of options by the employees, whether currently employees or not, in accordance with the ESOP 2021.

For the purpose of clauses (a) and (b), equity shares shall include any Equity Shares allotted pursuant to a bonus issue against equity shares allotted pursuant to ESOP 2021 and ESOP 2024. In terms of Regulation 17(c) of the SEBI ICDR Regulations, Equity Shares held by a venture capital fund ("**VCF**") or alternative investment fund ("**AIF**") of category I or category II or a foreign venture capital investor ("**FVCI**") shall not be locked-in for a period of six months from the date of Allotment, provided that such Equity Shares shall be locked-in for a period of at least six months from the date of purchase by the venture capital fund or alternative investment fund of category I or category II or foreign venture capital investor.

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

50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

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

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

16. ***Other requirements in respect of lock-in***

In terms of Regulation 21 of the SEBI ICDR Regulations, the Equity Shares held by the Promoters which are locked-in may be pledged only with scheduled commercial banks or public financial institutions or NBFC-SIs or deposit accepting housing finance companies, as collateral security for loans granted by such banks or public financial institutions or NBFC-SIs or deposit accepting housing finance companies. In terms of Regulation 21(a) of the SEBI ICDR Regulations, the Equity Shares locked-in as Promoters' Contribution may be pledged only with the entities mentioned above, provided that such loans have been granted to our Company or our Subsidiaries 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. Further, pursuant to Regulation 21(b) of the SEBI ICDR Regulations, the Equity Shares held by the Promoters under the Promoters' One Year Lock-in may be pledged only with the entities mentioned above, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans. However, the relevant lock in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer the Equity Shares till the relevant lock in period has expired in terms of the SEBI ICDR Regulations.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, may be transferred to any member of the Promoter Group or a new promoter(s), subject to continuation of lock-in applicable with the transferee for the remaining period and compliance with provisions of the Takeover Regulations. Such transferees are not eligible to transfer such transferred Equity Shares till the expiry of the lock-in period.

Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by persons other than our Promoters prior to the Issue and locked-in for a period of six months, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in with the transferee and compliance with the provisions of the Takeover Regulations. Such transferees are not eligible to transfer such transferred Equity Shares till the expiry of the lock-in period

17. Neither our Company, nor any of our Directors have entered into any existing buy-back arrangements for purchase of Equity Shares from any person. Further, the Book Running Lead Managers have not made any buy-back arrangements for purchase of Equity Shares from any person.

18. Except as disclosed in *"Our Management - Shareholding of Directors in our Company*" and "*Our Management - Shareholding of the Key Managerial Personnel and Senior Management"* on pages 262 and 276, respectively, none of our Directors, KMPs or Senior Management hold any Equity Shares in our Company.

19. All Equity Shares issued or transferred 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.

20. As on the date of this Draft Red Herring Prospectus, the Book Running Lead Managers and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares. The BRLMs and their affiliates may engage in the transactions with and perform services for our Company and its respective affiliates or associates in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company and its respective affiliates or associates for which they may in the future receive customary compensation.

21. None of shareholders of our Company are directly/indirectly related with the BRLMs and their associates.

22. Any oversubscription to the extent of 1% of the Issue size can be retained for the purposes of rounding off to the nearest multiple of minimum allotment lot while finalizing the Basis of Allotment.

23. None of our other Promoters or members of our Promoter Group will participate in the Issue.

24. Except for issuance of Equity Shares pursuant to the Pre-IPO Placement, the Issue or exercise of any stock options granted pursuant to the ESOP 2024, there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Draft Red Herring Prospectus with the SEBI until the Equity Shares have been listed on the Stock Exchanges, or all application monies have been refunded, as the case may be.

25. Our Company shall ensure that there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

26. As on the date of this Draft Red Herring Prospectus, our Company does not have a stock appreciation rights scheme.

27. No person connected with the Issue, including, but not limited to, the Book Running Lead Managers, the

Syndicate Members, our Company, Directors, Promoters, and member of our Promoter Group shall offer any incentive, whether direct or indirect, in the nature of discount, commission and allowance, except for fees or commission for services rendered in relation to the Issue, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid.

SECTION V – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The Issue comprises of a fresh issue of [●] Equity Shares face value of ₹ 1 each, of our Company, aggregating up to 6,000.00 million ("**Gross Proceeds**"), subject to finalization of Basis of Allotment. The Gross Proceeds, after deducting the Issue related expenses, are estimated to be ₹ [●] million ("**Net Proceeds**").

Appraising entity

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

Objects of the Issue

Our Company intends to utilise the Net Proceeds from the Issue towards funding the following objects (collectively, "**Objects**"):

1. Purchase and installation of cloud computing and other equipment and infrastructure for our Data Centres; and
2. General corporate purposes

Further, our Company expects that the listing of the Equity Shares on the Stock Exchanges will enhance our visibility and our brand image among our existing and potential customers and creation of a public market for the Equity Shares of our Company.

The main objects clause and objects incidental and ancillary to the main objects clause set out in the Memorandum of Association enable us (i) to undertake our existing business activities and (ii) to undertake the activities proposed to be funded from the Net Proceeds.

Net Proceeds

The details of the proceeds from the Issue are summarised in the following table:

Particulars	Estimated amount (in ₹ million)
Gross Proceeds	₹ 6,000.00(1)
(Less) Issue related expenses in relation to the Issue (2) (3)	[●]
Net Proceeds(2)(4)	[●]

(1) Our Company, in consultation with the Book Running Lead Managers, may consider a Pre-IPO Placement aggregating up to ₹ 1,200.00 million, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Issue. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the proposed Objects of the Issue in compliance with applicable law. Prior to the completion of the Issue and allotment pursuant to the Pre-IPO Placement, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Issue or the Issue may be successful and will result in listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.
(2) To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.
(3) See "– Issue expenses" on page 135.
(4) Subject to the finalisation of the Basis of Allotment.

Utilisation of Net Proceeds

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

Particulars	Estimated Amount(1)(2) (in ₹ million)	Percentage of Net Proceeds (%)(3)
Purchase and installation of cloud computing and other equipment and infrastructure for our Data Centres	4,807.29^	[●]
General corporate purposes (2)	[●]	[●]

Particulars	Estimated Amount[(1)(2)] (in ₹ million)	Percentage of Net Proceeds (%)[(3)]
Total[(2)]	[●]	**100.00**

^ Exclusive of applicable goods and service tax

(1) Our Company, in consultation with the Book Running Lead Managers, may consider a Pre-IPO Placement aggregating up to ₹ 1,200.00 million, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Issue. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the proposed Objects of the Issue in compliance with applicable law. Prior to the completion of the Issue and allotment pursuant to the Pre-IPO Placement, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Issue or the Issue may be successful and will result in listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.

(2) To be finalised upon 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.

(3)To be updated in the Prospectus prior to filing with the RoC.

Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds as follows:

(in ₹ million)

Particulars	Total estimated cost	Amount to be funded from Net Proceeds[(1)]	Estimated deployment of the Net Proceeds[(1)]	
			Fiscal 2026	Fiscal 2027
Purchase and installation of cloud computing and other equipment and infrastructure for our data centres	4,807.29^	4,807.29	3,023.78	1,783.51
General corporate purposes [(2)]	[●]	[●]	[●]	[●]
Total[(1) (2)]	[●]	[●]	[●]	[●]

^ Exclusive of applicable goods and service tax

(1) Our Company, in consultation with the Book Running Lead Managers, may consider a Pre-IPO Placement aggregating up to ₹ 1,200.00 million, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Issue. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the proposed Objects of the Issue in compliance with applicable law. Prior to the completion of the Issue and allotment pursuant to the Pre-IPO Placement, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Issue or the Issue may be successful and will result in listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.

(2)To be finalised upon 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.

The fund requirements, deployment of funds and the intended use of the Net Proceeds as described in this Draft Red Herring Prospectus are based on our current business plan, management estimates, current and valid quotations from vendors, the certificate dated March 30, 2025 issued by Apt Data Center Consultants India LLP, an independent IT consultant, and other commercial and technical factors. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition, negotiation with vendors, variation in cost estimates on account of factors, including changes in configurations, models and market pricing of the equipment proposed to be purchased and other external factors such as changes in the business environment and interest or exchange rate fluctuations, 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 laws. Our historical capital expenditure may not be reflective of our future capital expenditure plans. See *"Risk Factors – 35. We have not yet placed orders for the equipment that we propose to finance from the Net Proceeds. In the event of any delay in placing such orders, or in the event the vendors are not able to provide the equipment in a timely manner, or at all, it may result in time and cost overruns and our business, prospects and results of operations may be adversely affected."* on page 62.

In the event that the estimated utilization of the Net Proceeds in a scheduled fiscal year is not completely met, such funds shall be utilised in the next fiscal year, as may be determined by our Company, in accordance with applicable laws. Further, our Company may decide to accelerate the estimated Objects ahead of the schedule specified above.

Means of Finance

We propose to meet the requirement of completing the purchase and installation of cloud computing and other equipment and infrastructure for our Data Centres as mentioned below out of the Net Proceeds and the applicable taxes from internal accruals. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance as prescribed under Regulation 7(1)(e) of the SEBI ICDR Regulations and Paragraph 9(C)(1) of Part A of Schedule VIII of the SEBI ICDR Regulations. Provided that for any increase in costs (including payment of applicable taxes), internal accruals will be deployed. Further, depending upon business requirements, our Company may consider raising bridge financing facilities, including through secured or unsecured loans or any short-term instrument like non-convertible debentures, commercial papers etc. pending receipt of the Net Proceeds. If any bridge financing is availed to fund any of the objects mentioned above, then the same would be repaid out of the IPO proceeds and such utilization (towards repayment of bridge loan) shall be construed to be done for the specific object itself.

In case of a shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals and/or seeking additional debt from existing and/or other lenders. Further, in case the actual utilisation towards the purchase and installation of cloud computing and other equipment and infrastructure for our Data Centres is lower than the proposed deployment, such balance will be used towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds of the Issue in accordance with the SEBI ICDR Regulations.

Details of the Objects

1. **Purchase and installation of cloud computing and other equipment and infrastructure for our Data Centres**

   We are one of the only two players in India providing the entire spectrum of cloud, managed services, Data Centre infrastructure and software solutions. Further, among the two, we are the largest in terms of revenue from operations in Fiscal 2024 (*source: Nexdigm Report*). We offer a comprehensive platform of cloud infrastructure and software solutions consisting of (1) infrastructure as a service ("**IaaS**"), which is broadly divided into colocation and Data Centre services, cloud services and cloud computing (2) managed services and (3) software as a service ("**SaaS**"), which allows us to provide well-architected cloud-adoption solutions to our customers aimed at reducing their cost while providing security, flexibility, scalability and reliability. Our existing data centres are located at Bengaluru, Mumbai, Nashik and Mohali ("**Data Centres**"). For further details in relation to our business, see "*Our Business*" beginning on page 208.

   In the ordinary course of business as well to pursue our growth strategies, we are required to maintain, replace and augment our cloud computing equipment, storage and infrastructure at our Data Centres. Details of capital expenditure incurred by us for our Data Centres during the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022:

Six months ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
(in ₹ million)	(in ₹ million)	(in ₹ million)	(in ₹ million)
166.71	196.81	224.39	223.49

   We propose to utilise a portion of the Net Proceeds aggregating to ₹ 4,807.29 million to purchase and installation of cloud computing and other equipment and infrastructure for our Data Centres over the two Fiscals, i.e., Fiscals 2026 and 2027. The equipment that we propose to procure for our existing Data Centres will comprise of computer servers, data storage devices, networking equipment and supporting infrastructure including electrical and infrastructure related equipment such as power distribution units, precision air conditioning, diesel generator sets ("**DG sets**") and low-tension panels ("**LT panels**").

   The purchase and installation of such equipment and infrastructure is targeted towards (i) primarily augmenting our existing compute and storage capacity through the addition of cloud and GPU servers and data storage devices together with supporting networking equipment and infrastructure; and (ii) additionally upgrading certain of our existing cloud servers, storage devices, networking equipment and infrastructure at our existing Data Centres to increase our efficiency in our operations.

The purchase and installation of such equipment and infrastructure is consistent with our expansion strategy of enhancing infrastructure, driving AI/ML innovation, and committing to sustainability for efficient scaling and customer value. For details of the strategies of our business, see *"Our Business - Strategies "* on page 218.

The total estimated cost of equipment which is proposed to be funded by utilising a portion of the Net Proceeds is ₹ 4,807.29 million. The break-down of the estimated cost is set out below:

(*in ₹ million*)

Sr No.	Particulars	Estimated cost*^
1.	Computer servers	1,576.90
2.	Data storage devices	1,402.00
3.	Networking equipment	434.07
4.	Infrastructure	1,394.32
Total		**4,807.29**

^ *Exclusive of applicable goods and service tax*

* *The total estimated cost for such equipment has been certified by Apt Data Center Consultants India LLP (the "**IT Consultant**"), an independent consultant in the field of data centre site infrastructure, through their certificate dated March 30, 2025. The IT Consultant has personnel who are UPTIME ATD qualified and has experience advising its clients on inter alia the planning, assessment, design, expansion, compliance with UPTIME Institute's ATD and TIA-942 Standards and peer review of data centres, in India and abroad.*

Details of the equipment and infrastructure to be purchased by us by utilising the Net Proceeds and the targeted benefits are set out below:

Computer servers:

We propose to utilise a portion of the Net Proceeds aggregating to ₹ 1,576.90 million to expand our compute capacity at our Data Centres by purchasing additional cloud servers and introducing GPU servers with high configuration RAM and CPUs. These compute resources provide us with the necessary processing power required by various applications and systems to undertake computational tasks. Such purchase of servers is targeted towards scaling up our services and enable increased efficiency. The purchase of new GPU servers will enhance the Company's ability to support high-performance AI/ML workloads, enabling faster model training and inference for deep learning and large-scale deployments. Additionally, it facilitates GPU-as-a-Service ("**GPUaaS**"), providing cost-efficient, on-demand access to GPU resources. The upgraded infrastructure also strengthens cybersecurity by enabling real-time threat detection, particularly for critical sectors. Pursuant to such investment, the RAM capacity of the servers at our Data Centres will increase in the manner set out below:

Particulars	RAM capacity of servers as of February 28, 2025 (in TB)	RAM capacity of servers post purchase of servers using the Net Proceeds (in TB)
Cloud servers	1,150	1,909
GPU servers	Nil	30

* *As certified by Apt Data Center Consultants India LLP, an independent IT consultant in the field of data centre site infrastructure, through their certificate dated March 30, 2025.*

Data storage devices:

We propose to utilise a portion of the Net Proceeds aggregating to ₹ 1,402.00 million to expand our data storage capacities at our Data Centres by purchasing data storage devices. Data storage devices are critical to our current operations at our Data Centres and growth of the operations of our Data Centres. We typically use high performance non-volatile memory express data storage devices and back-up data storage devices at our Data Centres. Pursuant to such investment, the raw size storage capacity at our Data Centres will increase in the manner set out below:

Particulars	Raw size storage capacity as of February 28, 2025 (in TB)	Raw size storage capacity post purchase of data storage devices using the Net Proceeds (in TB)
Enterprise Storage	16,785	34,335
Archive Storage	16,416	35,568

* *As certified by Apt Data Center Consultants India LLP, an independent consultant in the field of data centre site infrastructure,*

through their certificate dated March 30, 2025.

Networking equipment:

We propose to utilise a portion of the Net Proceeds aggregating to ₹ 434.07 million to purchase and install networking equipment at our Data Centres to support the additional computer servers and data storage devices that we propose to procure as mentioned above. This includes purchase and installation of certain networking equipment which we typically utilise in our Data Centres including passive IT, LAN switches – GPU, SAN switches – GPU, LAN switches – server, SAN switches – server, SAN switches – storage, management switches, LAN spine, SAN spine and routers.

Infrastructure

We propose to utilise a portion of the Net Proceeds aggregating to ₹ 1,394.32 million to purchase and install certain additional equipment for our Data Centres such as data centre racks, iPDUs with socket level monitoring, PDU panels, LT panels and UPS with isolation transformers, among others. Our purchase of such equipment is targeted towards enhancing our infrastructure at our Data Centres and enabling the integration of the additional servers, storage devices and networking equipment sought to be purchased by us.

The Board pursuant to its resolution dated March 30, 2025, has taken note of the proposed utilisation of Net Proceeds towards purchase and installation of cloud computing and other equipment and infrastructure for our Data Centres.

The details of quotations received from various vendors towards purchase and installation of cloud computing, other equipment and infrastructure for our Data Centres is set forth below:

Sr. No.	Particulars	Quantity	Estimated cost (in ₹ million)* ^	Name of the vendor(s)	Date of quotation	Validity of quotation
Computer servers						
1.	Cloud Node	430	1,032.00	Hitachi Systems India Private Limited	February 20, 2025	Six months from the date of the quotation
2.	GPU Node	20	544.90		February 20, 2025	Six months from the date of the quotation
Total (A)			**1,576.90**			
Data storage devices						
1.	Enterprise storage	47	940.00	Hitachi Systems India Private Limited	February 20, 2025	Six months from the date of the quotation
2.	Archive storage	60	462.00		February 20, 2025	Six months from the date of the quotation
Total (B)			**1,402.00**			
Networking equipment						
1.	Passive IT	4	40.00	Hitachi Systems India Private Limited	February 20, 2025	Six months from the date of the quotation
2.	LAN switches - GPU	18	54.00			
3.	SAN switches - GPU	18	54.00			
4.	LAN switches - Server	54	81.03			
5.	SAN switches - Server	30	46.44			
6.	SAN switches - Storage	25	38.70			
7.	Management switches	105	85.10			
8.	LAN spine	10	15.32			
9.	SAN spine	10	15.48			
10.	Router	4	4.00			

Sr. No.	Particulars	Quantity	Estimated cost (in ₹ million)* ^	Name of the vendor(s)	Date of quotation	Validity of quotation
Total (C)			**434.07**			
Infrastructure						
1.	Data centre racks	605	51.27	JTM Technologies	February 17, 2025	Six months from the date of the quotation
2.	iPDUs with socket level monitoring	1,210	256.36	Shree Sai Electrical Services	February 18, 2025	Six months from the date of the quotation
3.	DCIM	4	61.02	Deore Electrical & Engg. Co.	February 20, 2025	Six months from the date of the quotation
4.	Fire alarm, fire detection and suppression systems	4	41.95	Rudra Electricals	February 15, 2025	180 days from the date of the quotation
5.	Precision Air Conditioning	4	201.56			
6.	PDU panels	38	57.97			
7.	UPS with isolation transformers	20	118.64			
8.	Batteries for UPS with stands	20	149.79			
9.	Transformers	5	26.27			
10.	HT panel and HT cables	4	15.25			
11.	DG set	7	171.08			
12.	LT panels	50	98.67			
13.	LT cabling	4	80.51			
14.	Caging and cold aisle containment	4	11.61			
15.	CCTV, access control system, VESDA, rodent repellent and water leak detection systems	4	11.10			
16.	Mantrap with environmental and ESD controls	4	25.42			
17.	Miscellaneous equipment (including cable trays, wiring, conduiting, fittings and earthing)	4	15.85			
Total (D)			**1,394.32**			
Total estimated cost (E=A+B+C+D)			**4,807.29**			

**The estimated costs for various equipment have been certified by Apt Data Center Consultants India LLP, an independent IT consultant in the field of data centre site infrastructure, through their certificate dated March 30, 2025, which includes quotations from various vendors which are valid as on the date of this Draft Red Herring Prospectus.*

^ Estimated cost is exclusive of GST. Any additional amounts which may be payable to a vendor at the time of delivery, including GST, any additional transportation charges, implementation and maintenance charges (to the extent applicable) or other levies by the relevant government at the time of delivery will be funded from internal accruals.

Note: The object of purchase and installation of equipment is subject to final terms and conditions including the finalization of price, payment/credit terms finalization with the supplier at the time of the final order placement, delivery schedule and also depends on other market factors prevailing at that time. Additionally, all figures in decimals have been rounded off to the second decimal and any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off.

We have not placed any orders for purchase of equipment as on the date of this Draft Red Herring Prospectus. The quotations received from the above suppliers are valid as on the date of this Draft Red Herring Prospectus. Further, we have not entered into any definitive agreements with any vendor from whom we have received quotations for supply of the equipment as mentioned above and there can be no assurance that the same vendors would be engaged to eventually supply the equipment or at the same costs. The quantity of equipment to be purchased is based on management estimates. We do not intend to purchase any second-hand machinery or equipment. In case of any increase in the costs of equipment or incidental costs, the additional costs shall be paid by our Company from its internal accruals. See *"Risk Factors – 35. We have not yet placed orders for the equipment that we propose to finance from the Net Proceeds. In the event of any delay in placing such orders, or in the event the vendors are not able to provide the equipment in a timely manner, or at all, it may result in time and cost overruns and our business, prospects and results of operations may be adversely affected."* on page 62.

Our Promoters, Directors, Key Managerial Personnel and members of our Senior Management do not have any interest in the proposed purchase of equipment or in the entities from whom we have obtained quotations in relation to proposed purchase of equipment as mentioned above.

Government and other approvals

As on the date of this draft red herring prospectus, we do not require any licenses/ approvals from any governmental authorities in relation to the purchase of the equipment mentioned above. We shall apply for any necessary licenses/ approvals that we may require in the future, at the relevant stage. For further details for the material approvals applicable to our Company, see "*Government and Other Approvals*" on page 415.

2. General Corporate Purposes

Our Company intends to deploy the balance Net Proceeds aggregating to ₹ [●] million towards general corporate purposes and the business requirements of our Company as approved by the Board, from time to time, subject to such utilisation for general corporate purposes not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations.

The general corporate purposes for which our Company proposes to utilise the Net Proceeds include, without limitation, strategic initiatives, funding growth opportunities, strengthening marketing capabilities and brand building exercises, meeting ongoing general corporate contingencies, expenses incurred in ordinary course of business, working capital requirements, business requirements of our Company, payment of lease liabilities, repayment of borrowings of the Company and any other purpose, as may be approved by our Board or a duly constituted committee thereof from time to time, subject to compliance with applicable law, including provisions of the Companies Act.

The allocation or quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the business requirements and other relevant considerations of our Company, from time to time. Our management, in accordance with the policies of the Board, shall have flexibility in utilising surplus amounts, if any. In the event that we are unable to utilise the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilise such unutilised amount in the subsequent fiscal year.

Issue expenses

The Issue expenses are estimated to be approximately ₹ [●] million.

The Issue expenses include, among others, listing fees, underwriting fees, selling commission and brokerage, fees payable to the BRLMs, fees payable to legal counsels, fees payable to the Registrar to the Issue and Bankers to the Issue, processing fee to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, fees payable to Sponsor Banks for Bids made by UPI Bidders, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

All costs, charges, fees and expenses associated with and incurred in connection with the Issue, including corporate advertisements, issue advertising, printing, road show expenses, accommodation and travel expenses, stamp, transfer, issuance, documentary, registration, costs for execution and enforcement of the Issue Agreement, Registrar's fees, fees to be paid to the BRLMs, fees and expenses of legal counsel to our Company and the BRLMs, fees and expenses of the auditors, fees to be paid to Sponsor Banks, SCSBs (processing fees and selling commission), brokerage for Syndicate Members, commission to Registered

Brokers, Collecting DPs and Collecting RTAs, and payments to consultants, and advisors, listing fees shall be borne by our Company. The fees of the BRLMs shall be paid directly from the public issue account(s) where the proceeds of the Issue have been received, and immediately upon receipt of final listing and trading approvals from the Stock Exchanges, in the manner as may be set out in the cash escrow and sponsor bank agreement.

The estimated Issue expenses are set forth in the table below:

(in ₹ million)

Activity	Estimated expenses[(1)]	As a % of the total estimated Issue expenses	As a % of the total Issue size
Fees payable to the BRLMs and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Commission/processing fee for SCSBs and Sponsor Banks. Brokerage, underwriting commission and selling commission, uploading charges and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs[(2)(3)(4)(5)]	[●]	[●]	[●]
Fees payable to the Registrar to the Issue	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Others			
Listing fees, SEBI filing fees, upload fees, BSE and NSE processing fees, book building software fees and other regulatory expenses	[●]	[●]	[●]
Printing and distribution of stationery	[●]	[●]	[●]
Fees payable to legal counsels	[●]	[●]	[●]
Fees payable to Statutory Auditors, practicing company secretary, IT consultant and industry service provider in relation to the Issue	[●]	[●]	[●]
Miscellaneous	[●]	[●]	[●]
Total estimated Issue expenses	[●]	[●]	[●]

[(1)] Issue expenses include goods and services tax, where applicable. Issue expenses will be incorporated in the Prospectus. Issue expenses are estimates and are subject to change.

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

*Portion for RIBs**	*[●]% of the Amount Allotted* (plus applicable taxes)*
*Portion for NIBs**	*[●]% of the Amount Allotted* (plus applicable taxes)*

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

[(3)] No additional uploading / processing fees shall be payable by our Company to the SCSBs on the Bid cum Application Forms directly procured by them.

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

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

Portion for RIBs	*₹ [●] per valid Bid cum Application Form (plus applicable taxes)*
Portion for NIBs	*₹ [●] per valid Bid cum Application Form (plus applicable taxes)*

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

[(4)]The uploading charges/ processing fees for applications made by UPI Bidders would be as follows:

Members of the Syndicate / RTAs / CDPs / Registered Brokers	*₹ [●] per valid Bid cum Application Form* (plus applicable taxes)*
Sponsor Bank(s)	*₹ [●] per valid Bid cum Application Form* (plus applicable taxes)* *The Sponsor Bank(s) shall be responsible for making payments to the third parties such as remitter bank, NCPI 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.*

** For each valid application.*

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

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in compliance with SEBI ICDR Master Circular. The BRLMs shall ensure that the payment of processing fee or selling commission to the intermediaries shall be released only after ascertaining that there are no pending complaints pertaining to block or unblock of Bids by UPI Bidders, receiving the confirmation on completion of unblocks from Sponsor Banks or SCSBs and certification from RTA/ SCSBs, in accordance with the SEBI ICDR Master Circular.

[5]Selling commission on the portion for RIBs, and NIBs which are procured by the members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, RTAs and CDPs would be as follows:

*Portion for RIBs**	*[●]% of the Amount Allotted* (plus applicable taxes)*
*Portion for NIBs**	*[●]% of the Amount Allotted* (plus applicable taxes)*

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

Interim use of Net Proceeds

The Net Proceeds shall be retained in the Public Issue Account until receipt of the listing and trading approvals from the Stock Exchanges by our Company. Pending utilization of the Net Proceeds for the Objects described above, we undertake to temporarily deposit the funds from the Net Proceeds only with one or more scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934, as amended and may be approved by our Board.

In accordance with Section 27 of the Companies Act, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge loan

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending upon business requirements, our Company may consider raising bridge financing facilities, including through secured or unsecured loans or any short-term instrument like non-convertible debentures, commercial papers etc. pending receipt of the Net Proceeds. If any bridge financing is availed to fund any of the objects mentioned above, then the same would be repaid out of the IPO proceeds and such utilization (towards repayment of bridge loan) shall be construed to be done for the specific object itself.

Monitoring of utilisation of funds

In terms of Regulation 41 of the SEBI ICDR Regulations, prior to filing the Red Herring Prospectus with the RoC, our Company shall appoint a Monitoring Agency to monitor the utilization of the Gross Proceeds if our proposed Fresh Issue size exceeds ₹ 1,000.00 million. The Monitoring Agency shall also monitor the utilisation of the funds raised *vide* the Pre-IPO Placement towards the Objects. Our Audit Committee and the Monitoring Agency will monitor the utilisation of the Gross Proceeds, and the Monitoring Agency shall submit the report to our Company, as required under Regulation 41(2) of the SEBI ICDR Regulations, on a quarterly basis, until such time as the Gross Proceeds have been utilised in full. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Further, our Company shall, within forty-five days from the end of each quarter, publicly disseminate the report of the monitoring agency by uploading the same on our website as well as submitting the same to the Stock Exchanges.

Our Company will disclose the utilisation of the Net Proceeds, including interim use under a separate head in our balance sheet for such periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which the Net Proceeds have been utilised if any, of such currently unutilised Net Proceeds. Our Company will also, in its balance sheet for the applicable Fiscals, provide details, if any, in relation to all such Net Proceeds that have not been utilised, if any, of such currently unutilised Net Proceeds.

Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Issue from the Objects of the Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Issue from the Objects of the Issue as stated above. Provided that pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall place the statement before the Audit Committee for their review prior to the submission to the Stock Exchanges.

On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in the Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditors of our Company. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant Fiscal subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Variation in objects

In accordance with Sections 13(8) and 27 of the Companies Act 2013, the applicable rules and the SEBI ICDR Regulations, our Company shall not vary the Objects of the Issue unless our Company is authorized to do so by way of a special resolution of its Shareholders. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Notice**") shall specify the prescribed details as required under the Companies Act and applicable rules. The Notice shall simultaneously be published in the newspapers, one in English and one in Marathi, being the regional language of Maharashtra, where our Registered Office is situated in accordance with the Companies Act and applicable rules. Our Promoters will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the Objects, at such price, and in such manner, in accordance with Section 13(8) and other applicable provisions of the Companies Act, our Articles of Association, and the SEBI ICDR Regulations.

Other confirmations

Our Promoters, members of the Promoter Group, Directors, Key Managerial Personnel or members of Senior Management will not receive any portion of the Net Proceeds. Our Company has not entered into or is not planning to enter into any arrangement/ agreements with our Promoters, Directors, Key Managerial Personnel, Senior Management or members of the Promoter Group in relation to the utilisation of the Net Proceeds. Further, there is no existing or anticipated interest of such individuals and entities in the objects of the Issue as set out above.

BASIS FOR THE ISSUE PRICE

The Price Band and Issue Price will be determined by our Company in consultation with the BRLMs, and in accordance with applicable law, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the quantitative and qualitative factors described below. The face value of the Equity Shares is ₹ 1 each and the Issue Price is [●] times the Floor Price and [●] times the Cap Price. The Floor Price is [●] times the face value and the Cap Price is [●] times the face value. Bidders should also refer to "*Our Business", "Risk Factors", "Restated Consolidated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 208, 34, 285 and 363, 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 as follows:

(a) We are a leading player offering end-to-end in the cloud, managed services, Data Centre infrastructure and software solutions in India.

(b) Our comprehensive Security-as-a-Service (SECaaS) framework enables businesses to proactively manage threats and achieve robust security and compliance objectives.

(c) We have long-term relationships with well-established banks and other businesses.

(d) Strong Government Partnerships and Policy Advocacy

(e) AI-driven innovations and patented technology.

(f) Transparent and flexible customized billing system

(g) Strength and experience of our senior management team.

For further details, see "*Our Business – Strengths*" on page 213.

Quantitative factors

The information presented below relating to our Company is based on the Restated Consolidated Financial Information. For details, see "*Restated Consolidated Financial Information*" and "*Other Financial Information*" on pages 285 and 361, respectively.

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

I. Basic and diluted earnings per share ("EPS") (face value of each Equity Share is ₹ 1)

Period	Basic EPS (₹)	Diluted EPS (₹)	Weight#
Fiscal 2024	1.35	1.35	3
Fiscal 2023	(2.42)	(2.42)	2
Fiscal 2022	(0.30)	(0.30)	1
Weighted Average (for the above three Fiscals)	(0.18)	(0.18)	-
Six months ended September 30, 2024*	2.58	2.58	-

** Not annualised*

 # While calculating the weighted average, maximum weight has been given to the recent fiscal as mentioned in the table above

Notes:

1. *Financial information for the Company is derived from the Restated Consolidated Financial Information as of and for the six months ended September 30, 2024 and the years ended March 31, 2024, March 31, 2023 and March 31, 2022.*
2. *Basic earnings per share (₹) = Restated consolidated net profit after tax for the period/year attributable to the equity Shareholders of the Company / Weighted average number of equity shares outstanding during the period/year.*
3. *Diluted earnings per share (₹) = Restated consolidated net profit after tax for the period/year attributable to the equity Shareholders of the Company / Weighted average number of equity shares and potential equity shares outstanding during the period/year.*
4. *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights, i.e. (EPS x weight) for each year divided by the total of weights.*
5. *The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.*

6. *Post September 30, 2024: (i) on October 25, 2024, our Company has allotted 4,634,151 Equity Shares of face value of ₹ 1 each at a price of ₹164 per Equity Share (ii) on February 1, 2025, our Company has allotted 2,899,417 Equity Shares of face value of ₹ 1 each at a price of ₹225 per Equity Share. For further details, see "Capital Structure - Notes to the Capital Structure – 1. Share capital history of our Company – (a) Equity Share capital" on page 97.*
7. *The face value of each Equity Share is ₹1.*
8. *Basic and diluted earnings per share are computed in accordance with Indian Accounting Standard 33 – 'Earnings per Share' notified under the Companies (Indian Accounting Standards) Rules of 2015.*

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 2024 as per the Restated Consolidated Financial Information	[●]	[●]
Based on diluted EPS for Fiscal 2024 as per the Restated Consolidated Financial Information	[●]	[●]

* *Will be updated upon determination of price band.*

III. Comparison with listed industry peer and Industry Peer Group P/E ratio

We have identified E2E Networks Limited, which is a cloud service provider offering cloud hosting, managed services, and infrastructure solutions focused on reliable, high-performance IT solutions for businesses, especially SME (*source: Nexdigm Report*). Although E2E Networks Limited operates in a broadly similar ecosystem and provides certain comparable offerings, there are inherent differences in our business models and scale.

We face competition from varied players across our different product and service offerings. Global players such as AWS, Azure, and Google Cloud are part of large multinational technology conglomerates, where cloud infrastructure, managed services, data centre offerings, and software solutions form only a part of their broader business portfolios. These companies derive a significant portion of their revenues from other primary business verticals such as e-commerce, enterprise software, search engines, and digital advertising. As a result, their operating models, scale, capital allocation priorities, and strategic focus differ fundamentally from pure-play cloud, managed services, data centre infrastructure and software solution providers. Hence, a direct comparison with such global players may not yield meaningful insights. (*source: Nexdigm Report*)

Industry Peer Group P/E ratio

Particulars	P/E ratio	Name of the company	Face value of equity shares (₹)
Highest	156.40	E2E Networks Limited	10
Lowest	156.40		
Average	156.40		

Note:

1. *The industry high and low has been considered basis our listed industry peer, namely E2E Networks Limited. For more details see "- VI. Comparison of accounting ratios with listed industry peer" on page 142.*
2. *P/E Ratio has been computed based on the closing market price of equity shares on NSE on March 24, 2025 divided by the Diluted EPS provided.*
3. *Financial information for the listed industry peer mentioned above is on a consolidated basis and is sourced from the annual reports of the peer for the year ended March 31, 2024 available on the listed peer's website and Stock Exchanges.*

IV. Average return on Net Worth ("RoNW"), as derived from the Restated Consolidated Financial Information:

Period	RoNW (%)	Weight#
Fiscal 2024	6.60	3
Fiscal 2023	(11.50)	2
Fiscal 2022	(1.36)	1
Weighted Average (of the above three Fiscals)	(0.76)	-
Six months ended September 30, 2024*	10.41	-

**Not annualised*

#*While calculating the weighted average, maximum weight has been given to the recent fiscal as mentioned in the table above*

Note:

1. *Financial information for the Company is derived from the Restated Consolidated Financial Information as of and for the six months ended September 30, 2024 and years ended March 31, 2024, March 31, 2023 and March 31, 2022.*
2. *Return on Net Worth (%) = Restated consolidated net profit after tax for the period/year attributable to the equity Shareholders of*

our Company divided by the Net worth as at end of the fiscal /period.

3. *'Net worth': The aggregate value of the paid-up share capital of the Company and all reserves created out of the profits and 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, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation, share based payment reserve, capital redemption reserve and debenture redemption reserve. Net Worth represents equity attributable to the owners of the Company and does not include amount attributable to non-controlling interest.*
4. *Weighted Average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.*

V. Net asset value per Equity Share (face value of ₹ 1 each)

Restated Net Asset Value per Equity Share as per the Restated Consolidated Financial Information:

As of the end of the Fiscal/ Period ended	NAV per Equity Share (₹)
As on March 31, 2024	22.21
As on September 30, 2024	24.75
After the Issue	
(i) Floor Price	[●]*
(ii) Cap Price	[●]*
(iii) Issue Price	[●]*

* *Will be updated upon determination of the Issue Price.*

Notes:

1. *Financial information for the Company is derived from the Restated Consolidated Financial Information as of and for the six months ended September 30, 2024 and years ended March 31, 2024, March 31, 2023 and March 31, 2022.*
2. *Net Asset Value per Equity Share is computed as the net worth as at the end of period/year divided by the number of equity shares outstanding as at the end of period/year.*
3. *'Net worth': The aggregate value of the paid-up share capital of our Company and all reserves created out of profits and 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, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation, share based payment reserve ,debenture redemption reserve and capital redemption reserve . Net Worth represents equity attributable to owners of the company and does not include amounts attributable to non-controlling interest.*

VI. Comparison of accounting ratios with listed industry peer

Name of Company	Revenue from Operations for Fiscal 2024 *(in ₹ million)*	Face value (₹ per equity share)	Closing price as on March 24, 2025 (₹)(3)	Basic earnings per share for Fiscal 2024 (4) (₹)	Diluted earnings per share for Fiscal 2024 (1)(5) (₹)	NAV as on March 31, 2024 (per equity share) (6) (₹)	P/E (Based on basic earnings per share) (7) (₹)	P/E (Based on diluted earnings per share) (8) (₹)	RoNW (9)(10) (%)
Our Company									
ESDS Software Solution Limited(1)	2,865.18	1.00	[●]	1.35	1.35	22.21	[●]	[●]	6.60
Listed industry peer									
E2E Networks Limited(2)	944.64	10.00	2,299.10	15.11	14.70	44.77	152.16	156.40	33.74

Notes:

1. *Financial information for the Company is derived from the Restated Consolidated Financial Information.*
2. *All financial information for the listed industry peer mentioned above is on a consolidated basis and is sourced from the annual report of the listed peer for the year ended March 31, 2024 available on the list peer's website and Stock Exchanges/*
3. *Closing price has taken as the closing price of the equity shares of the listed peer as on March 24, 2025 on the NSE.*
4. *Basic earnings per share (₹) = Restated consolidated net profit after tax for the year attributable to the equity shareholders of the listed industry peer / Weighted average number of equity shares outstanding during the year, in accordance with Ind AS 33 – earnings per share.*
5. *Diluted earnings per share (₹) = Restated consolidated net profit after tax for the year attributable to the equity shareholders of the listed industry peer / Weighted average number of equity shares and potential equity shares outstanding during the year, in accordance with Ind AS 33 – earnings per share.*
6. *Net Asset Value per equity share as at March 31, 2024 is computed as "Total assets minus total liabilities" as on March 31, 2024 divided by the number of equity shares outstanding as at the end of year ended March 31, 2024.*
7. *P/E Ratio (Based on basic earnings per share) has been computed based on the closing market price of equity shares on NSE on March 24, 2025 divided by the basic earnings per share for the year ended March 31, 2024. With respect to our Company, such ratio will be disclosed in the Prospectus based on the Issue Price.*
8. *P/E Ratio (Based on diluted earnings per share) has been computed based on the closing market price of equity shares on NSE on March 24, 2025 divided by the diluted earnings per share for the year ended March 31, 2024. With respect to our Company, such ratio will be disclosed in the Prospectus based on the Issue Price.*
9. *Return on Net Worth (%) = Restated consolidated profit after tax for the year attributable to the equity Shareholders of the Company divided by the Net worth as at end of the year.*
10. *'Net worth': The aggregate value of the paid-up share capital of our Company and all reserves created out of profits and 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, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation, share based payment reserve, debenture redemption reserve and capital redemption reserve . Net Worth represents equity attributable to owners of the company and does not include amounts attributable to non-controlling interest.*

VII. Key performance indicators

The KPIs disclosed below have been used historically by our Company to understand and analyse our business performance, which in result, help us in analysing the growth of business verticals in comparison to our unlisted peers. Our Company considers that the KPIs set forth below are the ones that may have a bearing for arriving at the basis for the Issue Price.

The KPIs disclosed below have been approved and confirmed by a resolution of our Audit Committee dated March 30, 2025. Further, the members of our Audit Committee have confirmed that, except as disclosed in this Draft Red Herring Prospectus, there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years prior to the date of filing of this Draft Red Herring Prospectus. Further, the KPIs disclosed herein have been certified by our Statutory Auditors, by their certificate dated March 30, 2025. This certificate has been designated as a material document for inspection in connection with the Issue. For details, see "*Material Contracts and Documents for Inspection*" on page 511.

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 Directors of our Company), until the later of (a) one year after the date of listing of the Equity Shares on the Stock Exchanges; and (b) complete utilisation of the proceeds of the Issue as disclosed in "*Objects of the Issue*" on page 129, or for such other duration as may be required under the SEBI ICDR Regulations.

The list of our KPIs along with brief explanation of the relevance of the KPI for our business operations are set forth below. We have also described and defined the KPIs, as applicable, in "*Definitions and Abbreviations*" on page 1.

Key Performance Indicator	Explanation
Revenue from Operations	Revenue from Operations is used by the management to track the revenue profile of the business and in turn helps assess the overall financial performance of the Company and size of the business.
Earnings before interest, tax, depreciation and amortization (EBITDA)	EBITDA provides information regarding the operational profitability of the business
EBITDA Margin %	EBITDA margin is an indicator of the operational efficiency of the business in comparison to the revenue from operations
Profit after tax (PAT)	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin %	Tracking the PAT margin assists in tracking the margin profile of the business of the Company and allows comparison of results over multiple periods.
Return on Equity (RoE)	RoE provides how efficiently the Company generates profits from shareholders' funds.
Return on Capital Employed (RoCE)	RoCE provides how efficiently the Company generates earnings from the capital employed in the business.
Days of Sale Outstanding (DSO)	This tracks how quickly we can collect payments from our trade receivables. It helps manage cash flow effectively and highlights any inefficiencies in working capital management.
Average revenue per customer	We believe that tracking our average revenue per customer provides us with insights into customer spending and revenue growth potential.
Revenue by customer tenure %: a) Existing Customers b) New Customers	We believe that tracking our revenue attributable to existing and new customers helps us assess retention and expansion efforts.
Revenue by customer industry: a) BFSI Customers b) Government Customers c) Enterprises	We believe that tracking our revenue attributable to the industries we serve such as Banking, financial services, and Insurance sector, Government owned entities and other enterprise as a percentage of revenue from operations, enables us to analyse business concentration and diversification.
Revenue by service lines: a) IaaS revenue b) SaaS revenue c) Managed Services revenue	We believe that tracking our revenue attributable to each of the service lines enables us to analyse the business focus, financial and business performance of our Company.

Number of Data Centre	This tracks the number of data centres the Company has in place and this contextualises serviceability to our customers along with Company's infrastructure scale and expansion.
Total Customers	This tracks the number of customers we have serviced during the relevant period/year and helps us assess our business reach and growth.
Number of Data Centre	This tracks the number of data centres the Company has in place and this contextualises serviceability to our customers along with Company's infrastructure scale and expansion.

Details of our KPIs as of and for the six months ended September 30, 2024 and Fiscals ended March 31, 2024, March 31, 2023 and March 31, 2022

(₹ in million, unless mentioned otherwise)

Metrics	Unit of measurement	As at and for the six months ended September 30, 2024	As at and or for the Fiscal ended March 31, 2024	As at and or for the Fiscal ended March 31, 2023	As at and or for the Fiscal ended March 31, 2022
Financial Parameters					
Revenue from operations[1]	₹ in million	1,721.50	2,865.18	2,075.66	1,953.58
EBITDA[2]	₹ in million	738.53	1,018.81	474.77	587.00
EBITDA Margin [3]	in %	42.90	35.56	22.87	30.05
PAT[4]	₹ in million	239.34	136.10	(224.60)	(26.63)
PAT Margin [5]	in %	13.90	4.75	(10.82)	(1.36)
RoE[6]	in %	10.06	6.23	(10.81)	(1.36)
RoCE[7]	in %	11.18	14.53	0.84	6.33
Days Sales Outstanding[8] (DSO)	# as stated	90	88	100.	119
Operational Parameters					
Total Customers[9]	# as stated	1,398	1,465	1,492	1,427
Average revenue per customer[10]	₹ in million	1.23	1.96	1.39	1.37
Revenue by customer tenure[11]					
Existing Customers[11][(a)]	in %	75.50	92.91	78.18	85.29
New Customers[11][(b)]	in %	24.50	7.09	21.82	14.71
Revenue customer industry[12]					
BFSI Customers [12][(a)]	in %	31.56	18.27	11.64	10.51
Government Customers [12][(b)]	in %	29.30	34.04	33.90	29.64
Enterprises [12][(c)]	in %	39.14	47.69	54.46	59.85
Revenue by service lines [13]					
IaaS revenue [13][(a)]	in %	58.05	49.59	41.70	45.59
SaaS revenue [13][(b)]	in %	20.88	23.35	28.54	26.14
Managed Services revenue [13][(c)]	in %	21.07	27.06	29.76	28.27
Number of Data Centres [14]	# as stated	4	4	4	3

Notes:

1. *Revenue from operations: Revenue from operations for the relevant period/year*
2. *Earnings before interest, tax, depreciation and amortization (EBITDA): EBITDA is calculated as Profit /(loss) before exceptional items plus depreciation & amortization expense plus finance costs minus other income*
3. *EBITDA Margin %: EBITDA margin (%) is calculated as EBITDA for the relevant period/year divided by Revenue from operations*
4. *Profit after tax (PAT): Profit after tax for the relevant period/year*
5. *PAT Margin %: PAT margin (%) is calculated as PAT for the relevant period/year divided by Revenue from operations*
6. *Return on Equity (RoE): Return on equity is calculated by dividing PAT for the relevant period/year by average total equity, where average total equity is calculated as the average of total equity at the end of current period/year and at the end of previous period/year*
7. *Return on Capital Employed (RoCE): Return on Capital employed is calculated by dividing Profit /(loss) before exceptional items plus finance cost for the relevant period/year by average capital employed, where average capital employed is calculated as the average of capital employed at the end of current period/year and at the end of previous period/year. Capital Employed is calculated as sum of Total equity, Borrowings (Current and Non-Current) and Deferred Tax Liability at the end of relevant period/year*
8. *Days Sales Outstanding (DSO): Days Sales Outstanding (DSO) is calculated by dividing Trade receivables at the end of the period/year by Revenue from operations for the relevant period/year multiplied by total number of days in the relevant period/year.*
9. *Total Customers: Total customers for which the revenue has been recognised for the relevant period/year.*

10. *Average revenue per customer: Revenue from operations for the relevant period/year divided by total customers at the end of the relevant period/year*
11. *Revenue by customer tenure %:*
    a. *Existing Customers %: Revenue from operations from existing customers as a % of revenue from operations for the relevant period/year. Existing customers are entities that have engaged in previous years with a company's products or services and continue to maintain an active business relationship in current period/year.*
    b. *New Customers %: Revenue from operations from new customers as a % of revenue from operations for the relevant period/year. New customers are entities that have engaged in current period/year with a company's products or services for the first time.*
12. *Revenue customer industry: Revenue from operations from customers in the following sectors as a % of revenue from operations for the relevant period/year.*
    a. *BFSI Customers: BFSI customer refers to a client operating in the Banking, Financial Services, and Insurance (BFSI) sector, including banks, non-banking financial companies (NBFCs), insurance firms, investment firms, and fintech companies.*
    b. *Government & PSU Customers: Government customers refer to public sector entities, including central, state, and local government departments, public sector undertakings (PSUs), government agencies, and institutions that procure products or services for administrative, infrastructure, or public service purposes.*
    c. *Enterprises: Enterprise customer refers to customers other than BFSI and Government customers*
13. *Revenue by service lines: Revenue from operations from following segments as a % of revenue from operations for the relevant period/year*
    a. *IaaS revenue: IaaS (Infrastructure as a Service) revenue refers to the income generated from providing cloud-based computing resources, including servers, storage, and networking, on a subscription or pay-per-use basis and colocation income*
    b. *SaaS revenue: SaaS (Software as a Service) revenue refers to the income generated from providing cloud-based software applications on a subscription or pay-per-use basis.*
    c. *Manged Services revenue: Managed Services revenue refers to the income generated from providing ongoing IT infrastructure, cloud, security, and operational support under a subscription or contract-based model.*
14. *Number of Data Centres: Number of data centres operational at the end of the relevant period/year.*

Description on the historic use of the KPIs by us to analyse, track or monitor our operational and/or financial performance

In evaluating our business, we consider and use certain KPIs, as stated above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Information. We use these KPIs to evaluate our financial and operating performance. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools.

Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS.

Bidders are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business.

Comparison of our KPIs with our listed industry peer

Set forth below is a comparison of our KPIs with our peer group company listed in India and operating in the same industry as our Company, whose business profile is comparable to our business in terms of our size and our business model.

		Company				E2E Networks Limited			
Metrics	**Unit of measurement**	**As at and for the six months ended September 30, 2024**	**As at and or for the Fiscal ended March 31, 2024**	**As at and or for the Fiscal ended March 31, 2023**	**As at and or for the Fiscal ended March 31, 2022**	**As at and for the six months ended September 30, 2024**	**As at and or for the Fiscal ended March 31, 2024**	**As at and or for the Fiscal ended March 31, 2023**	**As at and or for the Fiscal ended March 31, 2022**
Financial Parameters									
Revenue from operations(1)	₹ in million	1,721.50	2,865.18	2,075.66	1,953.58	887.79	944.64	662.02	518.73
EBITDA(2)	₹ in million	738.53	1,018.81	474.77	587.00	587.17	479.40	330.62	229.43
EBITDA Margin (3)	in %	42.90	35.56	22.87	30.05	66.14	50.75	49.94	44.23
PAT(4)	₹ in million	239.34	136.10	(224.60)	(26.63)	222.89	218.67	99.10	64.51
PAT Margin (5)	in %	13.90	4.75	(10.82)	(1.36)	25.11	23.15	14.97	12.44
RoE(6)	in %	10.06	6.23	(10.81)	(1.36)	8.11	36.37	22.56	19.59
RoCE(7)	in %	11.18	14.53	0.84	6.33	10.54	29.01	30.16	15.33
Days Sales Outstanding(8) (DSO)	# as stated	90	88	100	119	16	10	3	1
Operational Parameters^									
Total Customers(9)	# as stated	1,398	1,465	1,492	1,427	NA*	3,000+	2,750+	2,600+
Average revenue per customer(10)	₹ in million	1.23	1.96	1.39	1.37	NA*	0.32	0.24	0.20
Revenue by customer tenure(11)									
Existing Customers(11)(a)	in %	75.50	92.91	78.18	85.29	NA*	50 - 60	50	44
New Customers(11)(b)	in %	24.50	7.09	21.82	14.71	NA*	40 - 50	50	56
Revenue customer industry(12)									
BFSI Customers (12)(a)	in %	31.56	18.27	11.64	10.51	NA*	15 - 20	NA*	NA*
Government Customers (12)(b)	in %	29.30	34.04	33.90	29.64	NA*	45 - 50	NA*	NA*
Enterprises (12)(c)	in %	39.14	47.69	54.46	59.85	NA*	30 - 40	NA*	NA*
Revenue by service lines (13)									
IaaS revenue (13)(a)	in %	58.05	49.59	41.70	45.59	NA*	NA*	NA*	NA*
SaaS revenue (13)(b)	in %	20.88	23.35	28.54	26.14	NA*	NA*	NA*	NA*
Managed Services revenue (13)(c)	in %	21.07	27.06	29.76	28.27	NA*	NA*	NA*	NA*
Number of Data Centres (14)	# as stated	4	4	4	3	Nil	Nil	Nil	Nil

^ *Operational parameters of the Peer (E2E Networks Ltd.) are taken from the industry report prepared by Nexdigm published on March 24, 2025.*

Financial information for the Company is derived from the Restated Consolidated Financial Information. Information for the listed industry peer mentioned above is on a consolidated basis and is sourced from the annual reports, financial results or investor presentations of the peer as available on the websites of the listed peer and the Stock Exchanges.

* *References to "NA" in the table above with respect our listed peer (E2E Networks Limited), is due to unavailability of comparable information in the annual reports, financial results or investor presentations of such listed peer, as available on the websites of the listed peer and the Stock Exchanges.*

Notes:

1. *Revenue from operations: Revenue from operations for the relevant period/year*
2. *Earnings before interest, tax, depreciation and amortization (EBITDA): EBITDA is calculated as Profit /(loss) before exceptional items plus depreciation & amortization expense plus finance costs minus other income*
3. *EBITDA Margin %: EBITDA margin (%) is calculated as EBITDA for the relevant period/year divided by Revenue from operations*
4. *Profit after tax (PAT): Profit after tax for the relevant period/year*
5. *PAT Margin %: PAT margin (%) is calculated as PAT for the relevant period/year divided by Revenue from operations*
6. *Return on Equity (RoE): Return on equity is calculated by dividing PAT for the relevant period/year by average total equity, where average total equity is calculated as the average of total equity at the end of current period/year and at the end of previous period/year*
7. *Return on Capital Employed (RoCE): Return on Capital employed is calculated by dividing Profit /(loss) before exceptional items plus finance cost for the relevant period/year by average capital employed, where average capital employed is calculated as the average of capital employed at the end of current period/year and at the end of previous period/year. Capital Employed is calculated as sum of Equity Share Capital, Other equity, Borrowings (Current and Non-Current) and Deferred Tax Liability at the end of relevant period/year*
8. *Days Sales Outstanding (DSO): Days Sales Outstanding (DSO) is calculated by dividing Trade receivables at the end of the period/year by Revenue from operations for the relevant period/year multiplied by total number of days in the relevant period/year.*
9. *Total Customers: Total customers at the end of the relevant period/year.*
10. *Average revenue per customer: Revenue from operations for the relevant period/year divided by total customers at the end of the relevant period/year*
11. *Revenue by customer tenure %:*
    - *(a) Existing Customers %: Revenue from operations from existing customers as a % of revenue from operations for the relevant period/year. Existing customers are entities that have engaged in previous years with a company's products or services and continue to maintain an active business relationship in current period/year.*
    - *(b) New Customers %: Revenue from operations from new customers as a % of revenue from operations for the relevant period/year. New customers are entities that have engaged in current period/year with a company's products or services for the first time.*
12. *Revenue customer industry: Revenue from operations from customers in the following sectors as a % of revenue from operations for the relevant period/year.*
    - *(a) BFSI Customers: BFSI customer refers to a client operating in the Banking, Financial Services, and Insurance (BFSI) sector, including banks, non-banking financial companies (NBFCs), insurance firms, investment firms, and fintech companies.*
    - *(b) Government Customers: Government customers refer to public sector entities, including central, state, and local government departments, public sector undertakings (PSUs), government agencies, and institutions that procure products or services for administrative, infrastructure, or public service purposes.*

(c) Enterprises: Enterprise customer refers to customers other than BFSI and Government customers

13. *Revenue by service lines: Revenue from operations from following segments as a % of revenue from operations for the relevant period/year*
    - *(a) IaaS revenue: IaaS (Infrastructure as a Service) revenue refers to the income generated from providing cloud-based computing resources, including servers, storage, and networking, on a subscription or pay-per-use basis and colocation income*
    - *(b) SaaS revenue: SaaS (Software as a Service) revenue refers to the income generated from providing cloud-based software applications on a subscription or pay-per-use basis.*
    - *(c) Manged Services revenue: Managed Services revenue refers to the income generated from providing ongoing IT infrastructure, cloud, security, and operational support under a subscription or contract-based model.*
14. *Number of Data Centre: Number of data centres operational at the end of the relevant period/year.*

Comparison of KPIs based on material additions or dispositions to our business

Our Company has not undertaken a material acquisition or disposition of assets / business for the periods that are covered by the KPIs and accordingly, no comparison of KPIs over time based on additions or dispositions to the business, have been provided. For details regarding acquisitions and dispositions made our Company in the last 10 years, see "*History and Certain Corporate Matters — Details regarding material acquisitions or divestments of business/undertakings, mergers or amalgamations in the last 10 years*" on page 250.

VIII. Price per share of our Company (as adjusted for corporate actions, including split) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under employee stock option schemes and issuance of Equity Shares pursuant to a bonus issue) 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 our Company (calculated based on the pre-Issue capital before such transaction(s) and excluding ESOPs granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuances")

There has been no primary/new issuance of Equity Shares or convertible securities, excluding grants of any options and issuance of bonus shares, equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated on the pre-issue capital before such transaction 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) during 18 months preceding the date of filing of this Draft Red Herring Prospectus.

IX. Price per share of our Company (as adjusted for corporate actions, including split) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts and partial distribution of the trust properties of the P.O. Somani Family Trust) involving our Promoters, members of the Promoter Group, or Shareholder(s) having the right to nominate Director(s) on our Board during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Issue capital before such transaction/s and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Secondary Transactions")

There has been no secondary sale/acquisition of Equity Shares or convertible securities by Promoters, Promoter Group entities (excluding gifts and partial distribution of the trust properties of the P.O. Somani Family Trust), where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated on the pre-issue capital before such transaction 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 during 18 months preceding the date of filing of this Draft Red Herring Prospectus.

X. Price per share based on last five primary or secondary transactions

Since there are no such transactions to report to under (VIII) and (IX) above, the following are the details basis the last five primary or secondary transactions (secondary transactions where Promoter or members of the Promoter Group are a party to the transaction), not older than three years prior to the date of this Draft Red Herring Prospectus, irrespective of the size of transactions.

Primary transactions:

Set forth below are the primary issuances by our Company in the last three years preceding the date of this Draft Red Herring Prospectus irrespective of the size of the transaction:

S. No.	Date of Allotment	Number of Equity Shares allotted	Face Value per share (in ₹)	Issue Price per Equity Share (in ₹)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ Million)
1	May 12, 2022	1,322,500	1	220	Preferential allotment	Cash	290.95

S. No.	Date of Allotment	Number of Equity Shares allotted	Face Value per share (in ₹)	Issue Price per Equity Share (in ₹)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ Million)
2	October 25, 2024	4,634,151	1	164	Private Placement	Cash	760.00
3	February 1, 2025	2,899,417	1	225	Private Placement	Cash	652.37
Weighted average cost (in ₹)							**192.33**

Secondary transactions:

Set forth below are details of the last five secondary transactions where our Promoters, Promoter Group, Selling Shareholders, or shareholder having the right to nominate director on our Board are a party to the transaction, in the last three years preceding the date of this Draft Red Herring Prospectus

S. No.	Date of transaction	Name of Transferer	Name of Transferee	Nature of Transaction	Number of Equity Shares transferred / acquired	Face Value per equity shares	Transfer / Acquisition Price per Equity Share (in ₹)*	Total Consideration (in ₹ Million)
1	February 6, 2025	PO Somani Family Trust	Komal Piyush Somani	Distribution of trust properties	11,033,739	1	Nil^	-
2	February 6, 2025		Prajakta Somani	Distribution of trust properties	100,000	1	Nil^	-
3	February 6, 2025		Pooja Somani	Distribution of trust properties	100,000	1	Nil^	-
4	February 28, 2025	Komal Piyush Somani	Dipika Mangesh Chauhan	Transfer	571,428	1	225	128.57
5	March 6, 2025	Komal Piyush Somani	Bigcapital Securities Private Limited	Transfer	288,000	1	225	64.80
Weighted average cost (in ₹)								**15.99**

^ Nil as it was a transfer pursuant to partial distribution of the trust properties of the P.O. Somani Family Trust in favour of its beneficiaries.

XI. Weighted average cost of acquisition, floor price and cap price

Based on the transaction described in (VIII), (IX) and (X) above, the weighted average cost of acquisition, as compared with the Floor Price and Cap Price is set forth below:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	At Floor price (*i.e.*, ₹[●])**	At Cap price(*i.e.*, ₹[●])**
Weighted average cost of acquisition for primary / new issue of shares (equity/ convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of 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 our 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	NA	NA	NA
Weighted average cost of acquisition for secondary sale / acquisition of shares (equity/convertible securities), where Promoter, members of the Promoter Group, or Shareholder(s) having the right to nominate Directors on our Board are a party to the transaction (excluding gifts and partial distribution of the trust properties of the P.O. Somani Family Trust), during the 18 months preceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than five per cent of the fully diluted paid-up share capital of our 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	NA	NA	NA
Since there were no Primary Transactions or Secondary Transactions during the 18 months preceding the date of the Draft Red Herring Prospectus, the information has been disclosed for price per share of the Company based on the last five primary or secondary transactions (where promoters/promoter group entities are a party to the transaction), not older than three years prior to the date of the Draft Red Herring Prospectus irrespective of the size of the transaction:			
Last 5 Primary Transactions	192.33	[●] times	[●] times
Last 5 Secondary Transactions	15.99	[●] times	[●] times

** *To be included at the Prospectus stage*

XII. Detailed explanation for Issue Price/Cap Price being [●] times of weighted average cost of acquisition of primary issuance price/secondary transaction price of Equity Shares (set out in X and XI above) along with our Company's key financial and operational metrics and financial ratios as at and for the six months ended September 30, 2024 and Fiscals ended March 31, 2024, March 31, 2023 and March 31, 2022

[●]*

**To be included on finalisation of Price Band*

XIII. Explanation for Issue Price/Cap Price being [●] times of weighted average cost of acquisition of primary issuance price/secondary transaction price of Equity Shares (set out in X and XI above) in view of the external factors which may have influenced the pricing of the Issue.

[●]*

**To be included on finalisation of Price Band*

The Issue Price is [●] times of the face value of the Equity Shares.

The Issue Price of ₹ [●] has been determined by our Company in consultation with the BRLMs, on the basis of market demand from investors for Equity Shares of face value ₹ 1 each through the Book Building Process. 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 "*Restated Consolidated Financial Information*" on page 34, 208, 363 and 285, respectively, to have a more informed view.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,

The Board of Directors
ESDS Software Solution Limited
B-24 and B – 25, NICE Area
M.I.D.C, Satpur
Nashik 422 007
Maharashtra, India

DAM Capital Advisors Limited ("DAM Capital")
PG-1, Ground Floor, Rotunda Building
Dalal Street, Fort
Mumbai 400 001
Maharashtra, India

Systematix Corporate Services Limited ("Systematix")
The Capital, A Wing
No 603-606, 6th Floor
Plot no. C-70, G Block
Bandra Kurla Complex
Bandra (East), Mumbai 400 051
Maharashtra, India

(DAM Capital and Systematix, collectively, the "**Book Running Lead Managers**" or "**BRLMs**" and individually, a "**Book Running Lead Manager**" or "**BRLM**")

Re: Proposed initial public offering of equity shares of face value of ₹ 1 each (the "Equity Shares") of ESDS Software Solution Limited (the "Company" and such offer, the "Issue")

Dear Sir/Madam,

We, M/s Shah Khandelwal Jain & Associates, Statutory Auditors of the Company, have been informed that in connection with the Issue, the Company proposes to file a draft red herring prospectus (the "**DRHP**") with the Securities and Exchange Board of India ("**SEBI**"), BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**" and together with BSE, the "**Stock Exchanges**") in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**") and applicable laws, and subsequently proposes to file a red herring prospectus (the "**RHP**") and a prospectus (the "**Prospectus**") with the Registrar of Companies, Maharashtra at Mumbai ("**RoC**"), SEBI and the Stock Exchanges, and any other documents or materials to be issued in relation to the Issue (collectively with the DRHP, RHP and Prospectus, the "**Issue Documents**").

Management's Responsibility

The preparation of the statement of possible special tax benefits available to the Company and its shareholders under the tax laws included in the annexure ("**Annexure**") is the responsibility of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents and has been approved by the Board of Directors of the Company at its board meeting held on 30 March 2025 for the purpose set out in Annexure below. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of this certificate and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances

Practitioner's Responsibilities

We have received a request from the Company to verify the possible special tax benefits available to the Company and its shareholders under direct and indirect taxes presently in force in India, including the Finance Act 2024, Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively, "**GST Act**"), Customs Act, 1962 and the Customs Tariff Act, 1975 (read with the rules, circulars and notifications issued in connection thereto) as presently in force and applicable to the Financial Year 2024-25 (Assessment Year 2025-26) (collectively, the "**Tax Laws**"). These possible special tax benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and its shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company and its shareholders may or may not choose to fulfil.

This statement of possible special tax benefits is required as per Schedule VI (Part A)(9)(L) of the SEBI ICDR Regulations. While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, for the purpose of this Statement, it is assumed that with respect to special tax benefits available to the Company and its Shareholders, the same would include those benefits as enumerated in the **Annexure I**.

The benefits discussed in **Annexure I** cover the possible special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company and its shareholders. Further, the preparation of **Annexure I** and its contents is the responsibility of the management of the Company. We were informed that the 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 Issue 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 possible special tax benefits, which an investor can avail.

We have conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)" (the "**Guidance Note**") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

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

i. the Company and its shareholders will continue to obtain these possible special tax benefits in future; or
ii. the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with.

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

Our views expressed herein are based on the facts and assumptions indicated to us. 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 the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for 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 the Company and any other person in respect of this statement, except as per applicable law.

We confirm that the information above is true, fair, correct, accurate, not misleading and without omission of any matter that is likely to mislead.

We hereby consent to our name and the aforementioned details being included in the Issue Documents, in full or part, and/or consent to the submission of this certificate as may be necessary, to SEBI, RoC, Stock Exchanges and/or any other regulatory/statutory authority including upload on the repository systems of SEBI and/or Stock Exchanges as may be required and/or for the records to be maintained by the BRLMs in connection with the Issue and in accordance with applicable law.

We undertake to immediately communicate, in writing, any changes to the above information/confirmations, as and when: (i) made available to us; or (ii) we become aware of any such changes, to the BRLMs and the Company until the Equity Shares allotted in the Issue commence trading on the Stock Exchanges. In the absence of any such communication from us, the Company, the BRLMs and the legal advisors appointed with respect to Issue can assume that there is no change to the information/confirmations forming part of this certificate and accordingly, such information should be considered to be true and correct.

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

Yours faithfully

For M/s Shah Khandelwal Jain & Associates
Firm Registration Number: 142740W

Ashish Khandelwal
Partner
Membership No. 049278
Place: Pune
Date: 30 March 2025
UDIN: 25049278BMHYVM1125

ANNEXURE I

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO ESDS SOFTWARE SOLUTION LIMITED ("THE COMPANY") AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT AND INDIRECT TAXES ("TAX LAWS")

Outlined below are the possible special tax benefits available to the Company and its shareholders under the tax laws. These possible special tax benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the tax laws. Hence, the ability of the Company and its shareholders to derive the possible special tax benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfil.

UNDER THE TAX LAWS

A. Special tax benefits available to the Company

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

B. Special tax benefits available to Shareholders

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

NOTES:

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

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

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

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

For **ESDS Software Solution Limited**

Piyush Prakashchandra Somani
Chairman and Managing Director

Place: Nashik

Date: March 30, 2025

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO ESDS CLOUD FZ LLC (THE "COMPANY"), THE APPLICABLE TAX LAWS IN UNITED ARAB EMIRATES

To,

The Board of Directors,
ESDS CLOUD FZ LLC
315, Third Floor, 10,
Dubai Internet City,
Dubai, United Arab Emirates

The Board of Directors,
ESDS Software Solution Limited
B-24 and B – 25, NICE Area
M.I.D.C, Satpur
Nashik 422 007
Maharashtra, India

Dear Sirs,

Re: Statement of Special Tax Benefits available to ESDS CLOUD FZ LLC under the UAE laws prepared in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations").

1. We, NBN Auditing of Accounts, Chartered Accountants, are an independent firm of chartered accountants, hereby confirm that the enclosed Annexures 1 and 2 (together, the "**Annexures**"), prepared by the Company, provides the special tax benefits available to the Company as stated in those Annexures.

2. These benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Relevant Acts. Hence, the ability of the Company to derive the tax benefits is dependent upon their fulfilling of such conditions which, based on business imperatives the Company face in the future, the Company or its shareholders may or may not choose to fulfil.

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

    i) the Company or its shareholders will continue to obtain these possible special tax, benefits, if any, in future;

    ii) the conditions prescribed for availing the possible special tax benefits, if any, have been / would be met with; and

    iii) the revenue authorities/courts will concur with the views expressed herein.

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

5. This certificate is issued solely in connection with the proposed initial public offering of equity shares of face value of ₹ 1 each of the ESDS Software Solution Limited (the "**Issue**") and for the information of and for inclusion (in part or full) in the draft red herring prospectus, the red herring prospectus and the prospectus filed in relation to the Issue or any other Issue-related material (the "**Issue Documents**") and may be relied upon by the Company, the Book Running Lead Managers and their respective affiliates and the legal advisors to each of the Company and the Book Running Lead Managers.

6. We further consent to be named as an "expert" as defined under Section 2(38) read with Section 26 of the Companies Act, 2013, as amended, in the Issue Documents in connection with the Issue.

7. We hereby consent to the submission of this certificate as may be necessary to the Securities and Exchange Board of India, the Stock Exchanges, the Registrar of Companies, Maharashtra at Mumbai,

and any other regulatory authorities as may be required and/or for the records to be maintained by the Lead Managers and in accordance with applicable law including the repository system of SEBI and/or Stock Exchanges and for the purpose of any defense the Lead Managers may wish to advance in any claim or proceeding in connection with the contents of the Issue Documents.

NBN Auditing of Accounts
License No. 817951

Mr. Fahad Saleh Ali Mohammad Hall
Registration No: 814
Dubai, U.A.E
March 26, 2025

ANNEXURE 1

TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO ESDS CLOUD FZ LLC (THE "COMPANY"), THE APPLICABLE TAX LAWS IN UNITED ARAB EMIRATES

DIRECT TAXATION

As per Federal Decree-Law Number 47 of 2022 on the Taxation of Corporations and Businesses ESDS Cloud FZ LLC have obtained Certificate of Registration for Corporate Tax in the United Arab Emirates having TRN as 100570277200001. There is no exemption granted to the company with respect to any Direct taxes.

NBN Auditing of Accounts
License No. 817951

Mr. Fahad Saleh Ali Mohammad Hall
Registration No: 814
Dubai, U.A.E
March 26, 2025

ANNEXURE 2

TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO ESDS CLOUD FZ LLC (THE "COMPANY"), THE APPLICABLE TAX LAWS IN UNITED ARAB EMIRATES

INDIRECT TAXATION

ESDS CLOUD FZ LLC is registered for Value Added Tax (VAT) and the VAT rate of 5% applies to most goods and services. There is no exemption granted to company with respect to indirect taxes.

NBN Auditing of Accounts
License No. 817951

Mr. Fahad Saleh Ali Mohammad Hall
Registration No: 814
Dubai, U.A.E
March 26, 2025

SECTION VI – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*The information in this section has been obtained or derived from the report titled "India Data Centre, Cloud Services and Managed Services Industry Outlook" (the "**Nexdigm Report**"), which was issued in March 2025, prepared by Nexdigm Private Limited ("**Nexdigm**"). Our Company commissioned Nexdigm to prepare the Nexdigm Report specifically for the purpose of the Issue pursuant to the master service agreement dated October 21, 2024. For more details on the Nexdigm Report, see "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data" on page 18. A copy of the Nexdigm Report is available on our Company's website at www.esds.co.in/investor-relations/industry-report*

The Nexdigm Report was prepared using information as of specific dates, which may no longer be current or reflect current trends, and opinions in the Nexdigm Report may be based on estimates, projections, forecasts and assumptions that may prove to be incorrect. For more details, see "Risk Factors – 62. Statistical and industry data in this Draft Red Herring Prospectus has been derived from an industry report exclusively commissioned and paid for by our Company for the purpose of the Issue. Reliance on information from the industry report for making an investment decision in the Issue is subject to inherent risks" on page 75.

Unless otherwise stated, all estimates, forecasts, projections, expectations and opinions in this section are those of Nexdigm.

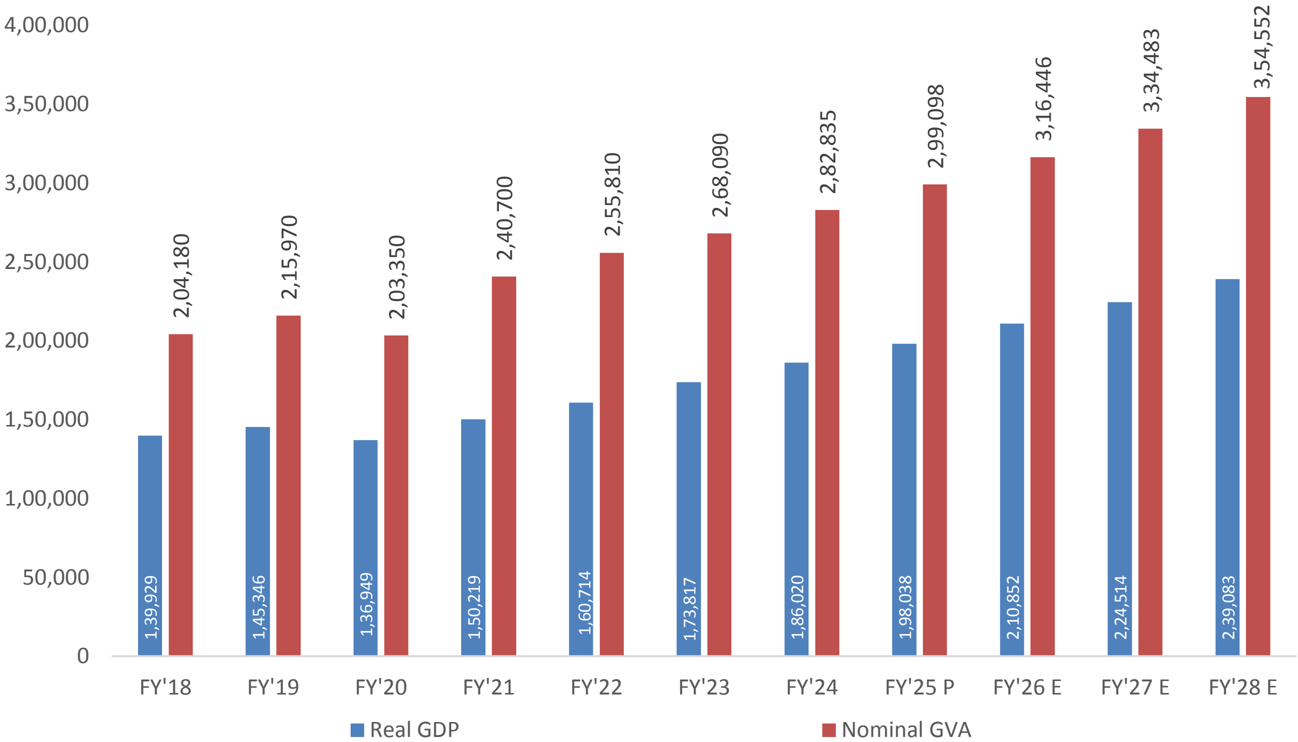
MACRO OVERVIEW

GDP and GDP Growth Rate at Nominal and Real Level, 2018-2028:

India's economic growth between Fiscals 2018 and 2024 was characterized by resilience and recovery amid global challenges. Following a decrease of 7.3% in 2020 due to the COVID-19 pandemic, the economy rebounded strongly and achieved an impressive growth rate of 8.2% in the Fiscal year ending March 2024, consolidating its position as the fastest-growing major economy globally. In Fiscal 2023 and 2024, government spending on infrastructure significantly boosted growth, although consumer spending decelerated. Despite facing persistent inflation and high unemployment, structural reforms, such as the Goods and Services Tax (GST), and initiatives, like Make in India, have supported economic expansion. During Fiscal 2026-Fiscal 2027, the growth is expected to stabilise at around 6.5% to 7% in the following years, reflecting a more cautious outlook as global economic uncertainties persist.

Figure 1: India's Real GDP and GVA in INR billion, Fiscals 2018-2028E

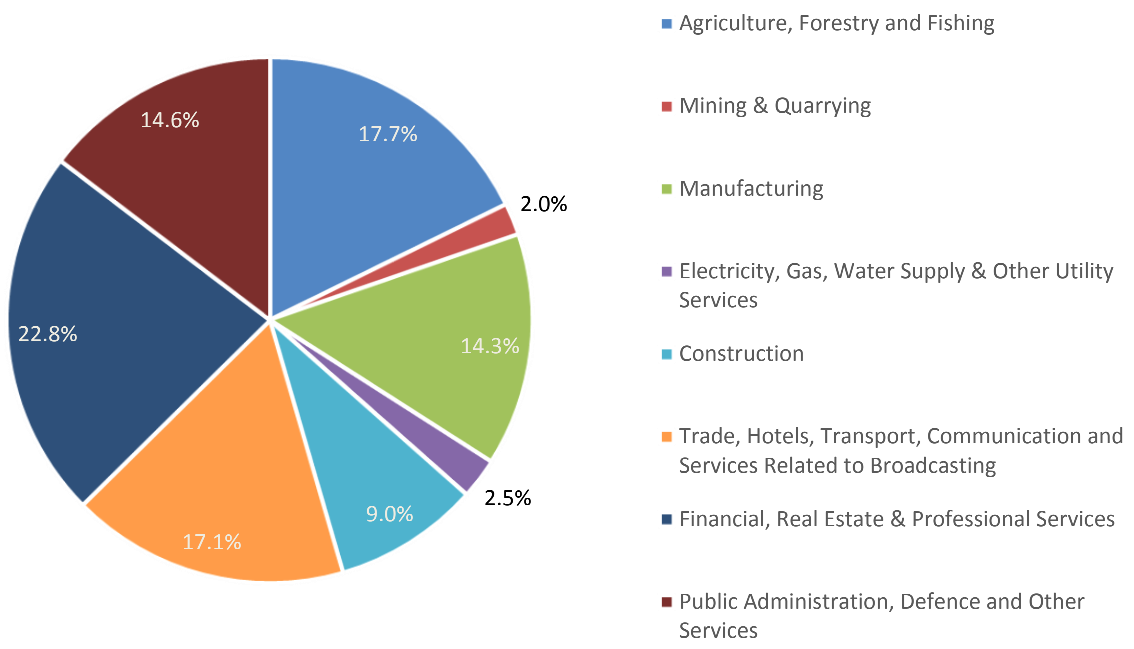
Source: Nexdigm Analysis, IMF, World Economic Outlook Database



GDP: The total value of all goods and services produced in a country at constant prices. GDP is a broad measurement of a country's economic activity

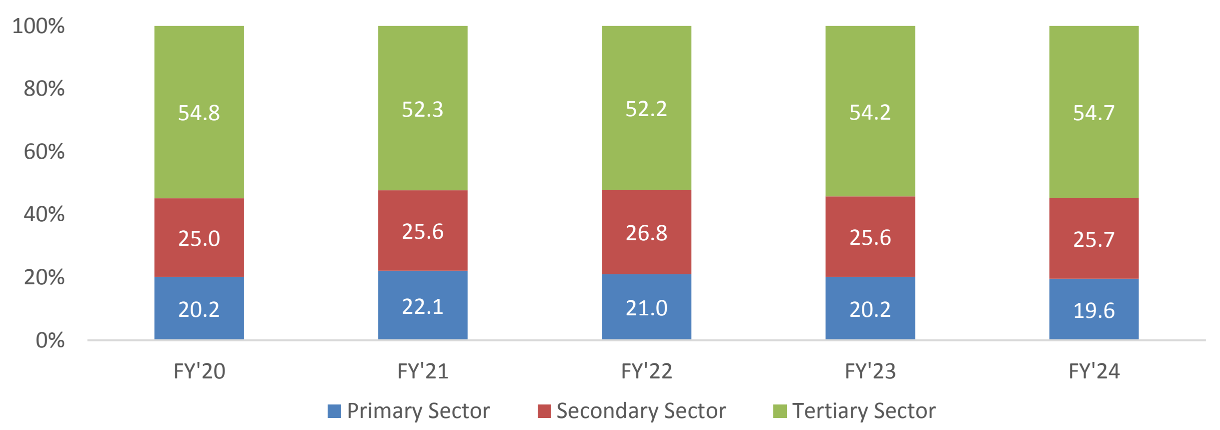
GVA: The value added to products to enhance them. GVA is calculated by adding subsidies paid on products to GDP and then subtracting taxes paid on them
Note: E stands for estimated; P stands for projected

Figure 2: Sectoral Breakup of India Nominal GVA in Percentage Terms (%), Fiscal 2024



Source: Nexdigm Analysis, Ministry of Statistics & Programme Implementation (MoSPI)

Figure 3: Breakup of India Nominal GVA into Primary, Secondary and Tertiary Sectors in Percentage Terms (%), Fiscals 2020-2024

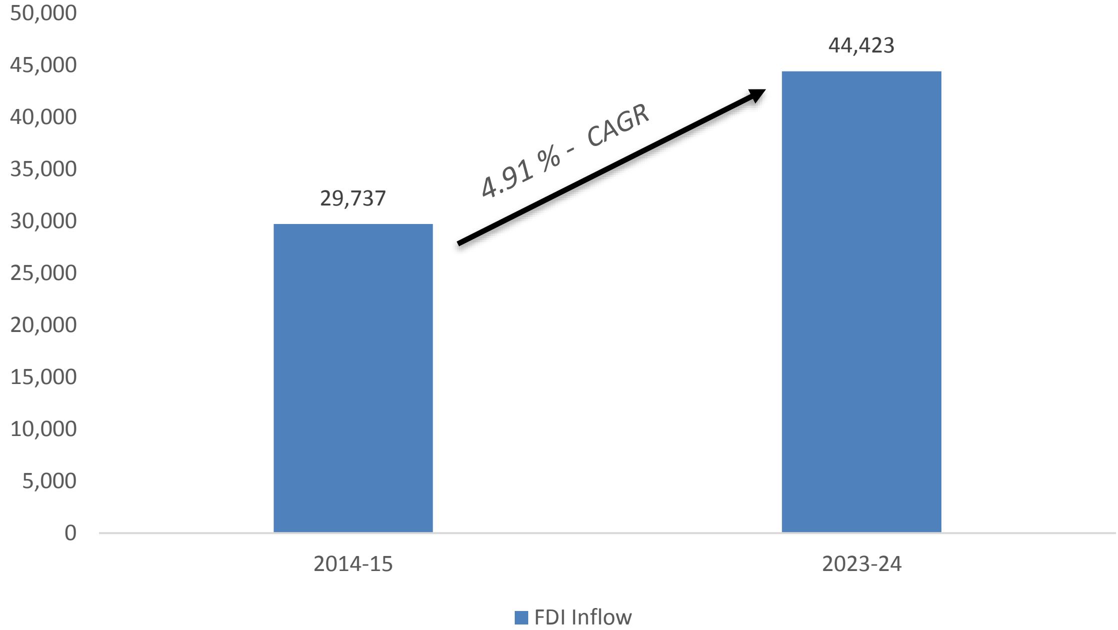


Source: Nexdigm Analysis, Ministry of Statistics & Programme Implementation (MoSPI)
Note: Primary- It involves the extraction of natural resources, such as agriculture, mining, and forestry.
Secondary- Encompasses manufacturing and industrial activities that transform raw materials into finished goods.
Tertiary- Comprises service-oriented activities that provide support to both the primary and secondary sectors, including retail, banking, and healthcare.

- The secondary sector has maintained a stable contribution, growing to 25.7% in Fiscal 2024. With initiatives like "Make in India" and increased infrastructure investment, this sector has showcased potential for high-value manufacturing and sustainable industrial growth, indicating a strategic area for resource allocation to boost self-reliance and industrial output.
- The tertiary sector dominates India's GDP, growing from 52.3% in Fiscal 2021 to 54.7% in Fiscal 2024, driven by financial services, real estate, and IT. This shift reflects India's transition toward a service-based economy, with high growth in tech-driven industries and digital transformation positioning India as a global hub for IT and business services. Rapid advancements in IT and digital infrastructure have boosted sectors like finance, communications, and professional services, underscoring the need for policies that further support innovation and tech-driven economic growth.

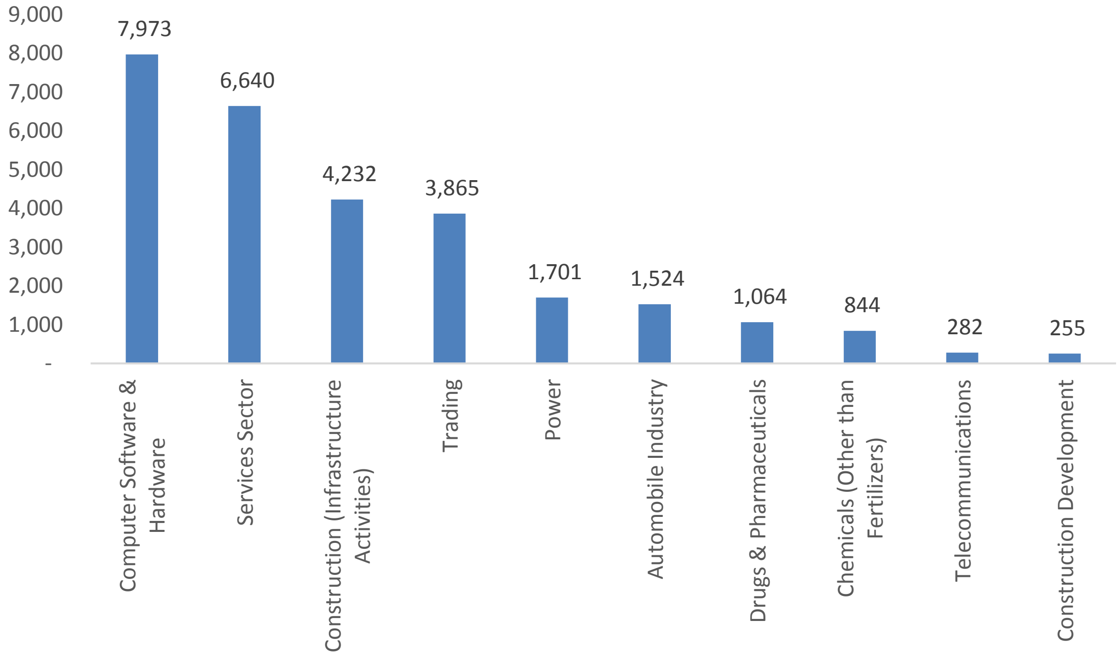
FDI Inflow Split by Sector:

Figure 4: FDI Inflow in India in USD million, Fiscal 2015 to Fiscal 2024



Source: Nexdigm Analysis, Press Information Bureau- Government of India

Figure 5: Top 10 Sectors attracting highest FDI Equity Inflow in India (In USD million), Fiscal 2024



Source: Nexdigm Analysis, DPIIT- Ministry of Commerce

FDI Equity Inflow in India during Fiscal 2024 was reported at USD 44,423 million. Majority of FDI investment has been routed into Computer Software and Services:

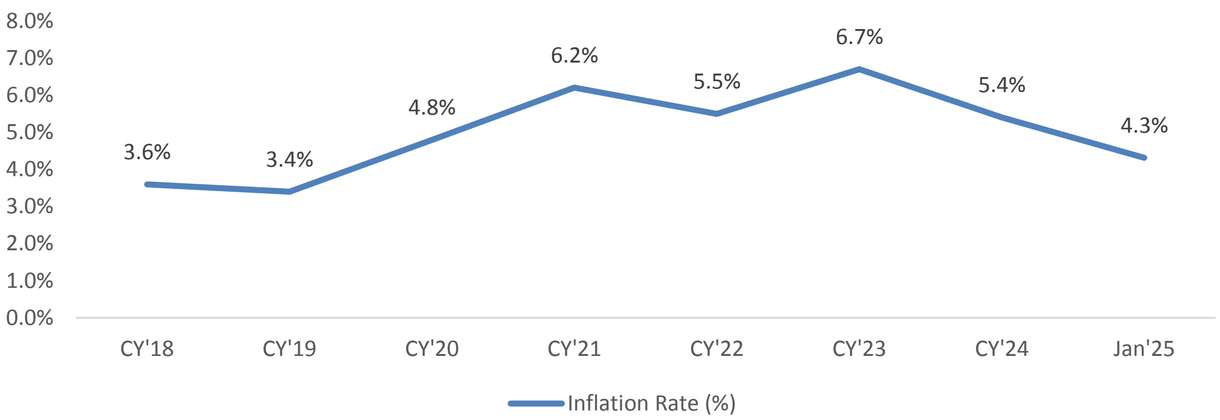
- Computer software and hardware sector leads FDI inflows at USD 7,973 million during Fiscal 2024, highlighting India's role as a global technology hub. High investment in IT and digital services showcased appeal of India's talent pool and competitive costs. This FDI concentration strengthens India's IT capabilities, supporting growth in emerging areas like cloud services, artificial intelligence, and software development, with government initiatives such as the Digital India program reinforcing these trends.

- The services sector attracts substantial FDI, with USD 6,640 million during Fiscal 2024, reflecting international confidence in India's finance, banking, insurance, and professional services industries. These investments are pivotal in expanding India's service economy and increasing its contribution to GDP.

Inflation Rates Calendar Year 2018-2025:

Inflationary pressures have been influenced by a combination of domestic factors in India, such as supply chain disruptions and agricultural output fluctuations, and global dynamics, including commodity price volatility. Inflation in India during 2024 exhibited a dynamic trend, marked by fluctuations primarily influenced by food prices, global commodity market conditions, and domestic supply chain disruptions. While the Consumer Price Index (CPI), the benchmark for retail inflation, showed periods of significant volatility, the Wholesale Price Index (WPI), which tracks wholesale-level inflation, remained comparatively stable, underscoring different pressures at the retail and wholesale levels. In January 2025, the Reserve Bank of India reduced the repo rate by 25 basis points to 6.25%. This tells about their intent to balance inflation control with the need to stimulate economic activity, especially as inflation has shown signs of slowing in recent months. The rate cut is aimed at making borrowing more affordable and encouraging investment, while monitoring inflationary trends.

Figure 6: CPI Inflation Rates Calendar Year 2018- Jan 2025



Source: Nexdigm Analysis, Reserve Bank of India

- From 2018 to 2023, India has faced inflationary pressures owing to COVID-19 pandemic which has led to labour shortages and supply chain disruptions, peaking at 6.2% in 2020. The Russia-Ukraine conflict steered an energy crisis, pushing inflation to 6.7% in 2022. Erratic monsoons and agricultural issues, along with volatile global oil prices, further strained the economy. The Reserve Bank of India adjusted policy rates from 6.25% in early 2019 to a historic low of 4.0% in May 2020, implementing liquidity measures amid currency depreciation and supply-demand imbalances during recovery phases.
- Rising inflation in India peaked at 6.7% in 2022, eroding purchasing power for lower and middle-income households and shifting spending towards essentials. Sectors like textiles and electronics faced higher input costs, while manufacturing dealt with increased logistics and energy expenses.
- Inflation rates from January 2024 to January 2025 show fluctuations, peaking at 6.21% and falling to 3.60%. Compared to the previous year, the overall trend appears to be a gradual decline in inflation, with most months remaining between 4.80% and 5.49%. This suggests some easing of inflationary pressures, although the drop to 3.60% could reflect specific economic factors, such as lower energy prices or effective policies.

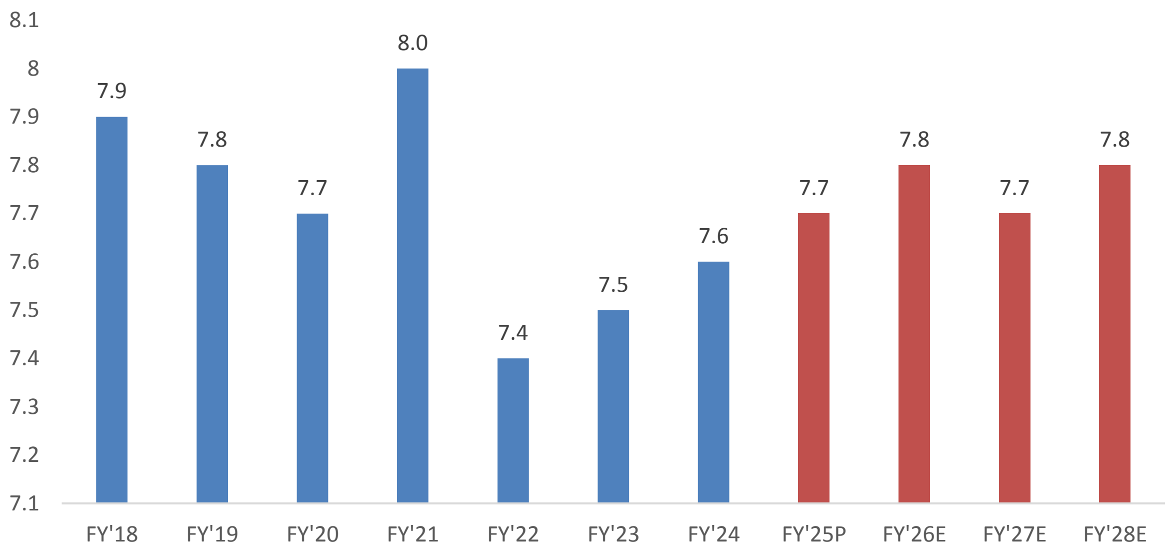
OVERVIEW OF IT/ ITES SECTOR

The IT/ITES (information technology/information technology-enabled services) industry in India is a key driver of economic growth and contributes significantly to employment and export earnings. The sector is projected to maintain a strong growth trajectory, benefiting from increased demand for digital transformation services, cloud computing, artificial intelligence, cybersecurity, and other emerging technologies.

According to NASSCOM, the IT-BPM industry's revenue reached approximately USD 254 billion in Fiscal 2024, marking a 3.8% year-over-year growth and an addition of over USD 9 billion compared to the previous fiscal year. The industry employed approximately 5.43 million people in Fiscal 2024, adding 60,000 new jobs despite global economic challenges. IT/ITES industry is poised for continued expansion, with a projected compounded annual growth rate (CAGR) of 7-8% over the next five years. By 2028, the IT industry is expected to be driven by the increasing adoption of emerging technologies such as artificial intelligence, cloud computing, and cybersecurity. This growth will further strengthen India's position as a global leader in IT services and outsourcing. With a 36% digitally skilled workforce, the industry remains largest in terms of AI skills penetration, second largest in terms of Artificial intelligence/ machine learning big data analytics talent pool, and third largest, in terms of installed supply of Cloud professionals at the global level. Regarding government initiatives, the government has introduced the Software Technology Park Scheme, which is a 100% export-oriented scheme for the development and export of computer software, including the export of professional services using communication links or physical media.

According to the Ministry of Electronics and IT, the Indian semiconductor market was valued around USD 38 billion in 2023, with projections indicating that it will grow to USD 109 billion by 2030. To support this rapid expansion and reduce dependence on imports, the Indian government has implemented several initiatives aimed at promoting domestic semiconductor manufacturing. The India Semiconductor Mission (ISM) aims to build a sustainable semiconductor and display ecosystem that positions India as a leader in electronics manufacturing and design. Launched in 2021 with a financial outlay of INR 7,600 million, the Semicon India programme is structured to promote the domestic semiconductor industry through incentives and strategic partnerships.

Figure 7: Contribution of IT AND BPM Share in India's Nominal GDP in Percentage (%), Fiscal 2018-2028E



Source: Interview with Industry Experts, Nexdigm Analysis
Note: E stands for Estimated, P stands for projected

Role of Digital India in Boosting Cloud and Data Centre Industry

India's swift move into the digital world, intensified by efforts like Digital India, has led to an increase in the creation of data across various industries, including online shopping and the Internet of Things. This rise in data transmission has highlighted the importance of strong data infrastructure, with data centres being key in addressing these needs. According to Ericsson, India is projected to have 270 million plus 5g subscribers by the year end of 2024. At the same time, the 4G subscribers have risen from 635 million in Fiscal 20 to 707 million in Fiscal 24 and wireless subscribers have also seen a rise from 1,157 million in Fiscal 20 to 1,165 million in Fiscal 24. This has led to the increased usage of cloud computing among Indian businesses, taking advantage of its ability to scale and its cost-effectiveness to improve their operations.

India is witnessing a transition from an emerging market economy to a developed market economy. Telecom India has witnessed a remarkable surge in internet usage in recent years, reflecting the nation's rapid digital transformation. The Digital India initiative has also improved entrepreneurship and innovation in India and encouraged the growth of the Indian start-up ecosystem, with the government providing support through initiatives such as Start-up India and Atal Innovation Mission. SMEs are leveraging Industry 4.0 solutions like Internet of Things (IoT), Artificial Intelligence (AI) and Machine Learning in to improve efficiency and productivity.

Table 1: Smartphone and 4G Usage in India, Fiscal 2020-Fiscal 2024

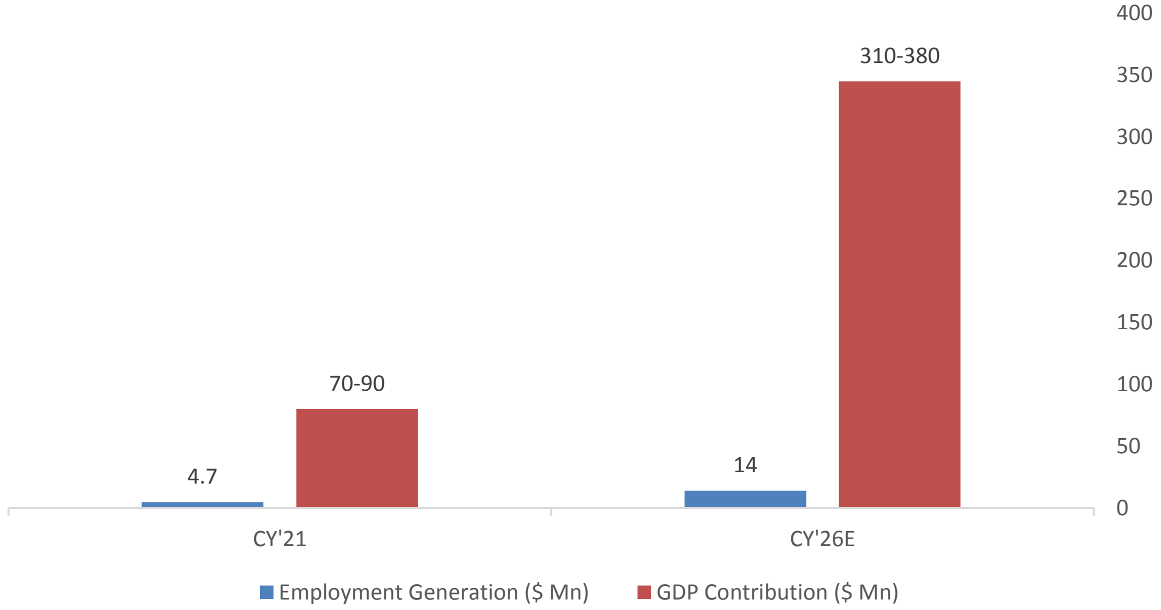
	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024
Wireless Subscribers (million)	1,157	1,181	1,142	1,144	1,165
Data Subscribers (million)	720	799	814	883	956

	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024
Data Subscription as % of wireless subscribers	62%	68%	71%	77%	82%
4G Data Subscribers (million)	635	719	734	786	707
4G Data Subscribers Proportion	88%	90%	90%	89%	74%

Source: Nexdigm Analysis, TRAI

Figure 8: GDP and Employment Contribution of Cloud (In USD million), Calendar Year 2021 and Calendar Year 2026E

CAGR of Employment Generation of Cloud, CY21-CY26E- 36.78%
CAGR of GDP Contribution of Cloud, CY21-CY26E- 44.11%



Source: Nexdigm Analysis, NASSCOM
Note: E stands for Estimated, P stands for Projected

Cloud and cloud technologies are one of the core themes of Digital India along with the demand for digital infrastructure, services and digital democracy as a core objective for every citizen. Potential GDP contribution of cloud and cloud enabled services by Calendar Year 26 is expected to reach at INR 310-380 billion where in each sector will leverage cloud and cloud enabled technologies in unique ways to enable value addition. According to NASSCOM, This growth will also lead to creation of over 14 million direct and indirect job opportunities.

The growth of cloud in India has been driven by several factors such as the rise in the digital population, inflow of investments, digitization of enterprises and favourable government policies. Several state and central governments in India have leveraged cloud to combat the COVID-19 pandemic. Cloud-based initiatives such as MyGov Saathi, Curfew ePass, COVID-19 Repository, Arogya Setu and CoWIN are some of the examples of the role of cloud in delivering timely citizen services.

Some of the major value additions of cloud services in GDP includes:

- **Value added by end-user industries:** Through revenue uplift, efficient tech spends, new venture creation, cost savings, better productivity, increased exports, ability to access global markets and improved compliance with regulations.
- **Value added by supply chain activities:** Procurement/set-up of mechanical, technology, electrical and physical infrastructure for data centres.
- **Value added by spending of workforce's income**

Table 2: Advantages of Cloud Computing for End User:

Sector	Key Benefits and Trends
Financial Services	• Establishes transparency in banking and lending, reducing fraud. • Enables secure transactions and real-time data processing. • Digital payments in India projected to reach 71.7 billion transactions by 2025.

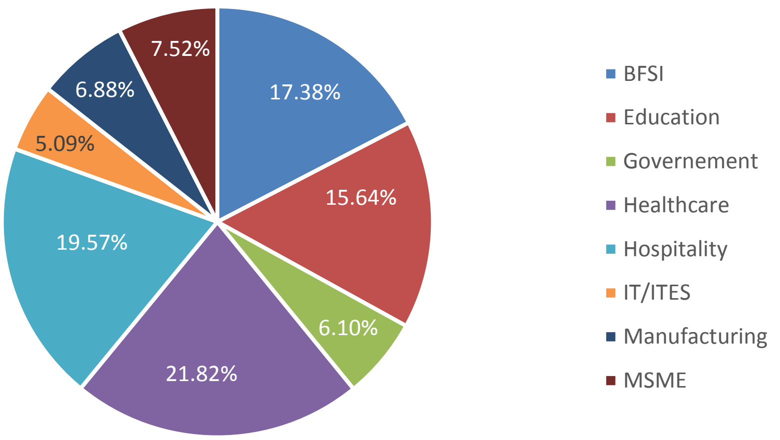
Sector	Key Benefits and Trends
Communication, Media & Entertainment	• AI enhances media and gaming experiences. • 98% of companies rely on data-driven insights for consumer experience. • AI algorithms for content personalization improve user engagement on platforms like Netflix and Amazon Prime.
Technology	• Streamlines routine tasks and automates complex workflows. • Reduces operational costs by over 45-50%, allowing IT teams to focus on strategic initiatives.
Retail	• Creates immersive retail experiences. • Provides real-time data on inventory and consumer demand. • Streamlines supply chain processes; Walmart uses IoT and AI for operational efficiency.
Government	• Enhances digital engagement with citizens. • Improves internal operational efficiency. • MeitY's Centres of Excellence promote innovation in IoT and AI across cities like Bengaluru and Gurugram.

Source: Nexdigm Analysis, Industry Articles

Number of Phishing and Rogue Attacks, 2019-2024

India faces significant business losses due to cyberattacks, reflecting the increasing digitization and data dependence of industries. As digital infrastructure expands, the sophistication and volume of cyber threats, posing significant challenges to data security. This trend underscores the critical need for robust data centre solutions capable of ensuring secure, resilient operations in a rapidly evolving threat landscape.
India faced approximately 370 million malware attacks at a rate of 702 such detections per minute in 2024. Among these, healthcare, hospitality, business, financial services, and insurance (BFSI) were the most targeted industries, contributing over 58% to the total attacks. Over 1 million ransomware attacks were also detected within the past year. The healthcare sector recorded over 108,870+ cases of malware attacks, making it the worst hit. Closely followed by the hospitality sector, which experienced over 82,130+ malware detections. The banking, financial services and insurance (BFSI) sector reported over 27,837+ malware attacks.

Figure 9: Industry Wise Malware Attacks in India, Fiscal 2024, (%)



Source: Nexdigm Analysis, Data Security Council of India

Table 3: Digital Attacks Snapshot, Calendar Year 2021-2024

Year	Phishing Incidents	Network Scanning and Probing	Virus/Malware Incident	Website Hacking Incidents	Cybersecurity Incidents
2021	215	86,585	9,203	18	122,764
2022	1,145	10,220	2,559	58	27,482
2023	401	12,330	1,185	39	23,158
2024	1,136	8,154	439	76	12,342

Source: Nexdigm Analysis, Press Information Bureau

Data Localization Trends and Initiatives in India

The Digital Personal Data Protection Act 2023 (DPDP) ensures that personal data is processed in a manner that recognises the rights of individuals to protect their personal data while allowing for the processing of such personal data for lawful purposes.

Apart from this, Reserve Bank of India (RBI) has introduced mandates for BFSI sector in 2019, requiring all payments data to be stored in India, except in cases of banks, specifically foreign banks which are allowed to store banking data abroad, for cross border payment transactions. To meet localization requirements, India has seen substantial growth in data centre infrastructure, with both global giants and local players investing in facilities.

Indian data centre providers like ESDS Software Solutions Ltd. (ESDS), Yotta, Sify technologies, CTRLS are well-positioned to benefit from this regulatory push, offering secure, compliant, and scalable solutions for enterprises navigating localization mandates. With growing infrastructure investments and cutting-edge technology, domestic players are steadily strengthening their capabilities to compete with global giants.

Role of System Integrators in Cloud and Managed Services:

As cloud computing becomes an indispensable part of modern business, the complexities of managing cloud environments have grown significantly. Cloud computing is not just about migrating data to remote servers; it requires deep integration with existing IT infrastructure, secure and scalable systems, and optimized management for efficiency. System Integrators help businesses navigate this complex landscape, ensuring seamless integration of cloud services with on-premises systems while optimizing performance, security, and costs.

Role of System Integrators:

Digital Transformation - System Integrators have stepped into the vanguard of this transformation by assisting businesses in the transition to cloud-based platforms that promise efficiency and scalability. Leveraging their expertise, they are helping eliminate silos of legacy systems, enabling a seamless flow of information and functionality across the enterprise

End to End Packaging Solutions - One of the key trends that has been observed is that system integrators shift towards packaging end-to-end solutions tailored for specific industries. By orchestrating a suite of services and technologies, they are providing comprehensive solutions that address complex customer needs from start to finish. This approach not only streamlines the integration process but also provides businesses with a harmonious system that is ready to meet their unique challenges

Hyper Scaler Partnerships - An important aspect of system integrators modern strategy is about building strong partnerships with hyper-scalers like Amazon Web Services (AWS), Microsoft Azure, and Google Cloud. These alliances provide hyperscalers with foundational cloud services upon which they can build scalable solutions for their customers. For instance, Tata Consultancy Services has partnered with major cloud providers like Azure, AWS, Google Cloud to adopt the cloud solutions easily and migrate their workload.

Enhanced Security - System integrators help organizations ensure that their technology infrastructure complies with industry regulations and cybersecurity standards. By connecting systems securely and implementing strong security measures, integrators can mitigate vulnerabilities and protect sensitive data. Integrated systems also make it easier for businesses to monitor compliance, as data is centralized and more accessible to audits and reporting. This helps reduce the risk of data breaches and regulatory penalties.

Challenges Faced by System Integrators

Data Sovereignty and Compliance issues- System integrators in India navigate a complex regulatory environment regarding data privacy, especially with government laws like the Digital Personal Data Protection Act, 2023. For instance, organizations face significant data sovereignty and compliance challenges when adopting cloud solutions, as seen in the integration of Oracle Cloud Infrastructure (OCI) for projects such as Digital Parliament, which underscores the need for secure infrastructure to protect sensitive data.

Indian system integrators with their deep understanding of local regulatory frameworks are well-positioned to manage these compliance challenges by providing customized solutions that align with global standards and India-specific data protection laws. Their local expertise allows them to design secure compliant cloud infrastructures that support projects like these giving them an advantage over global players.

Talent Shortage - The Indian IT sector is currently facing a mid-level management talent gap. A NASSCOM report highlighted that India's demand for cloud-related talent is expected to reach 2 million by 2026, but there is a significant supply-demand gap of 30-40% in skilled professionals especially the technical expertise required for cloud migration projects. With the growing demand for cloud-related expertise, companies need to focus not only on attracting top-notch talent but also on retaining and upskilling their employees. This ensures that they stay ahead in an increasingly competitive industry. By investing in ongoing training programs, offering competitive compensation packages, and fostering a culture of growth, companies can bridge the skills gap and position themselves for long-term success.

Network Latency- Cloud environments are often preferred on-premises because of their scalability which can easily change use of calculation and storage resources in a matter of minutes. But if your network latency is too high, scaling your cloud environment will have limited impact, which puts a firm cap on the data integration workloads you can run though Hybrid clouds use wide-area networks (WANs) instead of local area networks (LANs) but WAN can become clogged by transmitting too many small, uncompressed data packets over a remote database connection, putting a burden on the network.

India's growing technology ecosystem and investment in network infrastructure gives it a significant edge over global players positioning the country to effectively address these challenges and optimize cloud performance for data-intensive workloads. This gives Indian enterprises a competitive advantage in enabling scalable, high-performance hybrid cloud solutions for data integration.

ROLE OF IT IN INDIA'S DIGITAL EVOLUTION

India's Digital India Programme aims to transform the country into a digitally empowered society and knowledge economy. The programme aims to generating USD 1 Trillion in economic value, contributing significantly to the target of a USD 5 Trillion economy by 2025. The program identifies 30 digital themes across sectors like Agriculture, Healthcare, Education, Energy, and Digital Payments, promoting the adoption of digital technologies.

As of March 2024, India has 954.40 million internet subscribers, with 398.35 million rural subscribers. Out of 644,131 villages, 612,952 (95.15%) have 3G/4G connectivity. The number of internet subscribers grew at a CAGR of 14.26%, from 251.59 million in March 2014 to 954.40 million in 2024. The total telephone subscribers increased to 1,199 million by March 2024, with tele-density rising to 85.69%. The growing adoption of cloud computing and AI by SMEs presents further opportunities for data centres and cloud service providers to support Digital India's infrastructure.

Table 4: India's Digital Evolution Key Achievements (as of March/April 2024)

Metric	March 2014	March 2024	% Increase
Broadband Definition	>= 512 Kbps	>= 2 Mbps	300%
India's Ranking in Average Internet Download Speed	130	16	Improved by 114 ranks
Average Download Speed	4.18 Mbps	105.8 Mbps	2,432.3%
Internet Subscribers (in million)	251.59	954.4	279.3
Total Subscribers (in million)	933	1199.3	28.5
Urban Tele-density	145.8%	133.72%	-8.3
Rural Tele-density	44.0%	59.2%	34.6%
Overall Tele-density	75.2%	85.7%	13.9%
Average Data Cost/GB	INR 268.0	INR 9.2	-96.6%
Average Data Consumption	0.26 GB	20.3 GB	7,696%

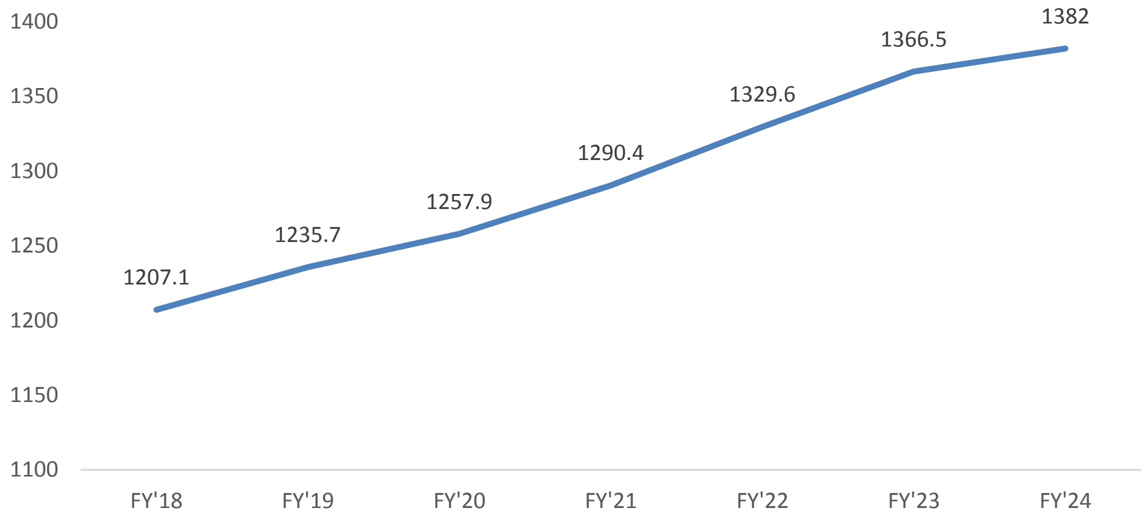
Source: Nexdigm Analysis, Press Information Bureau- GOI

IT services enabling the growth of digital transformation initiatives:

India is getting closer to becoming a digitally advanced nation and is way ahead of the developing and emerging countries. This robust growth has been possible by the initiatives of the government and its step towards digitalization. Projects like Digital India has been the key pillar in achieving this goal where the total budget has been extended to INR 149,030 million from Fiscal 2022 to Fiscal 2026.

- **Financial Inclusion and Digital Identity** - Strengthening the digital revolution and initiatives such as Aadhaar has empowered millions of people with access to various essential services and financial inclusion. Aadhaar holders executed 8 billion authentication transactions in April 2023 compared to 13.3 billion in April 2024, which reflects an increase of 66.2%, reflecting the growth of the digital economy and the use of Aadhaar in India.

Figure 10: Number of Aadhar Users in INR million (Cumulative Terms), Fiscals 2018-2024



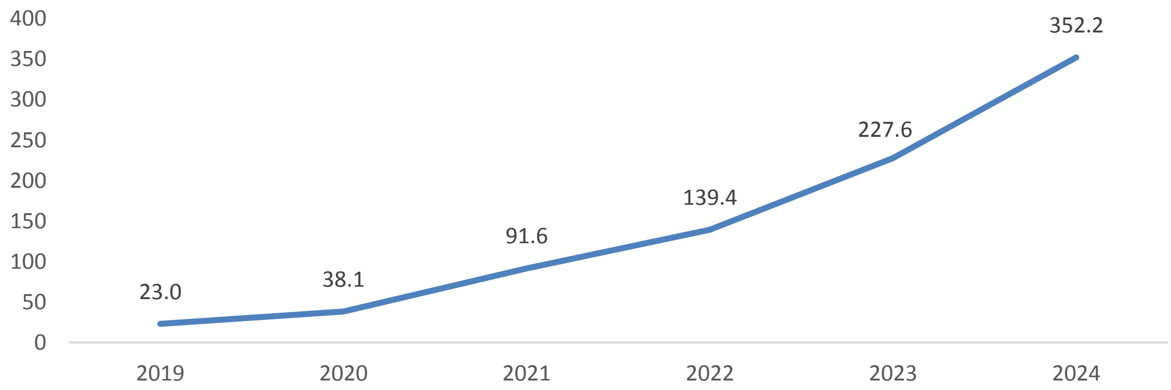
Source: Nexdigm Analysis, UIDAI

- **Revolutionizing Document Management**- Initiatives such as Digi Locker provide document management facilities digitally from access to driver license to academic mark sheets. The user base currently stands at 352.2 million users in Fiscal 2024 compared to 227.6 million in Fiscal 2023.

- **Digitalizing Education**: Pradhan Mantri Gramin Digital Saksharta Abhiyan (PMGDISHA) which is the world's largest digital literacy program, equips rural communities with essential digital skills such as marketing, e-commerce, finance and cyber security, enabling them to participate fully in the digital economy. Under this scheme, 73 million candidates were enrolled, out of which 64 million were trained and 47.8 million were certified.

- **Boost to Digital Infrastructure**: The number of broadband subscribers increased from 846 million in March 2023 to 924 million in March 2024. This robust growth rate of 9.1%, coupled with a massive growth of 78 million broadband subscribers, underlines the importance of high-speed connectivity which is now expanding into rural areas as well.

Figure 11: Year Wise Digi Locker User Registration Data (in million)

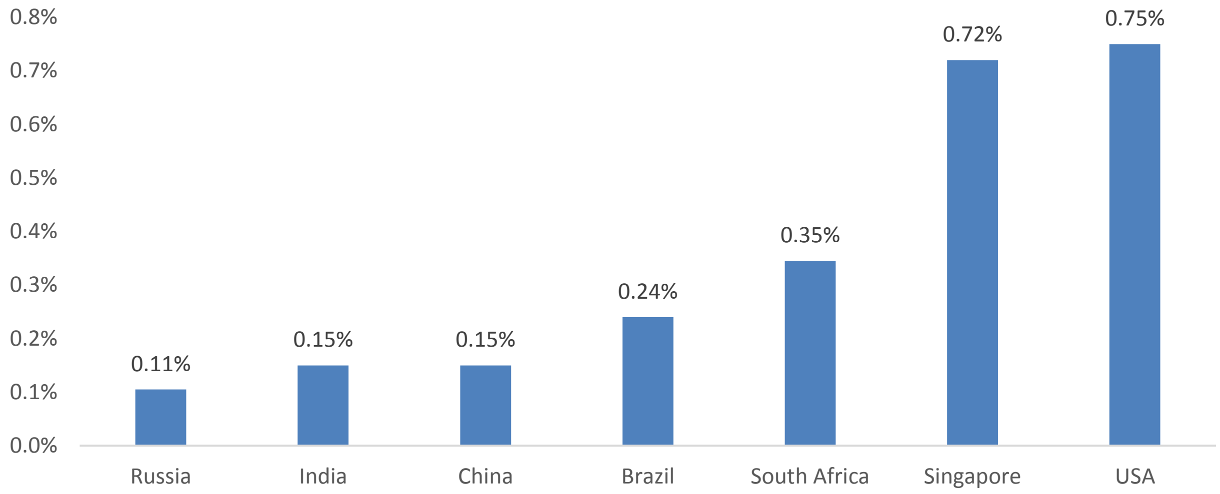


Source: Nexdigm Analysis, DigiLocker

Shift from traditional IT to cloud-based services, AI, and machine learning

Global public cloud market has increased at a CAGR of 22.3% while the Indian public cloud market has overpassed the global CAGR and has grown at 31.9% CAGR (Fiscals 2020-2024). While cloud adoption in India is growing rapidly, its spending as a percentage of GDP remains lower than global markets due to factors like cost sensitivity, slower digital maturity, regulatory challenges, and a smaller IT spending base. However, with increasing awareness, improving infrastructure, and supportive government policies like the Digital India initiative, cloud spending is expected to rise significantly in the coming years. As cloud spending in India moves closer to global benchmarks, domestic players that have built strong capabilities in cloud-based services, such as ESDS, Yotta, CyFuture, are well-positioned to capture this growing demand.

Figure 12: Cloud spending across countries as a % share of GDP, Fiscal 2024



Source: Asian Development Bank, Nexdigm Analysis

Table 5: Overview of India's Digital Landscape

Parameters	Description
Growing Digital Population	2.4x Increase in internet subscribers from 343 million in 2016 to 954.40 million in 2024
	1.2 billion total wireless subscribers (as of September 2021) with 69%+ wireless internet subscribers
	82% Reduction in mobile data prices between 2016 and 2021
	53% Of enterprises have increased their cloud adoption over the last one year
	84% Of large organizations have adopted SaaS
Favourable Government policies	Data Centre Scheme Government aims to attract USD 4 billion of investments by 2025 in data centre industry and intends to provide 3-4% of capital investment as incentive along with faster approvals
	Infrastructure status to data centres: As data centre industry is seeking expansion, infrastructure status to data centres was provided in the Government's Budget for Fiscal 2022 It is expected to improve credit availability at lower rates and provide flexibility for power sourcing
Increasing interest of investing community	5.6x Increase in SaaS investments from USD 800 million in 2018 to ~USD 10 billion in 2024.
	Indian data Centre industry has secured investment commitments worth USD 19 billion in 2024

Source: Nexdigm Analysis, Industry Articles

Table 6: Breakdown of key service types*: IT Consulting, Cloud Services, Managed Services*

Service Type	IT Consulting	Managed Services	Cloud Services	Data Centre
Type of Services	Strategy consulting, Operations consulting, Technology consulting:	Security as a Service, Network Management, Disaster recovery, Application and database management, Back-up service, Cross platform management and remote infrastructure management.	Public Cloud, Hybrid Cloud, Private Cloud	Colocation, Managed Hosting, Cloud Edge Computing
Cost Structure	Hourly or project-based fees	Monthly subscription	Pay as you go, Subscription based, Reserved instances and hybrid cloud billings	Monthly or annual leasing, Pay-as-you-go, Subscription-based
Key Applications	Technology strategy, digital transformation	IT infrastructure management, security monitoring	Data storage, SaaS, remote work	Data storage, Backup, Disaster recovery, Network management
Value Proposition	Expert guidance, strategic alignment	Reliability, predictability, proactive maintenance	Scalability, cost efficiency, accessibility	High uptime, security, infrastructure reliability
Demand Patterns	High demand in BFSI, healthcare, retail	High demand among SMEs, healthcare, financial services	Strong demand across all sectors, especially in tech, BFSI	Growing demand across all sectors, especially in tech, healthcare, finance
Industry Trends	Focus on specialized services, remote/hybrid models	Growth in managed security services, co-managed IT	Multi-cloud and hybrid cloud adoption, cloud security focus	Adoption of hybrid infrastructure, AI/ML integration, Edge computing growth

Source: Nexdigm Analysis, Industry Articles

Key Growth Drivers - AI/ML/NLP, Edge Computing, Increasing Focus on Digital Services

- **Natural Language Processing (NLP):** NLP helps enhance operational efficiency, improve data management practices, strengthen security measures, and simplify advanced analysis. Beyond the data centre sector, NLP has been adopted by Indian Railways for inquiries through the AskDISHA Chabot. It is also utilized by the Supreme Court to translate verdicts into vernacular languages. According to the interviews with industry experts the Indian market for NLP is estimated as USD 2.6 billion during 2024, driven by advancements in AI and Machine learning, adoption across industries and demand for voice activated technologies.

- **AI and Machine Learning:** The integration of machine learning (ML) and artificial intelligence (AI) is significantly transforming the data centre industry by enhancing operational efficiency, optimizing energy consumption, and improving security measures. AI-driven predictive maintenance deducts the downtime and operational costs, while intelligent workload management ensures optimal resource utilization. AI technologies have enhanced energy efficiency by optimizing cooling systems and power allocation, potentially reducing energy. Artificial intelligence accounted for 5.8% of the Indian cloud market, generating revenue of INR 48.8 billion in Fiscal 2024.

- **Edge Computing**: Edge computing plays a crucial role in modernizing data centres by reducing latency, improving bandwidth efficiency, enhancing reliability, providing scalability, and supporting real-time applications. As businesses increasingly depend on fast and efficient data processing, integrating edge computing into their strategies will be essential for maintaining a competitive advantage. Oracle and Tata Communications are few prominent companies that have expanded into this technology.

- **IoT and Block Chain Technology**: The integration of Internet of Things (IoT) and block chain technology is enhancing data centre security by using decentralized and tamper-proof data storage, ensuring data integrity with immutable audit trails, and enabling skilled data management through smart contracts. This convergence allows for real-time monitoring, automation, and scalability to manage the increasing number of connected devices. Ultimately, IoT and block chain together create a more efficient, skilled, and secure data centre capable of handling the demands of a growing interconnected world. As per Nexdigm, Indian market for IoT is estimated at around INR 880 million, which is expected to grow at a CAGR of 16% during 2025-2029.

- **GPU's:** Data centre GPUs are designed to meet the demands of enterprise-grade applications such as artificial intelligence, machine learning, high-performance computing, data analytics, and scientific simulation GPUs consume more power than CPUs, they offer superior energy efficiency for specific tasks that benefit from parallel processing. This efficiency stems from the ability of GPUs to complete computations faster than CPUs by distributing workloads across numerous core. The Indian government plans to invest approximately INR 100,000 million to procure 10,000 AI-capable GPUs within the next 18 months. As of now, 675 GPUs are operational through the Centre for Development of Advanced Computing (CDAC) under its AIRAWAT supercomputing facility, which ranks 75th globally in terms of supercomputing power. The overall infrastructure for computing in India is reported to be less than 2% of the global capacity, indicating significant room for growth and investment in this area NVIDIA holds a dominant position in the GPU market in India, accounting for about 85% of the market share

GOVERNMENT INITIATIVES

The cloud and data centre industries are rapidly transforming India's digital landscape, driven by government initiatives promoting cloud adoption and data localization.

Cloud adoption in public services:

Cloud adoption in sectors such as BFSI, healthcare, and education significantly enhances accessibility, operational efficiency, data security, and scalability in India's public sector.

- **Banking, Financial Services, and Insurance (BFSI):** Cloud adoption enables financial services to deploy secure, scalable solutions for customer data management and transaction processing. According to NPCI, as of December 2024, there are 641 banks live on UPI. During September 2024, there are over 15 billion transactions valuing over INR 20 Trillion registered. The Government e-Marketplace (GeM) facilitates the procurement of cloud services for government financial institutions, ensuring compliance with stringent security protocols to protect sensitive data. This supports the scalability of digital financial services in India, as evidenced in MeitY's GI Cloud (MeghRaj) initiative, which has bouquet of 22 Cloud service providers on their website.

- **Healthcare:** Through the Ayushmaan Bharat Digital Mission (ABDM) and the National Digital Health Mission (NDHM), India leverages cloud infrastructure to create interoperable digital health records, enabling health services to be accessible nationwide. As of March 2024, over 670 million Ayushmaan Health Bharat Accounts (ABHA) have been created and over 1.3 Lakh facilities are ABDM-Enabled, including 17,000 private facilities.

- **Education:** Cloud solutions improve digital access to educational resources, making remote learning more accessible, especially in underserved regions. As of 2022, the number of fresh admissions for Online-Distance learning (ODL) have crossed the 2 million figures, which is an increase of 41% over the Fiscal 2021. Total fresh admissions for online higher education have grown from 25,905 in Fiscal 2021 to 95,023 in Fiscal 2024.

Trends in Cloud Computing adoption and the growth of digital services:

- **Hybrid and Multi Cloud** – The number of Global Capability Centres in India has increased by 1700 organizations, reaching 2,975 as of March 31, 2024. These Global Capacity Centres are expected to generate USD 64.6 billion in revenue and employ more than 1.9 million people in Fiscal 2024. As organizations adopt multi-cloud strategies, they gain cost and flexibility advantages while enhancing data governance and integrating with legacy systems.

- **Cloud Innovation and Security** - In 2025, organizations will increasingly leverage real-time data for insights, shifting towards streamed content like movies, music, and cloud gaming, necessitating fast storage solutions, such as Flash and solid-state devices. This transition will create opportunities for innovation and user engagement.

- **Sustainability Through Cloud** - In 2025, cloud providers and users alike will face increasing pressure to reduce their environmental impact. From renewable and nuclear-powered Data Centres to energy-efficient infrastructure, sustainable cloud practices will become a critical factor in business strategy and success.

- **Quantum Computing** - Quantum computing is poised to break into the business mainstream by 2025, primarily through cloud services from industry giants like IBM, Google, Microsoft, and AWS. This democratization will enable organizations of all sizes to access quantum capabilities, leading to breakthroughs in drug discoveries and unbreakable encryption, fostering innovations previously deemed impossible.

Evaluation of policy impact metrics specifically targeting our sector:

- **Software Technology Parks of India (STPI) 1991:** The STPI were set up to boost software exports and services from the country by promoting the IT/ITeS industry. STPI has supported exports by increasing STPI-registered units from INR 520 million in Fiscal 1993 to INR 8,500 billion in Fiscal 2023. Presently, STPI has five tier-3 compliant data centres in five major Indian cities namely, Bengaluru, Mohali, Bhubaneshwar, Chennai and Vijayawada, of which, the Bengaluru and the Mohali ones are run by ESDS. Being associated with a premier science and technology organization under Government of India adds to the credibility of its partner companies.

- **National Digital Communications Policy (NDCP) 2018:** The NDCP 2018 aims to drive investment of over USD 100 billion in India's digital communications ecosystem, focusing on expanding data centre and cloud infrastructure to position India as a global hub for data storage. It seeks to streamline regulations for streamlining data centre operations and foster innovation in IT hardware and technologies.

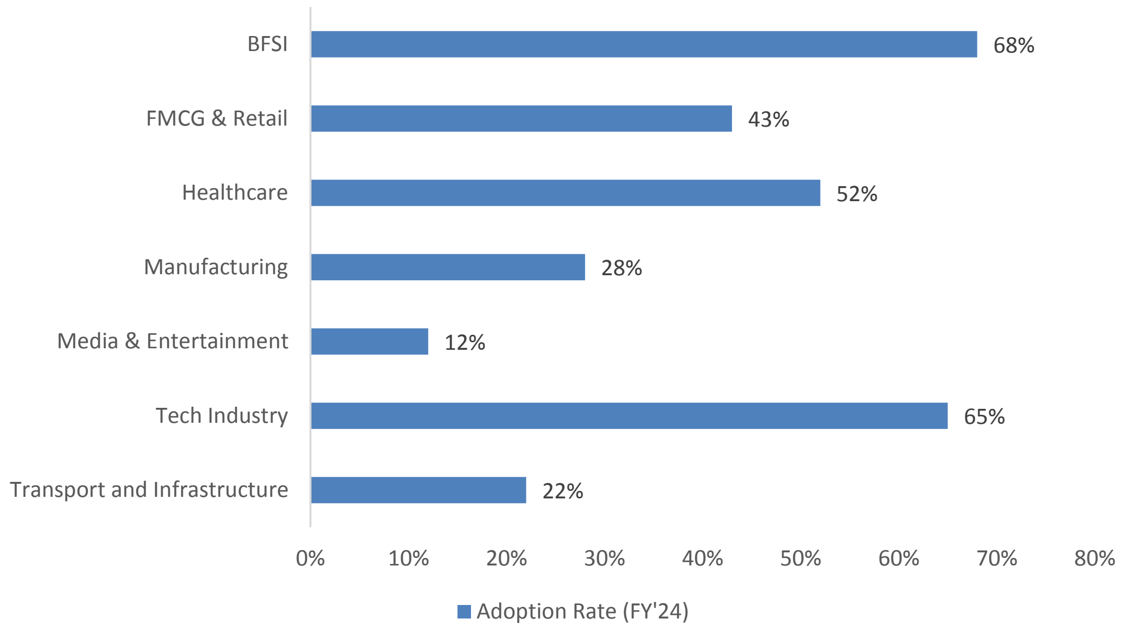
- **Digital Personal Data Protection Act (DPDP) 2023**: The Digital Personal Data Protection Act 2023 is set to impact India's data centre industry by enforcing stricter compliance, promoting local infrastructure development, and enhancing security measures, once fully enforced. While it may raise operational costs initially, the bill aims to create long-term opportunities for growth and innovation as businesses adapt to a more regulated environment.

- **Data Centre Policy 2020:** The policy aims to attract significant investments by 2025 by granting infrastructure status to data centres, offering fiscal incentives through Data Centre Incentivization Scheme (DCIS), and simplifying regulations through Data Centre Economic Zones (DCEZs). It supports innovation and R&D in IT equipment manufacturing, driving growth for start-ups and MSMEs.

India AI Mission: Encouraging AI development through cloud infrastructure support

The India AI Mission, approved by the Indian government, aims to create a robust ecosystem for artificial intelligence (AI) in India. As per NITI Aayog by 2035, AI has the potential to add 1 trillion dollars to India's economy. The Ministry of Electronics and Information Technology (MeitY) has been allocated a budget of INR 219,360 million for the fiscal year 2024-25, with INR 5,500 million specifically designated for the AI mission. This initiative focuses on several key objectives and components that will enhance data centres and cloud infrastructure

Figure 13: Sectoral AI Adoption Rate, Fiscal 2024



Source: Nexdigm Analysis, Industry Articles

Impact of India's AI mission on Data Centres and Cloud Infrastructure: -

- **Computer Capacity Development:** The India AI Mission plans to build a scalable AI computing ecosystem comprising over 10,000 Graphics Processing Units (GPUs). This infrastructure will support India's rapidly expanding AI startups and research community.

- **AI Marketplace Creation:** AI marketplace will be established to offer AI as a service along with pre-trained models for innovators. This initiative aims to provide essential resources for effective AI development.

- **Datasets Platform**: The creation of a centralized datasets platform will improve access to quality data necessary for machine learning applications, thereby supporting the development of data-driven solutions across industries

Role of MeitY in promoting Cloud, Data Centre, and Managed Services

Ministry of Electronics & Information Technology (MeitY) through its Data Centre Policy 2020 has laid down multiple policies and frameworks to Make India a global data centre hub, promote investment in the sector, propel digital economy growth, enable provisioning of trusted hosting infrastructure to fulfil the growing demand of the country and facilitate state of the art service delivery to citizens. As a result, there are over 48 million registered users on MyGov.in 1.3 billion Aadhar registered users, 694 boarded hospitals on eHospital platform, and a total of 1,895 departments under Meghraj cloud initiative as of October 2024.

The strategies for growth of data centre sector in India, as used by MeitY are as follows:

- Enable Ease of Doing Business like single window system
- Enabling a favourable ecosystem for the operations of data centres
- Setting up of Data Centre Economic Zones (DCEZs)
- Promote indigenous technology development, research and capacity building
- Institutional Mechanism for Policy governance

Some of the key policy thrust areas under these strategies include:

- Availability of uninterrupted, clean and cost-effective electricity for data centres
- Facilitating a robust and cost-effective connectivity backhaul
- Data centres to be declared as an Essential Service under The Essential Services Maintenance Act, 1968 (ESMA)
- Recognition of data centres as a separate category under National Building Code
- Single window time-bound clearance system
- Skill development programmes in association with Ministry of Skills Development and Entrepreneurship (MSDE).
- Independent Data Centre industry council (DCIC)

Government Initiatives and Regulations in cloud, Data centre and SaaS ecosystem:

Government of India is prioritizing the development of strong cloud ecosystem, aiming for global leadership in cloud and data centre services. Through the "GI Cloud" initiative, known as 'Meghraj,' the government seeks to optimize ICT spending and accelerate e-service delivery. As of October 2024, the number of departments under Meghraj has grown from 1,655 in May 2023 to 1,895, while virtual machines have increased from 24,836 to 28,495, reflecting greater adoption of cloud services within the government. Across the world, government departments have initiated automation of business and IT processes through Government SaaS or platform as a service ("PaaS") is a cloud computing model that provides a complete environment for developing, running, and managing applications initiatives, aimed at digitalization of services. Such digitization initiatives have been accentuated by the COVID-19 pandemic, increase in the use of mobile phones, rapid increase in subscription-based cloud services, increase in use of biometric authentication, regulatory enforcement of individual privacy, etc. Government institutions in India are increasingly also migrating their workloads on cloud because their existing legacy systems are not scalable and secure

The Ministry of Electronics and IT (MeitY) has streamlined cloud service procurement for Government departments through the Government e-Marketplace (GeM), empanelling major Cloud Service Providers (CSPs) offering a range of services, including Basic, Advanced, and Managed Cloud Services. This includes models such as Public Cloud, Virtual Private Cloud (VPC), and Government Community Cloud, with 22 CSPs and over 90 data centres empanelled by 2023. In line with national policies like the National Digital Communications Policy (NDCP) 2018 and Data Centre Policy 2020, the Government aims to boost digital infrastructure, cloud adoption, and local data centre development. In 2015, RBI mandated all co-operative banks and district co-operative central banks to migrate to core banking. Additionally, the Digital Personal Data Protection Act 2023 is driving demand for local data centres, emphasizing the need for secure, scalable infrastructure.

Table 7: State-wise incentives for Data Centre setup. (1/2)

Feature	Maharashtra IT-ITES Policy 2023	Karnataka Data Centre Policy 2022-27
Stamp Duty Exemption	• 100% exemption for land acquisition and related transactions.	• 100% Exemption from Stamp Duty, Up to 10 acres for data centres outside Bengaluru Urban district
Electricity Duty Exemption	• Permanent exemption from electricity duty for data centres.	• 100% for 5 years from the month of operation.

Feature	Maharashtra IT-ITES Policy 2023	Karnataka Data Centre Policy 2022-27
Power Tariff Subsidy	• INR 1 per unit subsidy for five years for new data centres outside Zone-I.	• Data centres who have minimum 30% component of green energy in total power consumption will be provided with power tariff concession.
Single Window Clearance	• Unified system for streamlined approvals across IT & ITES sectors.	• Government will ensure single window clearance for enabling power supply in time bound manner for data centres.
Water Supply	• The State would facilitate uninterrupted water supply (24x7) for data centre entities.	• The State would facilitate uninterrupted water supply (24x7) for data centre entities.
Investment Target	• Aims to attract USD 20 billion in investments.	• Targets INR 100,000 million in investments over five years.

Source: Nexdigm Analysis, Maharashtra Industry, Trade, Investment and Facilitation Cell, Karnataka Government Data Policy 2022-27

Data Sovereignty Requirements

The need for data centre infrastructure within the country is growing, driven by the data localization requirements of the Digital Personal Data Protection Act (DPDP) 2023 and the need to safeguard the country digital sovereignty. Countries like Russia, China, Turkey, Australia, France, and Germany have implemented data localization policies, though the scope and enforcement of these regulations vary.

Digital Personal Data Protection Act (DPDP) 2023 and rising demand for cloud and data centres;

- The Digital Personal Data Protection Act (DPDP) 2023 mandates that sensitive personal data be stored within India, while critical data may face stricter localization rules. It allows cross-border data transfer only to countries with adequate data protection. International companies invest in local data centres to comply, increasing infrastructure and operational costs. The DPDP Act imposes penalties for non-compliance and establishes a Data Protection Authority to oversee adherence. Businesses will need to update their data governance practices, ensuring transparency, consent, and data minimization. Overall, the DPDP Act 2023 will drive data centre expansion and strict compliance measures in India.

- Due to rising data localisation, the cloud and data centre requirement is constantly rising in India. The current under-construction capacity additions are estimated to reach 1.03 GW by 2028. Additionally, there are plans for further capacity expansion of 1.29 GW, bringing the total projected Data Centre capacity in India to 3.29 GW by 2028.

- RBI mandate of storing financial data in India**;** the financial sector has become increasingly dependent on digital solutions, from online banking to algorithmic trading. This digital transformation has necessitated secure and reliable data storage, rendering data centres an integral component of their infrastructure.

Penalties imposed by Indian Government for abrogating the data localisation law (DPDP, 2023):

- American Express and Diners Club were prohibited from accepting new clients for six months beginning in May 2021 after the RBI imposed the first fines relating to localisation of payments data in April 2021.

- In July 2021, it prohibited MasterCard from bringing on board new domestic clients for an indeterminate period. Given that MasterCard controls around a third of India's total cards network market, the prohibition is likely to have a considerable effect.

Budget 2025: A Catalyst for the Future of Technology

India’s technology sector has received a boost in the Government’s latest Union Budget for Fiscal 2026, with key initiatives focusing on artificial intelligence (AI), global capability centres, education and digital public infrastructure. A key plank in the Government budget for Fiscal 2026 is the ‘*Centre of Excellence in AI*’ for education, which has an allocation of INR 5,500 million. The initiative follows the launch of three similar centres for agriculture, health and sustainable cities in 2023. Companies such as ESDS, BEL, and Xenius who operate in smart cities can improve product offerings, reduce operating costs and remain competitive by the integration of AI in its operation. The Smart City cloud is designed to host and manage the data centre and disaster recovery workloads by smart cities under an initiative of the Government of India. It efficiently processes and analyzes the vast amounts of data generated by IoT devices, sensors, and connected systems

The Government believes AI-powered education will empower youth, improve job readiness and ultimately boost the digital economy. Research, development and innovation, which was first highlighted in last year’s budget, has also been identified as a key driver of growth. The Fiscal 2026 budget proposes a “*fund of funds for advanced technologies*” worth INR 20 billion to boost the next generation of start-ups and translate ideas into tangible results. New employment opportunities, education and skill development are the key areas that this year's budget will focus on. Over the next five years, around 50,000 Atal Tinkering labs will be established in public schools to cultivate scientific thinking and encourage student innovation will help India deliver innovative solutions in emerging areas such as AI, cyber security, financial technology, space technology and sustainability.

Table 8: Key AI Initiatives and Investments by Government in India

Initiative	Description	Allocation/Investment
Centre of Excellence in AI for Education	Establishment of a dedicated centre to drive AI innovation in the education sector.	INR 5,000 million
Deep Tech Fund of Funds	Proposal to create a fund to support start-ups in deep tech sectors, including AI.	INR 200,000 million
AI Centres of Excellence	Establishment of three centres focusing on AI applications in agriculture, healthcare, and sustainable cities.	INR 5,000 million
IndiaAI Mission	Government initiative to enhance AI infrastructure and support AI start-ups.	USD 1.25 billion
Microsoft's Investment in AI and Cloud Services	Microsoft's plan to invest in AI and cloud services in India, including training 10 million Indians in AI skills by 2030.	USD 3 billion

Source: Industry Articles, Nexdigm Analysis

DATA CENTRE INFRASTRUCTURE IN INDIA

The growing demand for digital services is a crucial factor driving the expansion of data centres in India. The proliferation of smart devices, increased use of digital payments, and the shift towards cloud-based solutions have significantly increased the need for data storage capabilities. With over 1.1 million wireless subscribers, 270+ million 5G and 700 million 4G data subscribers in 2024, this increase in internet usage requires a robust data centre infrastructure to support activities such as e-commerce, cloud computing, and digital transactions. Moreover, the anticipated rollout of 5G technology is expected to further amplify this demand by enabling faster internet speeds and more connected devices. Several industries, including e-commerce, artificial intelligence (AI) and online gaming, are increasingly relying on advanced data centre capabilities to manage large amounts of data generated by AI applications and other digital services, driving the need for sophisticated storage solutions.

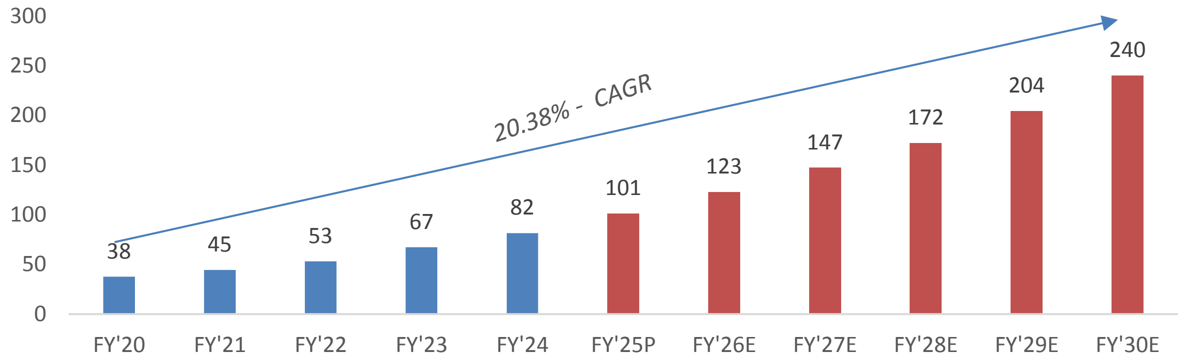
State Governments across India are implementing digital initiatives such as MahaOnline in Maharashtra, e-Pragati in Andhra Pradesh, and Akshaya Centres in Kerala to improve governance, enhance public services, and drive economic growth. These efforts align with the national Digital India campaign, which focuses on local needs and leverages technology for development. Data centres and cloud computing are vital to these initiatives, providing the infrastructure required for efficient data management and processing. A robust data centre infrastructure is essential for the reliable operation of Government services and businesses that millions of Indians rely on daily, supporting both current demands and future technological advancements.

Market Size for India Data Centre Industry Basis on Operational Revenue:

The Data Centre market in India is currently valued at INR 82 billion, with around 85,000 number of racks for co-location and is projected to grow at a compound annual growth rate (CAGR) of 21.4% from Fiscal 2020 to Fiscal 2024.The market in the future is expected to grow at a CAGR of 19.7% from INR 82 billion in Fiscal 2024 to INR 240 billion in Fiscal 2030. As of 31st March 2024, the total data centre installed capacity in India is 1050 MW and the total utilized capacity in India for data centre stands at 850MW.

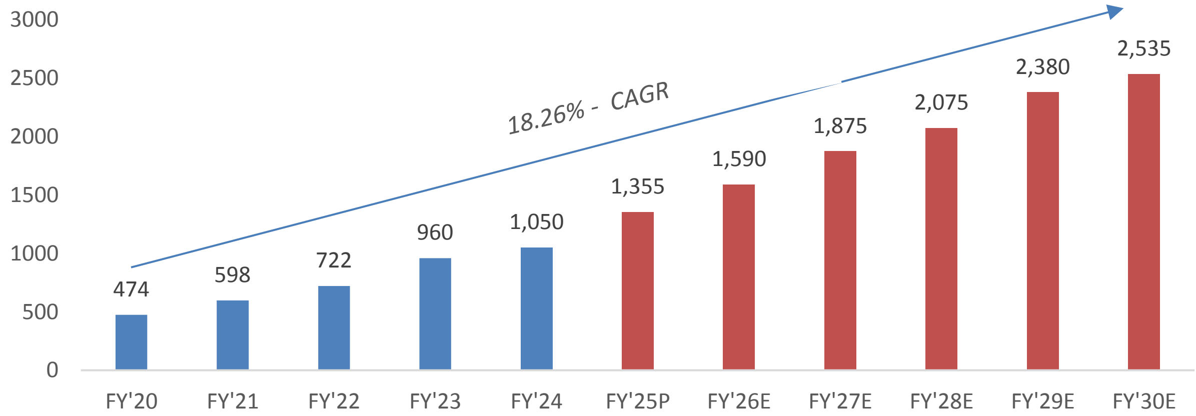
Key factors driving the growth of the Indian data centre market include the rapid expansion of internet users, which are projected to increase from 794.4 million in 2022 to 1.2 billion by 2029, coupled with the rollout of 5G technology, which will significantly enhance data consumption capabilities. Additionally, the growing reliance on cloud computing and digital services across various sectors such as e-commerce, finance, and online gaming demands robust data centre infrastructure to ensure secure and efficient data management. The strong demand for Tier-3 and Tier-4 data centres is particularly notable due to their superior uptime performance and disaster recovery capabilities. As these trends continue, the data centre market is well positioned for substantial growth, reflecting the increasing digitalization of the Indian economy.

Figure 14: Market Size for India Data Centre Industry On The Basis of Operational Revenue (In INR billion), Fiscals 2020-2030E:



Source: Interview with Industry Experts, Nexdigm Analysis
Note-E stands for Estimated, P stands for projected
The market has been defined on the basis of realized revenues by data centre operators which includes revenue from co-location, hyperscalers and managed data centre services.

Figure 15: India IT MW Capacity Projections, Fiscals 2020-2030E:



Source: Interview with Industry Experts, Nexdigm Analysis
Note: The data provided for every year is as of March 31st
Note – E stands for Estimated, P stands for projected

Table 9: Market Segmentation for India Data Centre Industry by Major Cities Installed Power Capacity in MW, Fiscal 2024

Cities	Total Capacity (In MW), March 2024
Delhi NCR	94
Kolkata	10
Hyderabad	48
Mumbai Metropolitan Region	490
Pune	64
Bengaluru	97
Chennai	147

Source: Interview with Industry Experts, Nexdigm Analysis

As of 31 March 2024, India's current installed data centre capacity stands at 1,050 MW, with approximately 94% of this capacity concentrated in key cities. Among these, Mumbai and Chennai lead the sector, benefiting from a dense wet cable ecosystem that ensures optimal global latencies. Mumbai alone accounts for 48% of India's total data centre capacity, supported by its strategic submarine landing stations, reliable infrastructure for power and fiber optics, and significant demand from the banking, financial services, and insurance (BFSI) sector. The city is projected to contribute over 35% of the additional capacity expected in India over the next five years. Meanwhile, Delhi and Kolkata serve as the primary locations in North and East India, catering to regional enterprise demand, with Delhi anticipated to account for approximately 15% of incremental capacity. Notably, Noida is emerging as a significant player with substantial capacity additions on the horizon.

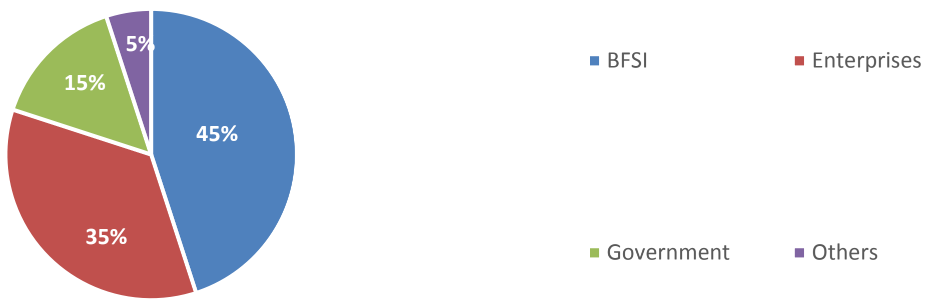
India's data centre industry is experiencing significant growth as it expands into Tier-2 and Tier-3 cities, driven by strategic advantages and increasing demand for digital infrastructure. Cities such as Nashik, Chandigarh, Kochi, Jaipur, Ahmedabad, Lucknow, Patna, and Visakhapatnam are becoming key players in this expansion. These locations offer several benefits, including lower land and labour costs, improved infrastructure, and enhanced network resilience, making them attractive for data centre operations.

Leading companies in this sector, including ESDS, CTRLS, Yotta, and Nxtra by Airtel, are actively pursuing opportunities to establish their presence in these smaller cities. The shift towards Tier-2 and Tier-3 cities not only aims to meet the growing demand for digital services but also to leverage the cost efficiencies and strategic benefits these cities provide. As the digital landscape evolves, these cities are poised to play a crucial role in supporting India's burgeoning data centre capacity and overall economic growth

Segmentation by End User Industry

The data centre market is characterized by a diverse range of end-user sectors, with the Banking, Financial Services, and Insurance (BFSI) sector leading the way, accounting for 45% of total revenues. Enterprises follow closely, representing 35% of the market, driven by their increasing reliance on cloud services and digital transformation initiatives. The Government sector contributes 15%, focusing on e-governance and secure data management while other sectors collectively make up the remaining 5%. This distribution highlights the varying needs and priorities of different industries in leveraging data centre capabilities to support their operations. Players with a well-diversified presence across multiple industry segments have already built a strong foundation in the Indian data centre and cloud market. As adoption accelerates, their extensive expertise across BFSI, enterprises, Government, and other sectors positions them as 'knowledge leaders,' enabling them to stand out from the competition and establish a clear competitive advantage.

Figure 16: Market Segmentation for India Data Centre Industry Basis End User Industries Based on Revenues in Percentage (%), Fiscal 2024



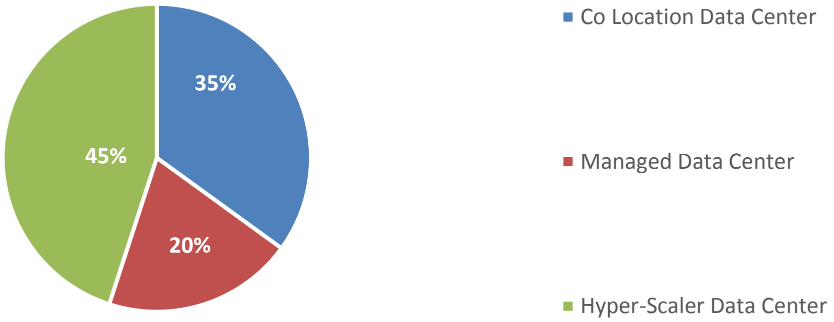
Source: Interview with Industry Experts, Nexdigm Analysis

Table 10: Key End-User Industry Applications of Data Centres

End User Industry	Applications
BFSI	Real-time transaction processing: Data centres support high-frequency trading and instant payment systems, ensuring minimal latency and maximum uptime.
	Advanced analytics for risk management: Utilization of data centres for big data analytics to assess credit risk and fraud detection in real-time.
	Regulatory compliance and reporting: Infrastructure to securely store and process sensitive financial data while ensuring compliance with regulations like GDPR and local data localization laws.
Enterprises	Hybrid cloud solutions: Data centres facilitate seamless integration between on-premises infrastructure and cloud services, allowing businesses to scale operations efficiently.
	Disaster recovery and business continuity: Enterprises leverage data centres for backup solutions that ensure data integrity and availability during outages or disasters.
	Development and testing environments: Providing isolated environments for software development, testing, and deployment, enabling faster innovation cycles.
Government	E-governance applications: Data centres support platforms that enable citizens to access Government services online, improving transparency and efficiency.
	Secure storage of citizen data: Infrastructure to manage sensitive information related to citizens, ensuring compliance with data protection regulations.
	Disaster recovery for critical public services: Ensuring continuity of essential services through robust backup solutions that protect against data loss or system failures.

Source: Industry Articles, Nexdigm Analysis

Figure 17: Market Segmentation for India Data Centre Industry by Segments Based on Revenues in Percentage (%), Fiscal 2024



Source: Interview with Industry Experts, Nexdigm Analysis

Table 11: Types of Data Centres

Type	Managed	Colocation	Hyperscaler
Description	Combines co-location services with managed IT support, allowing businesses to rent space for servers and outsource infrastructure management to specialized vendors. It helps businesses focus on core activities without IT management burdens.	Provides physical space to house servers and networking equipment, offering power, cooling, security, and connectivity. This model allows businesses to share infrastructure costs while maintaining control over their hardware.	Large-scale facilities supporting data processing, computing, and storage services for major organizations (e.g., Amazon, Google, Microsoft), housing at least 5,000 servers across 10,000+ square feet
Key Benefits	• Expert management of IT resources • Flexible scalability • Focus on strategic initiatives • Reduced IT management burden	• Enhanced security measures • Cost savings on infrastructure investments • Improved interconnectivity with network providers	• Extreme scalability • Cost efficiency through economies of scale High performance infrastructure for rapid growth

Source: Industry Articles, Nexdigm Analysis

CLOUD INFRASTRUCTURE IN INDIA

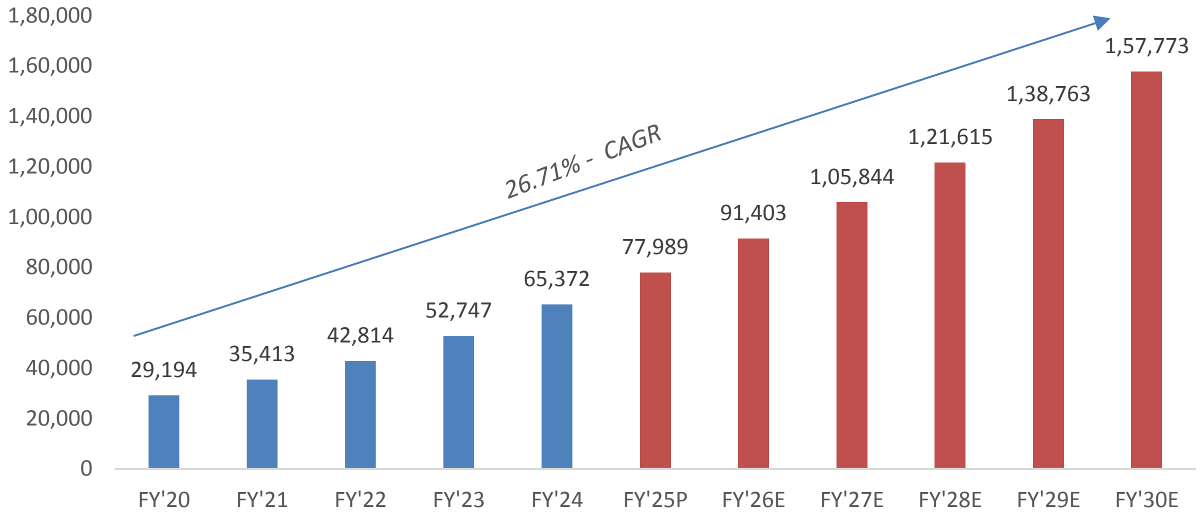
Cloud has emerged as a strategic priority for enterprises, Governments and SMEs today. The potential of cloud is limitless and forms a crucial foundation for successful digital transformation. Cloud underpins several emerging technologies such as AI/ML, IOT, RPA, AR/VR, etc., which rely on cloud computing to maximize their benefits. India is still at a nascent stage of cloud adoption compared to mature markets. According to Asian Development Bank, even among BRICS nations, India is behind Brazil and South Africa in terms of cloud adoption. Strong customer focus across industries is driving cloud adoption in BRICS nations where infrastructure changes are led by organizational cloud ambitions.

Market Size for Cloud Services in India Basis Revenues, Fiscals 2020-2030

Global cloud services market reached at INR 65,371.8 billion in Fiscal 2024 wherein Indian cloud services market has grown at a CAGR of 22.3% during Fiscal 2020 to Fiscal 2024 and is expected to grow at a CAGR of 15.8, from INR 523.8 billion in Fiscal 2024 to INR 1,844.1 billion in Fiscal 2030. Artificial intelligence accounted for 5.8% of the Indian cloud market, generating revenue of INR 48.8 billion in Fiscal 2024

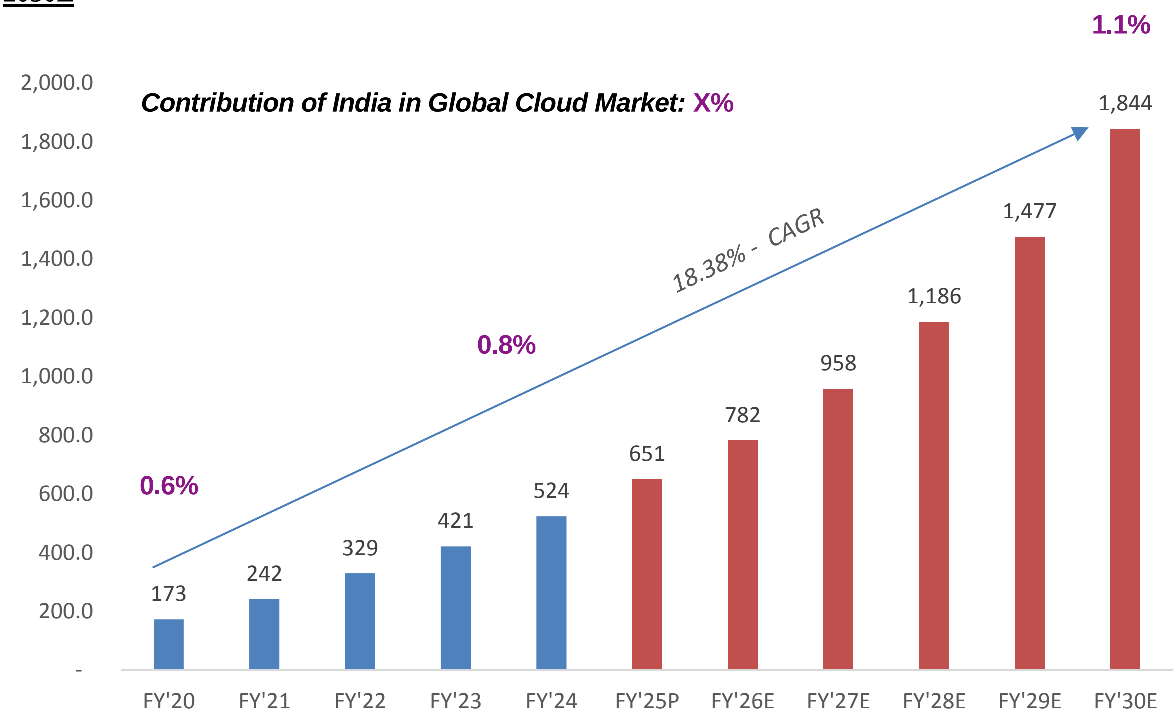
The cloud industry in India is poised for rapid growth due to the Digital India initiative driving Government-led digital transformation, which requires scalable cloud infrastructure. Additionally, the increasing availability of a skilled IT workforce specialized in cloud technologies supports migration and innovation. Evolving data localization regulations are forcing enterprises to adopt on premise cloud solutions, while the expansion of global providers such as AWS and Azure improves service accessibility and reliability

Figure 18: Market Size for Global Cloud Industry on the Basis of Revenues in INR billion, Fiscal 2020-2030E



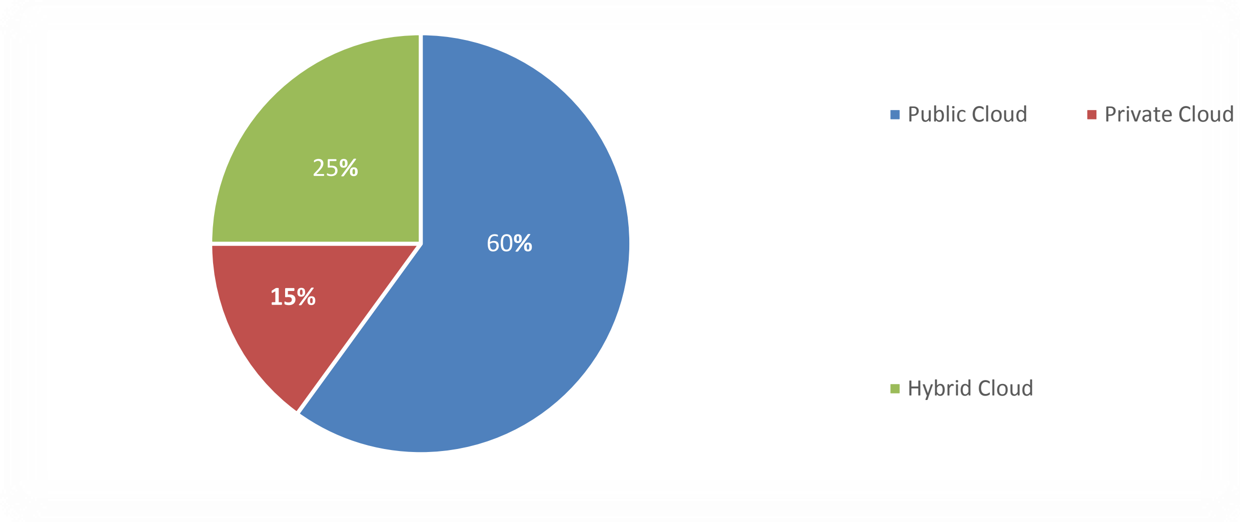
Source: Interview with Industry Experts, Nexdigm Analysis
Note-E stands for Estimated, P stands for projected

Figure 19: Market Size for India Cloud Industry on the Basis of Revenues in India in INR billion, Fiscal 2020-2030E



Source: Interview with Industry Experts, Nexdigm Analysis
Note-E stands for Estimated, P stands for projected

Figure 20: Market Segmentation for India Cloud Industry by Type of Cloud on the Basis of Revenues in Percentage (%), Fiscal 2024



Source: Interview with Industry Experts, Nexdigm Analysis

- **Public cloud:** Cloud services offered by third-party providers over the Internet and shared among multiple users. It is commonly adopted by small and medium-sized businesses (SMEs), startups, and industries with variable workloads, such as e-commerce and media.

  Example- Zomato, an Indian food delivery service, uses AWS for hosting its website and managing customer data.

- **Private cloud:** Dedicated cloud infrastructure for a single organization, hosted on-premises or by a third party In India, largely adopted by Large enterprises, Governments, and industries with strict compliance requirements, such as finance, healthcare, and Government agencies.

  Example-State Bank of India (SBI) uses private cloud infrastructure to ensure secure, compliant banking services for its customers.

- **Hybrid cloud:** A combination of public and private clouds that allows data and applications to be shared between them for flexibility. Companies that need a balance between security and scalability, including industries such as retail, finance, and manufacturing opt for a hybrid cloud model.

  Example-Tata Motors uses a hybrid cloud approach to manage both sensitive operational data in private clouds and scalable, customer-facing applications in public clouds.

- **Government Community Cloud-** A secure cloud model designed for Indian Government agencies and public sector organizations to share infrastructure, applications, and data while complying with national regulations like Data Privacy Laws. It enables cost-effective collaboration across Government departments, supporting initiatives such as Digital India and ensuring data protection and transparency.

  Example- The Government-led Mudra Yojana scheme is hosted on ESDS's Government Community Cloud which has sanctioned over INR 3,217 billion in loans, benefiting 60+ million Indians.

- **Enterprises cloud** – An Enterprise Community Cloud is a shared cloud infrastructure created for multiple enterprises that share common goals or compliance requirements. It provides enhanced security, governance, and resource optimization tailored to meet the specific needs of its clients. This setup ensures scalability, reliability, and performance while maintaining data isolation and compliance for each individual enterprise. It is particularly well-suited for applications that require robust data management, seamless integration, and secure collaboration among enterprise stakeholders.

Key Cloud Growth Drivers-

Digital transformation initiatives: Organizations across industries are prioritizing digital transformation, which relies heavily on cloud infrastructure. This trend is particularly strong among small and medium-sized enterprises (SMEs), which are increasingly adopting cloud solutions to modernize their IT frameworks and improve service delivery.

Government Support: The Indian Government is actively promoting cloud adoption through policies aimed at improving digital infrastructure. Initiatives such as the National Digital Communications Policy aim to transition a significant portion of Government services to the cloud by 2025, thereby fostering an enabling environment for cloud growth.

Growing demand for advanced technologies: The integration of technologies such as artificial intelligence (AI) and data analytics into cloud services is driving demand. Enterprises are leveraging these technologies to improve customer experiences and operational efficiencies, further driving the need for robust cloud infrastructure.

<u>SMEs adoption of Cloud in India</u>

Indian small and medium-sized businesses are rapidly adopting the cloud, leveraging its efficiency, reliability, and adaptability to transform their businesses. The shift to the cloud has enabled SMEs to streamline their operations, drive growth, and deliver exceptional customer experiences. Cloud adoption unlocks access to cutting-edge advancements like AI, enabling SMEs to compete and thrive. Around 55-60% of surveyed SMEs are leveraging cloud technology for business expansion by Fiscal 2024. This reflects a strong recognition of the cloud's potential to drive growth and enhance operational capabilities.

Significant number of Small and Medium-sized Businesses (SMEs) in India are increasingly adopting cloud solutions, with 25-30% successfully migrating more than half of their workloads to the cloud, highlighting strong commitment to cloud adoption. Over half of SMEs prefer public cloud services due to their scalability and affordability, which makes them adaptable to varying business needs. A key driver for this shift is security, as nearly 40-45% of SMEs cite improved security compliance as a primary reason for adopting cloud solutions, recognizing the importance of protecting sensitive data and meeting regulatory requirements. Additionally, 51-55% of SMEs use cloud services to enhance their customer service capabilities, emphasizing the need for superior customer experiences in a competitive market. To future-proof their businesses, about 36% of SMEs are expected to invest in cloud training initiatives to equip their workforce with the necessary skills. Furthermore, 39% of SMEs actively seek trusted cloud service providers to partner with, ensuring they gain maximum value from their cloud investments and successfully scale their operations.

<u>Table 12: Demand for Cloud across End User Industries</u>

Industry	Specific Demand	Key Drivers
Financial Services	• Trade Finance and Treasury Workloads: By 2024, 80% of corporate banks will run these workloads on the cloud. • Digital Lending Solutions: Banks like Axis Bank reduce customer onboarding time to under 8 minutes. • Sovereign Cloud Initiatives: RBI plans to launch a sovereign cloud by 2025 to enhance data sovereignty.	• Increasing digitization, modernization of legacy systems, and compliance with regulatory standards • Need for agility in service delivery and enhanced customer experience • Addressing cost concerns for smaller institutions and ensuring local data management
Healthcare	• Telemedicine Platforms: Demand for secure, scalable cloud solutions to support remote consultations. • Data Security Solutions: Enhanced security measures to protect sensitive patient information.	• Growing need for efficient patient data management and compliance with health regulations • Increasing cyber threats and data breaches necessitating robust cloud security framework
Manufacturing	• IoT Integration: Adoption of cloud platforms to manage IoT devices and enhance operational efficiency. • Hybrid Cloud Models: Preference for hybrid solutions to balance on-premises and cloud capabilities	• Need for real-time analytics and improved supply chain management • Flexibility in managing workloads and integrating legacy systems with modern cloud infrastructure
E-Commerce and Retail	• Scalable Infrastructure for Peak Seasons: Cloud solutions to handle increased traffic during sales events • Personalized Customer Experience Tools: Use of cloud analytics to tailor offerings based on consumer behavior	• Rapid growth in online shopping necessitating scalable IT resources • Need to enhance customer engagement and loyalty through targeted marketing strategies
Technology and Startups	• Rapid Development Environments: Demand for flexible cloud platforms that support quick iterations in product development. • AI and Data Analytics Capabilities: Leveraging cloud services for advanced analytics and machine learning applications.	• High competition among startups driving the need for agile development processes • Focus on innovation and delivering cutting-edge technology solutions

Source: Industry Articles, Nexdigm Analysis

Public Cloud Adoption in India

Public cloud is a public, hyperscale, multi-tenant platform where computing services can be reserved or rented on demand. These resources are available over the internet and allow customers to provision and scale services instantly, without the time and cost associated with purchasing dedicated infrastructure. Applications, storage and other resources are shared by multiple customers Public cloud adoption in India continued to rise as enterprises preferred public cloud services for their digital transformation initiatives, application modernization, and productivity improvements. As enterprises continue to modernize their IT with IaaS offerings, core business applications are seeing a shift toward SaaS models in the public cloud, the increased focus on cost optimization in recent times has accelerated the transition towards as-a-service consumption models, thereby driving public cloud adoption. With enterprises making significant investments in next-generation technologies like GenAI, the demand for robust computing infrastructure and data management capabilities will continue to drive public cloud adoption in the coming years.

Among the global players, Microsoft Azure, Google Cloud Platform (GCP), and Amazon Web Services (AWS) are considered as key players in public cloud adoption in India, each contributing uniquely to the market. Among the Indian players, ESDS was one of the early adopters of cloud technology in India, establishing their first data centre in 2010 and launching cloud services in 2011.

In addition, events like Technology sabha provide a forum for dialogue on emerging technology and e-governance. This forum brings together Senior Government officials, IT and digital transformation leaders and industry experts under one roof to create more transparent and efficient governance mechanism. Events like this are very beneficial for industry players as it provides them with an opportunity to leverage the knowledge of industry veterans, access to sponsors and increase brand exposure by participating in multimedia campaigns. Participation of domestic cloud infrastructure and solution companies like ESDS, Nxtra, and CTRLS in such events pushes for adoption of cloud in the country.

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Business Model for Cloud Computing Market in India-

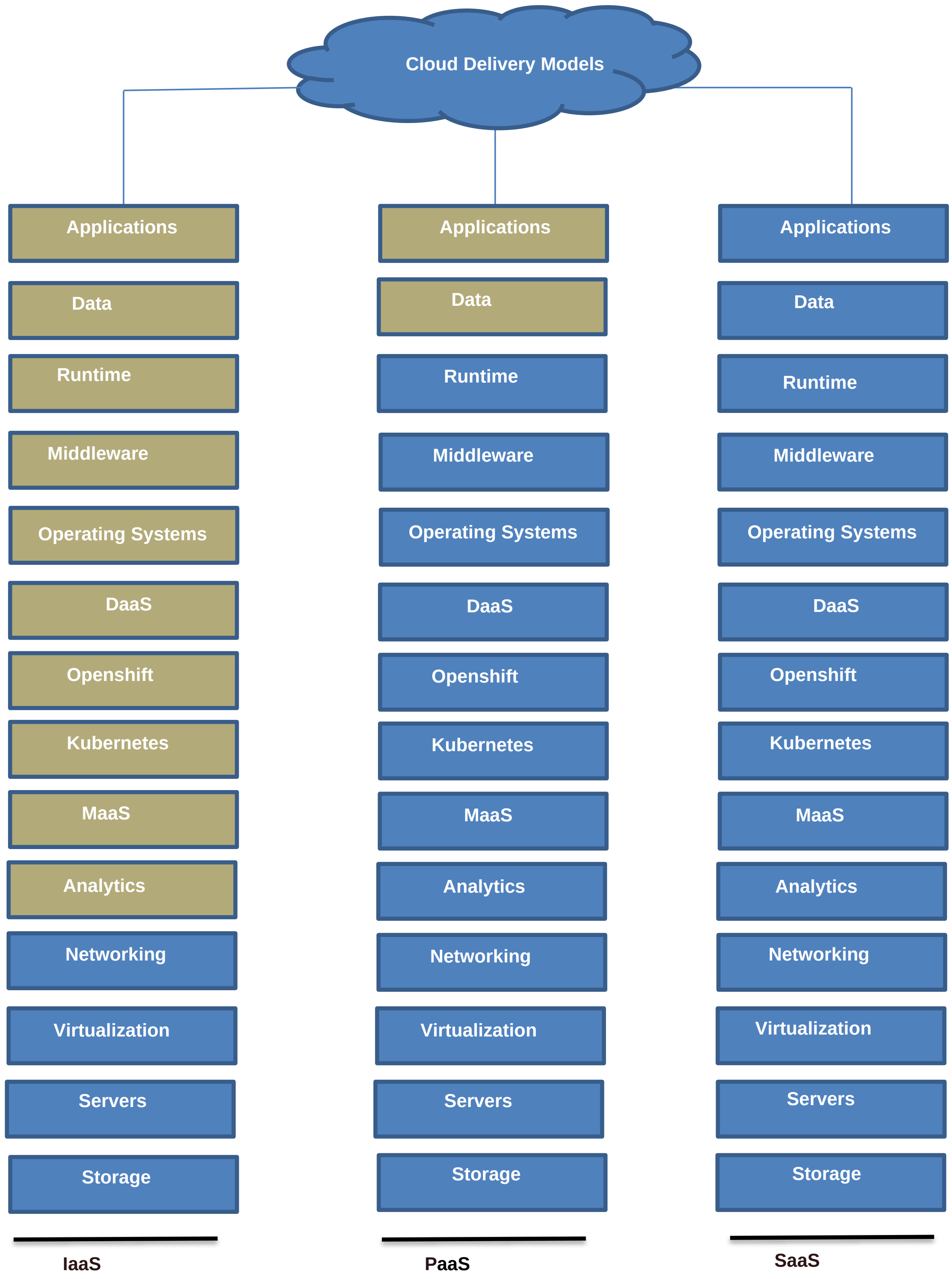
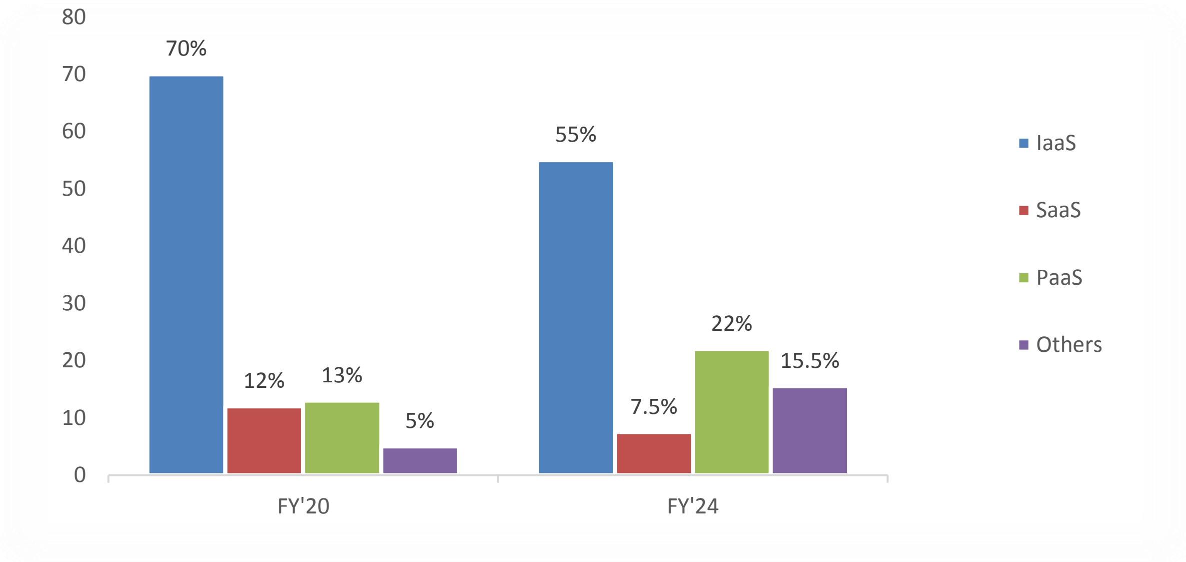


Figure 21: Market Segmentation for India Cloud Industry by Service on the Basis of Revenues in Percentage (%), Fiscal 2024



Source: Interview with Industry Experts, Nexdigm Analysis
Note: Others include BpaaS, DaaS, and DraaS & Cloud Management

The data reveals a transformative shift in service adoption from Fiscal 2020 to Fiscal 2024. IaaS (Infrastructure as a Service) has seen a decline from 70% to 55%, indicating a move away from traditional infrastructure-heavy solutions. Meanwhile, SaaS (Software as a Service) has seen a slight dip, falling from 12% to 7.5%, reflecting a potential saturation or evolution of software delivery models. The most striking change is the rise of PaaS (Platform as a Service), which has jumped from 13% to 22%, indicating a growing preference for flexible and scalable platforms that empower innovation. Notably, the rise of other services which includes Security as a Service (SECaaS), Business Process Services (BPaaS), Desktop as a service (DaaS), Disaster Recovery as a Service (DraaS) and Cloud Management has risen from 5% to 15.5%, hints at the emergence of hybrid or cutting-edge service models that go beyond the traditional trio. This evolution suggests a more dynamic and versatile approach to service delivery with organizations increasingly prioritizing customization, scalability, and future-proof solutions.

- **Platform as a Service**: Platform as a Service (PaaS) provides a complete development and deployment environment in the cloud, offering resources for building everything from simple applications to complex enterprise solutions. PaaS helps organizations achieve operational savings of up to 50% by consolidating resources and eliminating redundancy, reducing capital expenditures and optimizing resource management. It allows users to purchase resources on a pay-as-you-go basis, accessed securely via the internet. The increasing demand for rapid application development, particularly among start-ups, is driving PaaS adoption in India. Innovations like AI Platform as a Service (AIPaaS) and advancements in AI, ML, and big data further accelerate this trend. Examples include AWS Elastic Beanstalk, Microsoft Azure, Heroku, and Google App Engine.

- **Software as a Service (SaaS)**: Software as a Service (SaaS) enables users to access cloud-based applications over the internet, eliminating the need for on-site data storage and application hosting. Common examples include email, calendaring, and office tools like Microsoft Office 365. As enterprises shift from traditional data centres to SaaS, they leverage cloud providers' infrastructure, reducing costs and increasing efficiency. The demand for automation, AI, and ML applications will further accelerate SaaS adoption. Companies like Salesforce exemplify successful SaaS models driving digital transformation across industries.

- **Infrastructure as a Service (IaaS)**: Infrastructure as a service (IaaS) is a type of cloud computing service that offers essential compute, storage, and networking resources on demand, on a pay-as-you-go basis. IaaS lets you bypass the cost and complexity of buying and managing physical servers and data centre infrastructure. Each resource is offered as a separate service component, and you only pay for a particular resource for as long as you need it. This billing model is in contrast to the "pay-per-use" up to model adopted for other cloud computing services, pursuant to which the customer is charged for the virtual machines allocated to them by the cloud provider. End user spending towards IaaS is projected to grow significantly in the next five years as businesses need to scale their infrastructure that provisions for complex workloads and enables a hybrid workforce. IaaS will become essential, enabling SMEs to gain access to high-end infrastructure with minimal investment. The IaaS environment provides unlimited and on demand infrastructure that would enable new businesses to grow unconstrained. Some examples of IaaS are DigitalOcean, Linode, Rackspace, AWS, Cisco Metapod, Microsoft Azure, Google Compute

Engine (GCE). A subscriber has control over the processing, storage and platform related choices. IaaS solutions are highly flexible, scalable and is accessible by multiple users.

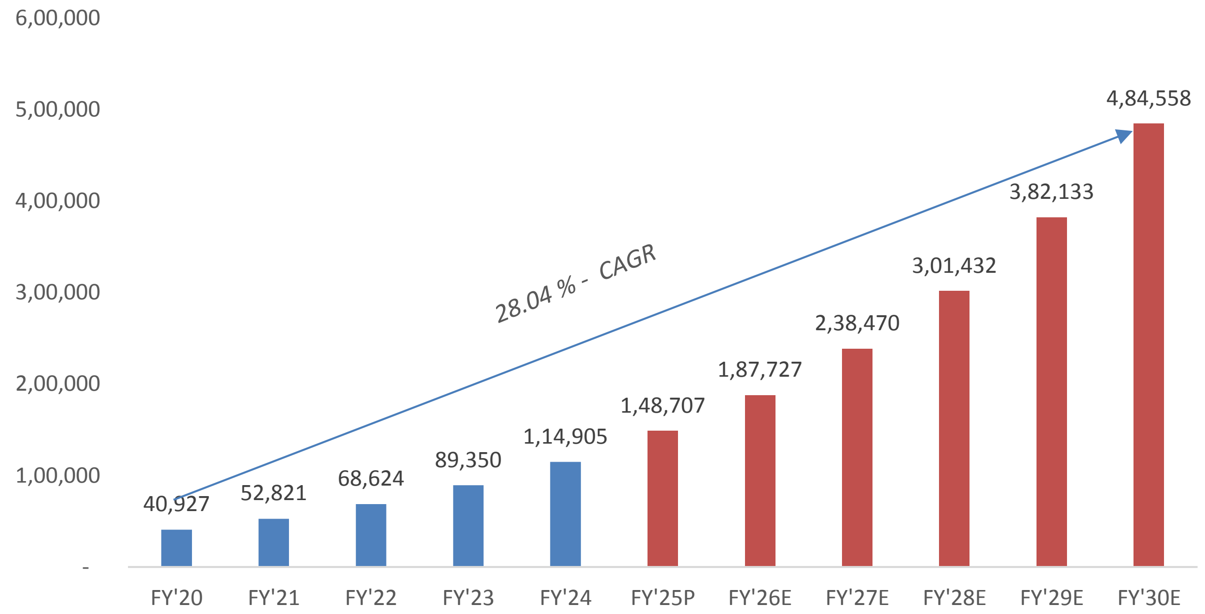
- **Other key segments**: Other segments like Security as a Service (SECaaS) Business Process Services (BpaaS), Desktop as a service (DaaS), Disaster Recovery as a Service (DraaS) and Cloud Management are also expected to see growth in demand. BpaaS solutions like Customer Management, E-Commerce Enablement and Human Resources tools are likely to see high growth. With increasing cloud adoption, among the other key segments.

MANAGED SERVICES IN INDIA

Managed services involve outsourcing the management of various processes and functions to enhance operational efficiency and reduce costs. In the current digital landscape, businesses face mounting pressure to innovate, streamline operations, and elevate customer experiences.

The managed services market in India is currently valued at INR 114,905.5 million in Fiscal 2024 and is projected to grow at a compound annual growth rate (CAGR) of 29.4% from Fiscal 2020 to Fiscal 2024. It is expected that the managed services market will grow at a CAGR of 27.1% to INR 484,558.1 million by Fiscal 2030. This promising outlook aligns with the overall expansion of the IT sector in India, indicating a robust future for managed services. By leveraging managed services, organizations can focus on their core competencies while delegating the complexities of technology management to specialized providers.

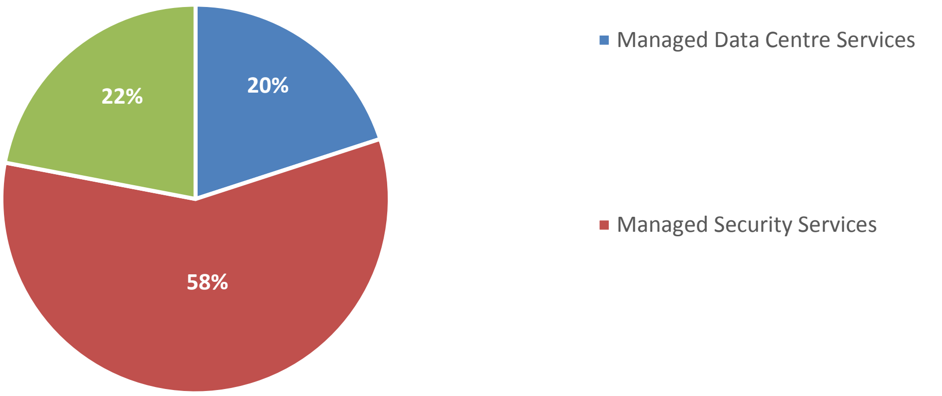
Figure 22: Market Size for India Managed Services Industry on the Basis of Revenues in INR Million, Fiscals 2020-2030E



Source: Interview with Industry Experts, Nexdigm Analysis
Note-E stands for Estimated, P stands for projected

India managed services market is experiencing significant growth, with enterprises increasingly turning towards specialized service providers to optimize their IT infrastructure, enhance security, and improve overall operational efficiency. The market is primarily driven by managed security services, which account for 58% of the total market share, followed by managed cloud hosting services at 22% and managed data centre services at 20%. The managed security services market and managed cloud services market continue to expand, while the managed data centre services market plays a crucial role in supporting India’s digital transformation.

Figure 23: Market Segmentation for India Managed Service Industry by Service Mix on the Basis of Revenues in Percentage (%), Fiscal 2024



Source: Interview with Industry Experts, Nexdigm Analysis

Table 13: Usage of Managed Services by End User

Industry	Usage of Managed Services	Key Applications	Benefits
Banking, Financial Services, and Insurance (BFSI)	Largest consumer of managed services, focusing on compliance and security.	• Core Banking Systems • Risk Management Solutions • Fraud Detection Systems	• Enhanced operational efficiency • Reduced costs through outsourcing • Improved compliance
Retail	Increasingly leveraging managed services for e-commerce and customer engagement.	• E-commerce Platforms • Customer Relationship Management (CRM)	• Improved customer experience • Real-time inventory management • Increased sales
Healthcare	Reliance on managed services for application support and regulatory compliance.	• Electronic Health Records (EHR) • Telemedicine Solutions	• Enhanced patient care • Efficient data management • Reduced operational costs
Manufacturing	Utilization of managed services for supply chain management and IoT applications.	• IoT Device Management • Supply Chain Optimization Tools	• Increased productivity • Real-time monitoring of processes • Reduced downtime
Telecommunications	Leveraging managed services for network management and customer support systems.	• Network Monitoring Services • Customer Support Solutions	• Improved service delivery • Enhanced customer satisfaction through proactive management

Source: Industry Articles, Nexdigm Analysis

Segmentation for Managed Services Industry by Government and Private Sector, Fiscal 2024

The managed services industry in India is expanding rapidly across both the public and private sectors, with organizations outsourcing IT functions to optimize efficiency, reduce costs, and improve security. The Government uses managed services for digital infrastructure, e-governance, and cybersecurity, while private enterprises leverage them for IT infrastructure management, cloud services, business continuity, and application management.

Figure 24: Market Segmentation for Managed Services Industry in India Basis Private and Government Sector, Fiscal 2024

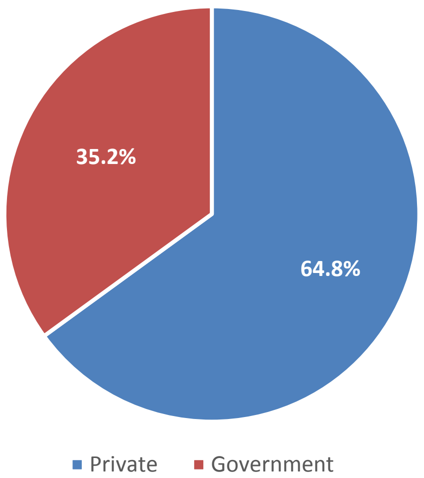
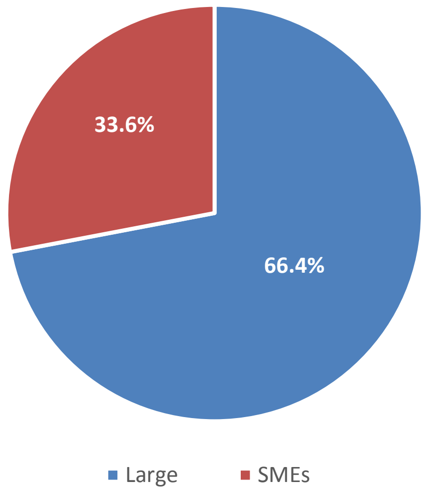


Figure 25: Market Segmentation for Managed Services Industry in India Basis Large and SMEs, Fiscal 2024



Source: Interview with Industry Experts, Nexdigm Analysis

Usage of Managed Services by the Government Sector:

The Indian Government is increasingly adopting managed services to accelerate digital transformation, improve operational efficiency, and enhance citizen services. Managed service providers support the development of smart cities and digital infrastructure by managing complex IT systems such as sensor networks, data analytics, and cloud computing.

Under the Digital India initiative, managed services facilitate secure and reliable digitization of services such as e-filing, healthcare, and education. Managed cloud services ensure cost-effective and highly available data hosting, while managed security services protect sensitive data, provide real-time threat detection, and ensure compliance with regulations such as the Digital Personal Data Protection Act, 2023.

Adoption of Managed Services by Small and Medium Businesses (SMEs)

Partnering with a Managed Service Provider (MSP) offers significant benefits for Small and Medium-sized Businesses (SMEs) in India, helping them optimize IT operations, reduce costs, and enhance overall performance. Outsourcing IT functions eliminates the need for in-house teams, reducing hiring and training costs while providing predictable, subscription-based pricing for hardware and software management. MSPs offer access to skilled professionals, ensuring quick resolution of IT issues and minimizing disruptions.

Managed services provide the scalability and flexibility to adjust IT infrastructure as needed, enabling SMEs to respond to changing business demands without significant costs. By outsourcing routine IT tasks, businesses can focus on core functions, driving growth and improving operational efficiency. In essence, managed services deliver cost-effective, secure, and scalable IT solutions, allowing SMEs to innovate and thrive. According to experts, SMEs in the private sector account for 33.65% of managed services usage, which is expected to grow substantially in the future as more businesses recognize the value of these solutions.

Major Managed Services Offerings in India

Disaster Recovery- Disaster Recovery as a Service (DRaaS) is a cloud computing model that enables organizations to back up their IT infrastructure and data to a third-party cloud environment, facilitating rapid recovery after a disaster. With increasing cyber threats and the critical need for business continuity, industries such as finance, healthcare, and retail are adopting DRaaS for its benefits, including high-speed recovery, negligible data loss, enhanced security, and improved compliance. This service model alleviates the burden of managing disaster recovery internally, making it an attractive solution for businesses seeking resilience to disruptions.

Managed Co-Location - Managed Colocation enhances the colocation process by allowing organizations to maintain control over their IT infrastructure while outsourcing server management to a third-party vendor. This model is particularly beneficial for small and medium-sized businesses (SMEs) that want to avoid the high costs associated with IT infrastructure and management, thus saving on physical space and reducing the need for expensive IT personnel. Key benefits of managed colocation include business continuity, ensuring operations remain uninterrupted; enhanced security, providing robust protection for sensitive data; and global reach, enabling companies to leverage data centres across various locations for improved service delivery and compliance.

Application Management- Application management encompasses the entire lifecycle of software applications, including their operation, maintenance, version control, and upgrades. It is an enterprise-wide initiative that ensures applications run efficiently and effectively, integrating seamlessly with back-office functions like databases and ERP systems. This service provides organizations with access to specialized expertise, delivering a cost-effective solution that reduces the burden on internal resources. Additionally, it offers proactive monitoring and enhanced security, which are crucial for maintaining optimal performance and safeguarding sensitive data across various industries such as finance, healthcare, and retail.

Database Management - Managed database is a cloud-based service that delegates database management to a third-party provider, covering setup, maintenance, scaling, and security. This approach allows organizations to concentrate on core business activities while simplifying database administration. In today's data-centric environment, managed databases enhance operational efficiency by providing reliable storage and compute services maintained by experts. Key advantages include enhanced security, cost efficiency, and high availability, making this solution particularly beneficial for industries such as finance, healthcare, and e-commerce that demand robust and scalable data management.

Backup Services- Backup as a Service (BaaS) is a cloud-based solution that enables organizations to securely back up and recover data without the need for on-premises hardware. By outsourcing backup management to a third-party provider, businesses protect critical data in secure off-site locations, safeguarding it from unauthorized access and physical damage. BaaS offers customizable schedules and rapid recovery options, making it ideal for mitigating data loss from accidental deletion, corruption, or cyberattacks. Key benefits include cost-effectiveness, enhanced security through encryption, and the ability for IT staff to focus on core initiatives rather than routine maintenance, making it essential for industries such as finance, healthcare, and retail.

Remote Infrastructure Management- Remote infrastructure management refers to the overall management of all elements of enterprise IT infrastructure and resolving relevant issues from a remote location, thus enabling continuous availability. RIM ensures that onsite repairs and maintenance are required only in cases of hardware failure. RIM services add value to IT systems, improve service availability, increase efficiencies, and reduce costs. Easing infrastructure management, RIM enables IT leaders to focus more on managing labour costs and productivity. In India, RIM is used across industries such as Banking, Financial Services, Insurance (BFSI), healthcare, IT and telecommunication, retail and eCommerce, transportation, etc.

Cross Platform Migration- With continuous innovations and the emergence of new players in the cloud market, it is crucial for cloud solution providers to attract potential customers who already have cloud infrastructure in place and are looking to enhance or shift their cloud presence. This challenge is addressed through cross-platform migration services, which enable providers to tap into a larger market of existing cloud users and expand their customer base. These migration services are also supported by cross-platform data recovery tools, ensuring that the migration process is smooth and reliable. In India, the growing popularity of non-hyperscale providers has made this offering particularly valuable as it facilitates a smoother transition for customers looking to shift to alternative cloud solutions.

Development of Edge Computing Nodes

Edge computing is a distributed computing paradigm that brings data processing and analysis closer to the source of data generation. The growing importance of edge computing is driven by the rapid expansion of the Internet of Things (IoT) and the need for real-time data processing. With the proliferation of IoT devices and the massive amounts of data they generate, sending all that data to a remote cloud server for processing can lead to latency, bandwidth constraints, and increased costs.

Edge computing nodes play a critical role in managed services by facilitating faster data processing, reducing latency, and supporting industries with immediate data needs. This decentralized approach to computing is particularly beneficial for sectors such as finance, retail, and Internet of Things (IoT) applications, where real-time data access and processing is critical.

Benefits of Edge Computing in Managed Services-

- **Reduced Latency-** By storing and processing data at or near the source—whether on a local device, a regional data centre, or an IoT gateway, edge computing significantly reduces the distance data must travel. As a result, businesses can experience faster application performance and more responsive systems, which is critical for time-sensitive applications such as telemedicine, smart grids, and online gaming.

- **Real Time Data Processing-** Edge enables real-time data processing, businesses can deploy AI and machine learning models at the edge to automate decisions without the need for constant communication with a central cloud. This is particularly important for industries such as manufacturing, where real-time data from sensors can be used to predict equipment failures and trigger automated maintenance responses, or for smart cities, where traffic management systems need real-time data to avoid congestion.

- **Enhanced Security-** Edge computing improves security in several ways. One of the main security benefits of edge computing is that it limits the potential impact of data breaches by decentralizing data storage and processing. In centralized systems, a successful attack on the main server can compromise the entire system. However, in an edge computing setup, if one node is compromised, the breach is typically limited to that local node, preventing widespread damage. For industries with stringent security requirements, such as finance, healthcare, and defence, edge computing offers a solution to process and store sensitive data locally, ensuring that only aggregated or non-sensitive information is transmitted to central systems.

- **Reduced Cost-** Edge computing can also result in significant cost savings for organizations. Traditional cloud architectures often require large amounts of bandwidth to transmit vast amounts of raw data to centralized data centres for processing. With edge computing, data is processed locally, which means less data needs to be sent to central servers, reducing bandwidth requirements and associated costs.

SOFTWARE DEVELOPMENT IN INDIA

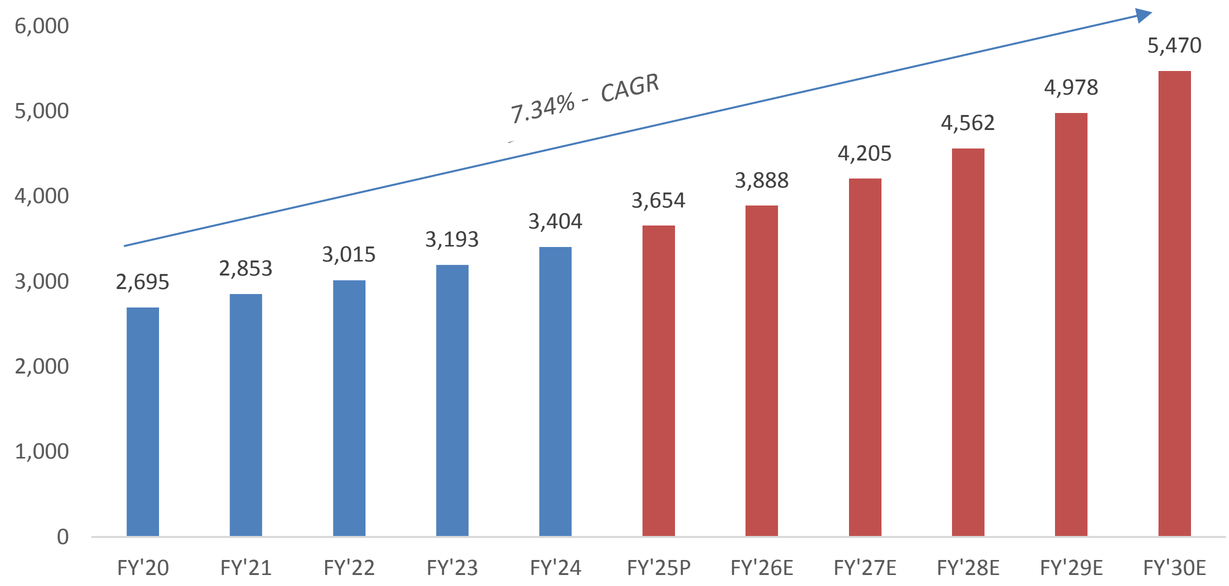
During 2000-2010, the rise of Indian MNCs and R&D, with the confidence in solving complex IT problems and the experience of working with international clients, boosted the Indian entrepreneurial spirit. Thus, many Indian companies opened offices in India and overseas and thereby became multinational organizations. These new MNCs started offering a wide spectrum of services ranging from complex IT projects to last-mile infrastructure integration.

Market Size for Software Development in India:

Indian software development market has demonstrated significant growth over the past few years, particularly following a notable boom in the IT industry in 2021. During Fiscal 2020 to Fiscal 2024, the market revenues increased from INR 2,695 billion to INR 3,404 billion, reflecting a compound annual growth rate (CAGR) of 6%. This steady growth trajectory highlights the industry's resilience and adaptability amid global economic fluctuations. During the forecasted period, software development industry in India is poised for robust expansion. Projections indicate that the market will continue to grow at a CAGR of 8.2% annually, increasing from INR 3,404 billion for Fiscal 2024 to an estimated INR 5,470 billion by the end of Fiscal 2030.

The ongoing digital transformation in sectors such as finance and healthcare is significantly increasing the demand for advanced software solutions. Additionally, the growing adoption of cloud computing and artificial intelligence is improving operational efficiency and facilitating data-driven decision making. Government initiatives, such as Digital India and Make in India, are fostering an enabling environment for innovation and investment in the software sector.

Figure 26: Market Size for Software Development Industry in India on the Basis of Revenues in INR Billion, Fiscals 2020-2030E



Source: Interview with Industry Experts, Nexdigm Analysis
Note-E stands for Estimated, P stands for projected

Software Development Adoption by SMEs in India:

Small and medium-sized enterprises (SMEs) in India are increasingly adopting software development to drive digital transformation and improve operational efficiency. It has been observed that nearly 70% of SMEs have integrated some form of software solution, ranging from custom applications to off-the-shelf software for customer relationship management (CRM), inventory management, and accounting. The rise of cloud-based software and SaaS (Software as a Service) platforms has made it easier for these businesses to access advanced technology without significant upfront investments. These SMEs are leveraging software to streamline operations, improve customer service, and scale their businesses, while reducing reliance on manual processes. As the digital economy grows, more SMEs are expected to adopt enterprise-grade software tools, fostering a more competitive business environment.

OPPORTUNITIES AND DEVELOPMENTS

As businesses undergo rapid digital transformation, the need for secure, high-performance, and cost-effective cloud solutions has become paramount. Enterprises require scalable infrastructure to handle growing workloads, while SMBs look for cost-efficient cloud adoption without heavy upfront investments. Government bodies seek compliance-driven and secure cloud environments, and BFSI institutions demand high-availability architectures with stringent security standards. Cloud Service Providers bridge the identified gaps faced by businesses, enabling businesses to focus on their core operations, while Cloud service providers handle the complexities of IT Infrastructure Management.

Expansion into Tier-2 and Tier-3 Cities

Indian Government initiatives such as the Digital India program are promoting the development of digital infrastructure in small towns. In addition, local Governments often offer incentives and fast-track approvals for data centre projects, making it easier for companies to set up operations. This also aligns with Government initiatives on data localization, which will lead to the development of infrastructure such as IT parks and office spaces in Tier-2 cities and Tier-3 cities and attract more companies there.

Data centres located in Tier-2 cities and Tier-3 cities in India offer significant cost advantages, with lower real estate and operational expenses compared to Tier-1 cities. These regions provide ample room for expansion and scalability, minimizing congestion-related delays. Additionally, geographic diversification in these areas improves business continuity by mitigating the risks of outages. Proximity to regional markets reduces latency, which improves service quality for underserved populations. Additionally, Government incentives in these areas further reduce operating costs, stimulate local economies, and contribute to environmental sustainability and job creation. Indian companies

Table 14: Total Tech Talent Availability in Tier-2 and Tier-3 Cities

City	Installed Tech Talent	% of Total Tech Talent in India
Chandigarh	70,000	1.27

City	Installed Tech Talent	% of Total Tech Talent in India
Coimbatore	60,000	1.09
Jaipur	80,000	1.45
Vizag	100,000	1.82
Kochi	90,000	1.64
Nashik	20,000	0.36

Source: Journal published on Indian Tech Talent by Harshad Katikar, Nexdigm Analysis

Table 15: Cost Effectiveness of Hiring in Tier-1 vs Tier-2 Cities

Metrics	Tier-1	Tier-2	Advantage in Tier-2 Cities
Average Salary	INR 12,00,000	INR 8,00,000	50%
Attrition Rates	20%	10%	100%

Source: Journal published on Indian Tech Talent by Harshad Katikar, Nexdigm Analysis

Examples of organizations shifting towards Tier-2 and Tier-3:

- **ESDS**; stands out as the only player in the data centre industry to have started operations in a Tier-2 city, Nashik. While most data centre companies typically start in Tier-1 cities due to limited power availability in Tier-2 and 3 cities, ESDS has consistently prioritized sustainability. This forward-thinking approach has not only enabled them to overcome challenges but has also provided them with a competitive advantage, allowing them to successfully scale up their operations in Tier-2 and 3 cities.

- **CTRLS** aims to establish more than 20 edge data centres in Tier-2 and Tier-3 cities in the coming years. Currently, it has data centres in Kochi and Vizag. The company also plans to expand its capacity and introduce new facilities in Kolkata

- **Yotta Data Services** is expanding its operations in Greater Noida and Guwahati, capitalizing on the growing demand for edge facilities in Tier-2 markets. These operations are expected to be fully operational by the end of 2024.

- **Airtel Nxtra**; operates 120 edge data centres in 65 cities, such as Bhopal, Nagpur, Cuttack, Ranchi, Patna, Raipur, Kanpur, Madurai, and Leh. These facilities have capacities ranging from 1 to 5 megawatts, and the company plans to expand and build more edge data centres.

Introduction of Cloud Service Verticals

Sustainable Cloud Computing: Sustainable cloud computing focuses on energy efficiency, reducing carbon emissions, and using renewable resources to minimize environmental impact. Major providers like Amazon, Microsoft, and Google Aare committing to net-zero emissions, with Amazon aiming for 2040 and Microsoft before the next decade. The technology used in cloud computing is virtualization software, which separates physical computing device into one or more "virtual" devices, each of which can be used and managed to perform computing tasks. Virtualization provides the agility required to speed up IT operations and reduces cost by increasing infrastructure utilization

AI Cloud allows businesses to harness the power of AI and technology, without need to allocate resources. AI models, such as large language models, such as GPT, are trained on massive amounts of data using the computational power of computers. The role of infrastructure that enables AI to be accessible to the public is crucial, as it plays a significant role in making AI available and providing all the economic and social benefits it generates.

Edge computing and IoT capabilities; Cloud providers are undergoing transformation, rebranding themselves as distributed clouds, while traditional content distribution network (CDN) vendors are enhancing their offerings to integrate edge computing capabilities. With the rise of GNAI and edge technologies, local LLAM contracts have gained traction, particularly for remote applications like oil rigs, where real-time data analysis is crucial. For example, Akamai Technologies is using its acquisition Lineode to bridge the gap between centralized hyperscaler models and classic CDNs with its thousands of locations. Fastly and Cloudflare are also taking similar steps.

CloudOps; refers to the practice of managing and optimizing cloud spending through collaboration between finance, operations, and technology teams to ensure cost efficiency and resource allocation. The flexible and dynamic nature of cloud computing has shifted market perspectives from a "cloud-first" approach to viewing the cloud as a necessary tool.

Private cloud is cloud infrastructure operated solely for a single organization and operates on a dedicated infrastructure. Private cloud services are required for customers who propose to migrate their business and corporate data on a secure, customizable and flexible cloud platform, without capital investment required for maintaining a "on premise" cloud environment.

Virtual public cloud functions like a private cloud that run on public or shared infrastructure. The virtual private cloud isolates one user's resources from another user's resources using an individualized, private IP subnet or a virtual local area network.

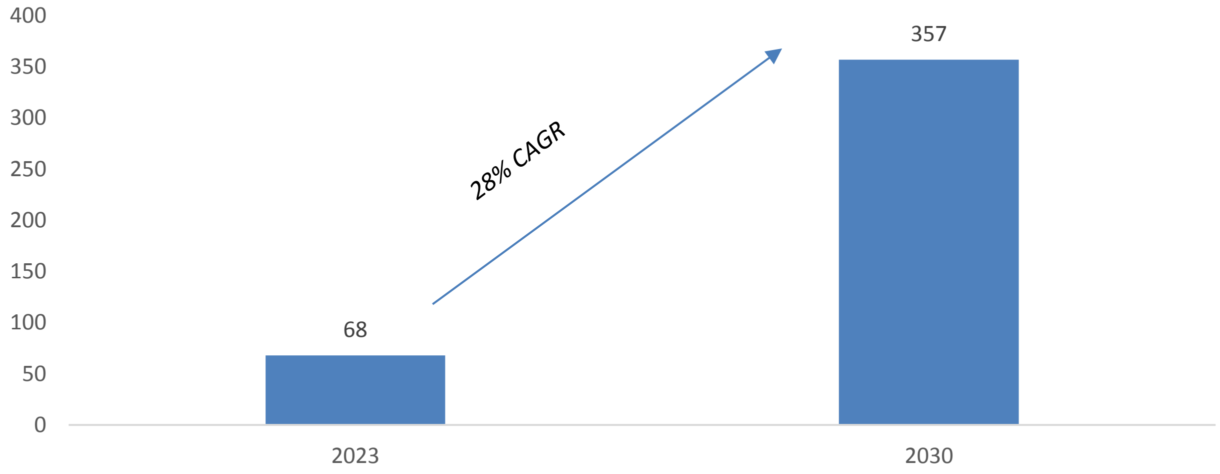
Hybrid cloud model includes a combination of private and public cloud offerings. It is a composition of a public cloud and a private environment, such as a private cloud or on-premises resources, that remain distinct entities but are bound together, offering the benefits of multiple deployment models

Community Cloud: A community cloud is a virtual infrastructure that is shared between several organizations from a specific community with common concerns (security, compliance, jurisdiction, etc.). ESDS was one of the first cloud service provider in India to offer community cloud services, provided on multi-tenant model to a group of organizations that have similar business model and requirements, such as data privacy, security, compliances and regulatory considerations.

Partnerships with Startups for AI and Machine learning:

According to Avendus, there are over 1,300 AI companies in India as at 24 August 2024. The growth of AI is expected to significantly increase the demand for high-density server racks and cooling solutions. The generative AI market in India is projected to grow at a compound annual growth rate (CAGR) of 28% between 2023 and 2030, driving strong demand for data centres. Additionally, there is a growing demand for over 500 MW from hyperscalers, suggesting that AI workload demands could soon outstrip traditional cloud computing needs.

Figure 27: India's Generative AI Sector Market Size on the Basis of Revenues in INR million, Calendar Year 2023-2030



Source: Nexdigm Analysis NASSCOM

The Gen AI startup ecosystem in India has been expanding rapidly, driven by increased funding and support from both the private and public sectors. According to NASSCOM, by 2024, more than **240 + Gen AI startups** were operating in the country, many of them focusing on advanced technologies such as computer vision, natural language processing, and generative AI.

AI and machine learning are required to increase energy efficiency and sustainability, improve asset performance management, enhance customer relationship management and security, and bolster capacity management and planning in the Data Centre space. India vision for "**Make AI in India**" and "**Make AI work for India**" is aimed at leveraging AI for a variety of use cases.

- **Sarvam AI and Microsoft**: Sarvam AI is collaborating with Microsoft to develop its Indian speech Wide Language Model (LLM) on Azure. This partnership aims to empower developers to build generative AI applications tailored for Indian languages, improving accessibility and usability in sectors such as education and healthcare.

- **Tech Mahindra and Google Cloud Partnership**: Tech Mahindra has partnered with Google Cloud to accelerate the adoption of generative AI across multiple industries. This collaboration focuses on improving supply chain processes and developing AI-powered applications for Mahindra & Mahindra, showcasing how cloud technology can drive operational efficiency.

- **Open Cloud Computing Netw**ork: Backed by Nandan Nilekani, the Open Cloud Compute (OCC) project aims to establish a network of interoperable micro data centres in India. This initiative involves a consortium of 24 tech giants, including AMD and Oracle, to address the growing demand for AI infrastructure, thereby facilitating better utilization of resources among independent vendors.

- **Google Cloud Initiatives**: Google Cloud has launched several programs aimed at empowering early-stage AI startups. These include Springboard for emerging ISV partners, which offers USD 200,000 in cloud credits over two years and up to USD 350,000 specifically for AI-focused startups. Additionally, Google is offering access to NVIDIA H100 GPUs and TPUs through partnerships with accelerators like Y Combinator.

- **Deliver-Health and Google Cloud**: DeliverHealth, a healthcare technology startup, is working with Google Cloud to transform clinical documentation processes using AI. This partnership uses Google Cloud's advanced AI models to enable healthcare providers to document patient care via voice, improving efficiency and accuracy in clinical settings.

- **ESDS Autonomous Cloud:** ESDS has initiated work on its Autonomous Cloud, an intelligent cloud platform that can autonomously manage the cloud services and operations, as it is the need of the hour. This platform will enable enterprises to seamlessly manage, deploy and transform cloud infrastructure across multiple cloud environments by minimizing the need for manual intervention, leveraging AI-driven intelligence for enhanced efficiency, scalability, and security.

<u>Transition from Colocation and Cloud to End-to-End Services:</u>

- **Colocation**; Services involves renting space in a data centre where businesses place their servers, networking equipment, and other hardware. It offers benefits such as reliable power, cooling, and physical security, without the need for businesses to build and maintain their own data centres. However, as businesses grow and their needs evolve, colocation can present challenges. Expanding infrastructure can be costly and time-consuming, and the physical space required can limit scalability. Because of these limitations, many businesses eventually transition to cloud services, which offer more flexibility, scalability, and on-demand resource allocation without the need to manage physical hardware.

- **Cloud**; Services provide scalability, flexibility, and on-demand resources, allowing businesses to adapt quickly without the limitations of physical infrastructure. They offer global reach, automated backups, and enhanced security, making them a better option compared to colocation. However, services like Azure and AWS often rely on middlemen adding 20-30% margins, which can make them up to 40-50% more expensive than alternatives like end to end domestic players. Additionally, these providers impose strict access restrictions, making it difficult for industries like BFSI to conduct physical audits as required by the RBI mandate, unlike colocation, which offers more audit control and flexibility.

- **End-to-end**; Services combine the best of both colocation and cloud, offering businesses the flexibility and scalability of the cloud along with the control and security of colocation. Unlike cloud data centres, which often rely on middlemen and have higher costs, end-to-end solutions provide seamless integration, easy management, and cost-effectiveness. This approach ensures that businesses have complete control over their infrastructure while still benefiting from the on-demand resources and scalability of cloud services, making it a superior option compared to traditional cloud-only and colocation solutions. With the push of Data Sovereignty Regulations and the Digital Personal Data Protection Act 2023, the need to move away from foreign players becomes more evident as they remain costly and require additional intermediaries for management.

<u>Growing Importance of End-to-End Data Services</u>

- In conclusion, end-to-end data services offer the ideal balance between flexibility, scalability, control, and cost-effectiveness. While co-location provides physical security, it comes with high costs, scalability limitations, and significant infrastructure investment. Pure co-location providers like Adani and CTRLS offer secure environments, but lack the scalability and flexibility of cloud services. Cloud data centres like AWS and Azure provide resources on-demand, but often involve middlemen, adding costs and restricting access, particularly for regulated industries like BFSI.

- End-to-end services combine the benefits of both co-location and cloud, offering scalability and flexibility while maintaining control and security. Companies like ESDS and Yotta are leading the way in this approach. ESDS stands out for its extensive experience in integrating on-demand resources with infrastructure control, while Yotta, a newer entrant, is still evolving. By cutting out the middleman, end-to-end solutions reduce costs and improve transparency. As regulations around data sovereignty increase, on-premise providers like end to end domestic players offer a more cost-effective and scalable solution that ensures compliance, making them a superior option to traditional cloud and co-location models.

TECHNOLOGY DISRUPTIONS

AI and Machine Learning: Cloud-Driven AI Models Powered by GPUs

India has seen the rise of cloud-native startups driving AI innovation in sectors like fintech, healthcare, and e-commerce. Startups like *"ZestMoney"* (AI-powered lending) and *"Aindra Systems*" (AI for healthcare) has introduced how AI and cloud can deliver solutions at scale. The launch of 5G networks will further accelerate cloud and AI adoption by providing the necessary high-speed connectivity. This will enable faster data transfer, real-time analytics and seamless integration of IoT devices.

Examples of GPU Driven Cloud and AI Models-

- Mumbai-based data centre giant Yotta, known for its Shakti Clouds, plans to acquire additional NVIDIA GPUs and expand its infrastructure. Currently, Yotta has around 700 GPUs and has also launched its Yantra and Shakti Cloud. Yantra is a hyperscale cloud designed for Government, enterprise, and startup sectors. Shakti Clouds, India's first AI-centric GPU-based cloud, will feature 16,384 NVIDIA GPUs including a combination of H100s and the newly launched L40s.

- Tata Communications is deploying NVIDIA Hopper GPUs to bolster its public cloud infrastructure and support a variety of AI applications. The company also plans to expand its capabilities next year by adding NVIDIA Blackwell GPUs.

Sustainability Efforts: Energy-Efficient Data Centres and Green Computing:

The digital age has created a huge demand for data storage and management. According to the United Nations, the IT industry accounts for 2-3% of global emissions, which could increase to 14% by 2040. This rapid digital transformation presents a major challenge related to balance technological growth with environmental sustainability, ensuring that the rapid expansion of cloud infrastructure does not come at the cost of rising carbon emissions and resource depletion.

- **Green Data Centres**-Organizations use green data centres to increase energy and resource efficiency, extend the lifespan of equipment, reduce data centre costs, and minimize carbon impact.

- **Data Centre De-carbonization**-Initiatives can provide an impetus that enables organizations to modernize, optimize, and automate their data centres.

- **Efficient Cooling Systems**-play a crucial role in addressing the challenges of energy consumption in data centres. Traditional facilities often rely on air conditioning systems to cool servers and prevent overheating.

- **Power Usage Effectiveness**- It measures the energy efficiency of data centres by comparing the total energy usage of the facility to that of IT equipment alone. Lower PUE values indicate better energy performance, helping organizations reduce operating costs, optimize energy consumption, and minimize their environmental impact, contributing to greener and more sustainable data centre operations.

INNOVATION AND R&D

Use of AI and Machine Learning to Enhance Operational Efficiency

AI for operational efficiency involves applying artificial intelligence and machine learning to optimize business processes, enhancing productivity, reducing costs, and improving customer satisfaction. By automating various tasks, AI allows human resources to focus on more strategic and creative work. This transformative technology should be viewed in terms of its potential for the common good, improving quality of life and access to opportunities.

AI adoption by various industries in India has been influenced by technical and regulatory challenges, among other factors, but business implications have been the most important driving factor. While technical feasibility, availability of structured data, regulatory barriers, privacy considerations, ethical issues, and preference for human relationships have played a role in determining an industry's readiness for large-scale AI adoption, compelling business use cases (For instance; increased efficiency, accuracy, speed, forecasting, and precise decision-making) that lead to a direct impact on revenue and profitability have been the primary driver for businesses to pursue accelerated AI adoption.

Table 16: Highlights of AI adoption hits and misses by End-User Industries, 2024

Dimensions	Sector Hits	Sector Misses
AI Strategy and Impact	➢ **39%** of manufacturing and **65%** transport and logistics have transformation-focused AI strategy ➢ **70%** BFSI and healthcare companies seek competitive differentiation with AI	➢ Over **50%** of BFSI, CPG & Retail, E&U, Healthcare and TM&E sectors have a pilot tested AI strategy rather than full implementation.
AI Investments	➢ **50%** +manufacturing and transport and logistics have some dedicated AI budgeting	➢ **55%+** BFSI, CPG and retail, E&U, healthcare, and TM&E sectors have ad-hoc AI budget
Data and Technology Readiness	➢ **60%+** BFSI, manufacturing, CPG and retail, transport and logistics, and TM&E companies have BU or enterprise-level standardized data ➢ BFSI and CPG and retail companies show near equal propensity towards public and hybrid clouds for AI workloads	➢ **48%** E&U companies and over 30% of all sectors except transport and logistics have non-standardized data in silos ➢ **20%** companies in E&U and TM&E use hybrid cloud, the lowest propensity of all sectors
AI Use Cases	➢ **3-7%** BFSI, healthcare, transport and logistics, and TM&E companies have over 20 AI use cases ➢ **29%** of healthcare and **13%** of BFSI companies have conducted PoCs of over 10 AI use cases ➢ **3-7%** of BFSI, healthcare, transport and logistics, and TM&E companies have over 10 AI production cases ➢ **5%+** BFSI, healthcare, transport and logistics, and TM&E companies have conducted over 5 Generative AI PoCs ➢ **2%** of BFSI and **4%** of healthcare companies have over 5 production-grade Generative AI cases active	➢ **50%+** of manufacturing and healthcare firms have had no AI use cases identified ➢ **37%** of manufacturing companies have not PoC AI use cases ➢ **71%** of E&U, **67%** of manufacturing, and **47%** of TM&E have had no production-grade AI use cases ➢ **85%+** of manufacturing and E&U companies have not PoCed Generative AI yet ➢ **50%+** of E&U, healthcare and manufacturing companies have had no Generative AI production cases

Source: Industry Articles, Nexdigm Analysis

Digital Platform Enablement across Multiple Verticals (IoT and Blockchain)

Block chain Technology keeps records in a very secure and organized way. Block chain has the potential to address significant challenges by ensuring the authenticity and security of data. The inherent design allows for transparent visibility into transactions, preventing any unauthorized alterations to the information.

Internet of Things (IoT) refers to a big network of connected devices. These devices have parts like sensors and software that help them collect and share information. Smart thermostats that control the temperature in your home, wearable health devices, or even big machines in factories.

Table 17: Used Cases of Digital Platform Enablement

S. No	Companies	Applications
1	Infosys	Infosys has been involved in multiple block chain initiatives, including developing solutions for the banking and insurance sectors. They leverage IoT data to enhance the functionality of their block chain applications.
2	Tech Mahindra	Tech Mahindra has implemented blockchain solutions for supply chain management, including a notable project called Vaccine Ledger, which uses IoT data to ensure traceability of vaccines. The company has demonstrated important applications in various industries such as telecom and manufacturing.
3	TCS	TCS has developed a block chain platform that supports various enterprise applications including supply chain management and digital asset management, integrating IoT data to improve operational efficiency.
		Bajaj Finserv uses blockchain to automate claims processing in travel

S. No	Companies	Applications
4	Bajaj Finserv	insurance, using IoT data to streamline operations and improve customer experience. Block chain enables instant settlement of claims, significantly reducing processing times
5	Jio Platforms	Jio has developed an integrated IoT platform that incorporates Block chain technology, providing a secure medium for onboarding and management of IoT ecosystems. The platform supports multiple access technologies and uses Block chain for device identity management and data integrity.
6	Apollo Hospitals	Apollo Hospitals partnered with Oracle Financial and Strides Pharma to pilot a drug supply chain solution using block chain and Iota, ensuring the authenticity of medicines through real-time monitoring.

Source: Nexdigm Analysis

Edge Computing and 5G Integration

5G edge computing combines high-speed 5G networks with decentralized edge computing, enabling real-time data processing and decision-making at the network's edge. This integration enhances data transmission speed, reduces latency, and improves capacity, while edge computing processes data locally, minimizing bandwidth usage. According to World Bank, by 2025 1.2 billion 5G connections will cover 34% of the global population, unlocking new opportunities in previously unfeasible industries:

- ***Improved Delivery Speed***: 5G and edge computing are key complementary technologies for delivering data-intensive consumer and enterprise applications like real-time inferencing for AI, cloud gaming, autonomous drones or remote tele surgery.

- ***Ultra-low latency experiences***: By processing data at the edge, 5G and edge computing can deliver immersive experiences without delay, which is critical to achieving amazing user experience and engagement. Industries can use avail this technology through AR/VR to train employees in a safe environment, enhancing learning experiences through interactive simulations.

- ***IoT (Internet of Things)***; 5G and edge computing can help with real-time data processing where devices can analyze data locally instead of sending it to a central server, enabling faster insights and action which leads to improved connectivity through the high capacity of 5G networks supports connected devices, enabling broader IoT deployments across multiple industries.

Vertical Auto Scaling in Data Centres

Vertical scaling, also known as “scaling up” is the process of improving the capacity of an existing server by adding resources such as CPU, RAM, and storage. This approach offers several benefits for data centres, including cost, efficiency, resource utilization, and energy savings. Vertical auto scaling is technically and commercially beneficial while operating a large volume of virtual machines in a cloud environment and has high optimisation effect from capacity utilisation. While companies like Google Cloud, AWS and Azure offer auto vertical scaling globally, ESDS is the only player in India holding a patent for this technology which was granted to them in November 2022.

Vertical Scaling offers significant benefits to data centres by improving cost-effectiveness, efficiency, resource utilization, and energy savings. By upgrading existing hardware rather than purchasing new servers, organizations can maximize their investments and extend the life of their infrastructure without incurring substantial additional costs. This approach simplifies system architecture because fewer machines need to be managed, reducing maintenance complexity and operational overhead. In addition, vertical scaling enables better resource utilization, allowing organizations to efficiently handle larger workloads. With fewer physical servers running, energy consumption for cooling and power can also decrease, leading to lower overall energy costs. The simple implementation of vertical scaling minimizes disruption compared to horizontal scaling, making it an attractive option for organizations with predictable growth patterns and high computing needs. Horizontal scaling refers to provisioning additional servers to meet customer needs, while vertical scaling is a more efficient system, in which more power and memory is added to the same virtual machine, thereby increasing the resource capacity of the virtual machine and in effect, the machine optimization. Overall, vertical scaling is a strategic choice that improves performance while optimizing resource allocation in data centre operations.

Quantum-Resistant Cryptography

Quantum-resistant, or post-quantum, cryptography involves developing cryptographic algorithms that can resist attacks from both classical and quantum computers. The National Institute of Standards and Technology (NIST) has been at the forefront of this initiative, selecting and standardizing algorithms designed to be secure against quantum attacks. In August 2024, NIST published the first three finalized post-quantum encryption standards, marking a significant milestone in this field.

As quantum computing technology advances, the risk of quantum-enabled cyberattacks becomes more imminent. Organizations, particularly those handling sensitive information, must proactively adopt quantum-resistant cryptographic measures to protect their data. This proactive approach is crucial to preventing potential breaches that could arise from the capabilities of future quantum computers. Companies such as ESDS, QNu Labs, and BosonQ PSI are some companies who are leading the way in offering this technology to their clients.

Key Developments in Quantum Industry related to Cloud Solutions

***MeitY Quantum Computing Applications Lab*: ** Set up by the Ministry of Electronics and Information Technology (MeitY), this lab offers access to quantum computing resources on the AWS cloud, allowing researchers and developers to experiment with quantum algorithms and run simulations without incurring costs. The lab aims to accelerate research and development in quantum computing in sectors such as finance, healthcare, and agriculture.

***Real-time quantum cloud services*:** Platforms like D-Wave's Leap™ provide Indian businesses with immediate access to advanced quantum computing capabilities. This service supports hybrid solvers that can address diverse business challenges from logistics optimization to drug discovery, significantly accelerating problem-solving processes compared to classical methods.

***Research collaboration and innovation*:** The establishment of collaborative frameworks like the "India Quantum Alliance" by C-DOT aims to foster joint research and development in quantum communication technologies. This initiative aligns with India's goal of enhancing its digital economy through cutting-edge technologies, including quantum computing.

Quantum key distribution (QKD): The Indian Space Research Organization (ISRO) is developing satellite-based QKD systems that will enable ultra-secure communication channels. These systems are essential for protecting sensitive data transmitted across cloud platforms, ensuring that even potential threats from quantum computers cannot compromise the security of communications.

DevOps as Managed Services

DevOps is the combination of cultural philosophies, practices, and tools that increase an organization's ability to deliver applications and services at high velocity—evolving and improving products at a faster pace than organizations using traditional software development and infrastructure management processes.

DevOps enables organizations to innovate faster, adapt to changing markets, and enhance efficiency by integrating development and operations teams. It ensures speed through streamlined workflows, security by automating compliance and tracking policies at scale, and scalability by leveraging automation and consistency. DevOps also promotes improved collaboration, reducing inefficiencies and enabling faster deployments by emphasizing shared responsibilities. Additionally, it ensures reliability through practices like continuous integration and continuous delivery, ensuring quality and security in application updates.

Awards, Recognition and Patents in India's Data Centre and Cloud Industry:

The data centre and cloud industry in India has seen significant growth and innovation, with numerous organizations being recognized for their exceptional contributions to the sector. These companies have set new standards in the industry through advanced infrastructure, cutting-edge cloud solutions, sustainability initiatives, and a strong focus on customer service. Prestigious industry awards have recognized their ongoing commitment to innovation, operational excellence, and environmental responsibility. Highlighted below are some of the notable accolades received by leading players in the Indian data centre industry.

- **Nxtra by Airtel** in 2024 has become the first in the country to integrate AI into its data centres, leveraging Ecolibrium's SmartSense platform. This AI deployment aims to improve operational and energy efficiency, predictive maintenance, and optimize capital expenditure utilization. With the deployment across its core data centres, Nxtra is targeting key efficiency milestones including a 10% increase in asset lifespan, a 10% reduction in non-IT energy consumption, and a 15% increase in equipment performance.

- **ESDS** in 2023 was recognized as the "Most Outstanding Cloud Service Provider" at the NBFC Technology Summit. The company also won the Aegis Graham Bell Award in 2022 for "Fighting COVID-19 with AI" and was named "Most Preferred and Trusted Cloud Service Provider" by the Economic Times.

- **E2E Networks** has been awarded the Times Business Award 2023 for being one of the top performers in the AI and Cloud industry, demonstrating its commitment to innovation in India's cloud technology landscape.

Additionally, the company has been recognized in G2's spring 2024 rankings as a leading global Infrastructure-as-a-Service (IaaS) provider, highlighting its excellence in delivering scalable and reliable cloud services.

- **Sify Technologies** was recognized as an Iconic Cloud Player in 2018 by The Economic Times, highlighting its leadership and impact in the cloud services sector. Additionally, the company has been a multiple-year winner of the Golden Peacock Award for Corporate Governance, reflecting its commitment to transparency and ethical business practices.

Tata Communications and ESDS lead Indian companies in cloud-related patents, with Tata Communications holding 86 patents issued between 2002 and 2022, positioning it at the forefront of cloud innovation in the region. In May 2024, Tata Communications and Cisco launched Webex Calling to transform cloud communication in India. Additionally, Tata Communications is enhancing its AI cloud infrastructure in India through a collaboration with Nvidia.

Meanwhile, ESDS has obtained an Indian patent for its vertical auto-scaling cloud technology, which enables real-time adjustment of computing resources to optimize cloud utilization. This technology powers ESDS' IaaS "eNlight Cloud," which is patented in the UK, US, and India. Infosys Ltd, another key player in the sector, holds 25 cloud-related patents, further strengthening India's position in cloud innovation.

<u>Shift towards Autonomous Cloud</u>

The Autonomous Cloud Platform represents a transformative shift in cloud computing, leveraging AI and machine learning to deliver a fully autonomous, self-healing, and optimizing environment. Unlike traditional cloud platforms, which require extensive manual monitoring, our solution enables real-time monitoring, automated remediation, and intelligent workload management, significantly reducing operational complexities and costs.

As businesses increasingly migrate to the cloud, the demand for intelligent, resilient, and cost-effective cloud operations is growing. The Autonomous Cloud Platform meets this need by delivering AI-powered anomaly detection, automated remediation, predictive analytics, and seamless mobility across clouds. With its vendor-agnostic architecture, the platform ensures seamless integration across diverse cloud ecosystems, eliminating human intervention and improving operational efficiency while optimizing costs.

<u>Market Opportunity</u>

The global cloud computing market is projected to surpass USD 1 trillion by 2030, with a significant shift towards AI-based and autonomous cloud solutions. However, enterprises face increasing challenges in managing multi-cloud environments, ensuring high availability, and optimizing costs. Current cloud solutions often lack intelligent automation for real-time performance tuning and proactive incident management, leading to high operational overhead.

<u>Autonomous Hiring Portal:</u>

Autonomous Hiring Portal is an innovative AI-powered recruiting platform designed to revolutionize the hiring process. By automating candidate screening, interview scheduling, and assessment, it addresses inefficiencies caused by manual resume reviews, lengthy interview coordination, and subjective decision-making. The platform leverages AI-powered resume parsing, chatbots for initial screenings, automated interview scheduling, and AI-powered video interview assessments to streamline processes, reduce time-to-hire, and improve both candidate quality and experience. The cloud-based and scalable portal employs load balancing, distributed computing, data encryption, multi-factor authentication and GDPR compliance to ensure high standards of security and privacy while minimizing recruiter workload and eliminating bias in the selection process.

The autonomous recruiting portal streamlines the HR hiring process, increasing efficiency and reducing manual effort. Key features like AI-powered resume screening, which uses advanced NLP and ML models. A chatbot performs the initial screening, assessing suitability and qualifications for the role, saving valuable time. The portal automates interview scheduling and uses AI-powered video interviews for sentiment analysis, facial expression recognition, and speech processing, providing deeper candidate insights. It also seamlessly integrates with HR and ATS systems for seamless workflows. Data analytics and AI-powered insights help HR teams make informed decisions, improving hire quality and reducing time-to-hire. Additionally, the portal ensures impartiality with explainable AI (XAI) techniques and protects candidate data with strong security measures such as AES-256 encryption and GDPR compliance. Overall, this autonomous solution improves recruitment by automating tasks, ensuring impartiality, and improving decision-making.

<u>Key Benefits</u>

Autonomous hiring portal streamlines recruitment with AI-powered features such as automated resume screening, which ranks candidates based on job requirements, and AI-powered interview scheduling, reducing coordination efforts by 80%. It includes a chatbot for initial assessments, video interviews analyzed for communication and trust using emotion detection and natural language processing, and an adaptive skills assessment module. The portal seamlessly integrates with ATS, automates feedback and reporting, and uses AI for background checks with blockchain credential validation.

POTENTIAL THREATS

New Entrants: Competition from Emerging Tech Firms

Emerging cloud service providers with decentralized and open-source offerings are starting to disrupt traditional managed and cloud services markets, especially in markets like India, where there is a growing interest in cost-effective, transparent, and highly secure cloud solutions. These new entrants focus on blockchain-based, peer-to-peer, and open-source models that challenge the conventional, centralized cloud models offered by established players like Amazon Web Services (AWS), Google Cloud, and Microsoft Azure.

- **Filecoin:** It is a decentralized cloud that offers a superior network, storage at hypercompetitive prices with provable authenticity and data security. DeStor, the data storage space built on Filecoin network, offers Archival storage, backup and recovery, ransomware protection, and highly scalable and cost-effective solutions. It has served over 1800 clients across the globe that have saved 2.2 million TB data (*source: Filecoin Website*).

- **Storj:** Storj is another decentralized cloud network with consistently fast, limitless scalability and hypercompetitive prices (source: *Storj Website*).

Threats from New Entrants:

Decentralized cloud providers like Filecoin and Storj are disrupting the traditional cloud market by offering cost-effective, scalable, and secure alternatives to centralized services such as AWS, Google Cloud, and Microsoft Azure. Leveraging blockchain technology, these platforms provide transparent, tamper-proof data storage with enhanced security features like ransomware protection and backup solutions, while maintaining hypercompetitive pricing due to their peer-to-peer architecture. Their decentralized nature enables greater flexibility, faster scalability, and compliance with local data sovereignty laws, which are particularly appealing in emerging markets like India. By eliminating intermediaries, reducing costs, and offering open-source, community-driven innovation, these companies present a direct challenge to traditional cloud providers, pushing for more competitive, secure, and transparent alternatives. Companies are under significant pressure to optimize the cost and performance, enhance the operational expectations and maintain high level of cyber security for their business

Economic Factors: Inflation, Rising Costs, and International Competition

Current Economic Context

Inflation Trends: In 2021, inflation decreased to 5.5%, indicating recovery, before rising again in 2022 to 6.7%, driven by growing commodity prices and the impact of the Russia-Ukraine war. Overall growth prospects remain cautious, particularly for emerging markets such as India.

Cloud Sector Challenges

Rising Cloud Costs- It has been observed that nearly 60% of businesses in India have seen increased cloud spending, with nearly 40% reporting cost increases of more than 25%. This trend is largely attributed to inflation and rising energy costs affecting cloud service prices.

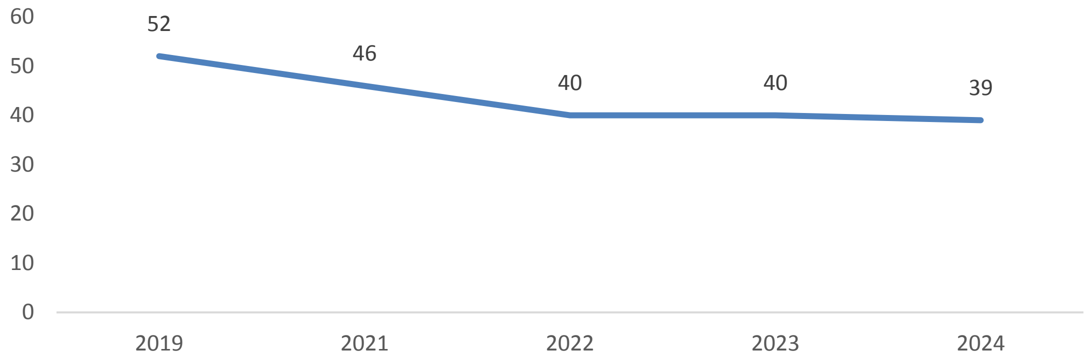
Labour and resource costs- A shortage of skilled IT professionals has increased labour costs, while production prices for CPUs and memory chips have also increased. These factors contribute to higher operating expenses for cloud providers, which are often passed on to customers

Global competition;

This always remains a threat to India's IT sector as other countries such as Philippines and Vietnam are emerging as attractive alternatives for outsourcing due to their competitive labour costs and improving infrastructure. Global players such as Google Cloud, AWS, and Azure are enhancing their capabilities further which may make Indian companies like Tata Communications, Nxtra, and Yotta Infrastructure struggle to maintain their market share unless they continuously innovate and improve service delivery.

On the other hand, economic factors like **Inflation** can have several significant impacts on the data centre industry by influencing both demand and operational costs. India has managed to keep its inflation rate within the target range of 2-6%, at 5.4% for Fiscal 2024. While the core inflation, that is inflation without including Food and Energy price changes, sat at 4.3%, the Food Inflation (CFPI) was at 7.5% which is almost twice the CFPI in Fiscal 2022, when it was at 3.8%.

Figure 28: India's rank on Global Innovation Index, 2019-2024



Source: World Intellectual Property Organisation Archives, Nexdigm Analysis

Operational Challenges-

- **Scalability**: This remains a major challenge for data centres as the demand for data storage and processing continues to increase. To accommodate this growth, data centres have to adopt modular and scalable designs. The use of prefabricated modules enables rapid deployment and expansion, reducing the time and cost associated with infrastructure upgrades.

- **Power Downtime**: have been steadily declining, but the costs of just one outage is very high. Severe downtimes can typically cost them more than USD100, 000. Current solutions are not financially feasible for smaller facilities, with power outages topping the list of root causes of outages. With upgrades, data centres should add additional redundancies and upgrade their existing equipment to mitigate power failures

- **Sustainability:** It has been observed that data centres generate approximately 3.5% of global greenhouse gas emissions. To address this issue, data centres have to prioritize sustainable practices. The use of server virtualization technologies has showcased great potential in reducing energy consumption.

- **Data Localization and Regulation:** India's data localization and security regulations, particularly under the Digital Personal Data Protection Act 2023, impose strict requirements for storing personal data within the country. These regulations, while aimed at enhancing data sovereignty, can significantly increase operational costs for data centres and deter global investments from major players like AWS and Microsoft Azure due to the burdensome compliance landscape.

Managing Increased Data Traffic and Ensuring Optimal Storage Solutions

The transition from magnetic tapes and hard disk drives to modern solid-state drives (SSDs) and cloud storage solutions exemplifies a significant shift in computing, emphasizing greater power, efficiency, and functionality. These advancements have revolutionized how organizations handle and utilize data, fuelling ongoing digital transformation across various sectors. This drop in cost per gigabyte enables organizations to manage extensive data volumes more effectively, allowing them to reallocate resources toward other critical business areas.

Table 18: Threat and Opportunities in India Data Centre and Cloud Service Industry

Key Issues	Threat	Opportunity
Regulatory and Legal Compliance	• Lack of clarity on legal status of emerging technologies (e.g., blockchain). • The RBI's ban on blockchain (overturned by the Supreme Court) reflects regulatory uncertainty.	• Clear and consistent regulations can balance innovation and consumer protection. • Resolving regulatory issues can lead to growth in India's data centre industry and attract foreign investment.

Key Issues	Threat	Opportunity
Cyber Security and Infrastructure Costs	• Rising vulnerability to cyber-attacks, data leaks, and ransomware incidents due to increased digital reliance. • Critical infrastructure and sensitive data at risk, damaging reputation.	• Strengthening cyber security measures can enhance investor confidence. • Increased security can make India an attractive hub for data management and cloud services, driving growth.
Growing Global Competition	• Intense global competition from countries like the US and China. • Disruptions in global supply chains due to geopolitical tensions (e.g., semiconductor technology limitations).	• India can attract investment by offering an alternative to China (China+1 strategy). • India's low cost and robust infrastructure can be appealing for foreign investment

Source: Industry Articles, Nexdigm Analysis

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PEER COMPETITIVE BENCHMARKING

This section focuses on the financial and operating performances of leading players in the cloud, managed services, data centre infrastructure and software solutions sectors on a consolidated basis. The data has been sourced from publicly available materials, including annual reports, rating rationales, interviews with the management and relevant documents published by the companies, as well as other authoritative industry resources.

Note- The peer comparison solely focuses on the financial parameters, operational parameters, strengths, USP's and future plans.

Table 19: Peer Offering Comparison in India

Parameters	*ESDS*	*E2E*	*Yotta*	*CY Future*	*Web Werks*	*CTRLS*	*Nxtra*	*Adani ConneX*	*AWS*	*Azure*	*Google*
IaaS											
Cloud	✓	✓	✓	✓	✓	✓	✕	✕	✓	✓	✓
Colocation	✓	✕	✓	✓	✓	✓	✓	✓	✕	✕	✕
Managed Services											
Cloud Operations & Management	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Data Centre Build & Audit Consulting	✓	✕	✓	✓	✓	✓	✓	✓	✕	✓	✓
Development Operations	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
SECaaS	✓	✕	✓	✓	✕	✓	✕	✕	✓	✓	✓
SaaS											
Marketplace	✓	✕	✕	✓	✕	✕	✕	✕	✓	✓	✓
In-house applications	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
G-SaaS	✓	✓	✓	✓	✓	✓	✓	✕	✓	✓	✓
PaaS	✓	✓	✕	✓	✓	✕	✕	✕	✓	✓	✓

Source: Interview with Industry Experts, Nexdigm Analysis
Note: For CTRLS, we have considered Cloud4C as their subsidiary service offering as well
Note:The services offered by companies are subject to change on the basis of industry insights before the final deliverable

Table 19 provides a comparative view of the service offerings of various leading players in the cloud, managed services, data centre infrastructure and software solutions sector.

ESDS offers a comprehensive platform of cloud infrastructure and software solutions consisting of (1) infrastructure as a service, which is broadly divided into colocation and Data Centre services, cloud services and cloud computing (2) managed services and (3) software as a service.

ESDS faces competition from varied players across our different product and service offerings. Global players such as AWS, Azure, and Google Cloud are part of large multinational technology conglomerates, where cloud infrastructure, managed services, data centre offerings, and software solutions form only a part of their broader business portfolios. These companies derive a significant portion of their revenues from other primary business verticals such as e-commerce, enterprise software, search engines, and digital advertising. As a result, their operating models, scale, capital allocation priorities, and strategic focus differ fundamentally from pure-play cloud, managed services, data centre infrastructure and software solution providers. Hence, a direct comparison with such global players may not yield meaningful insights. Basis this analysis, we have selected 7 Indian cloud, managed services, data centre infrastructure and software solution peers. Such companies principally include companies of Indian origin, such as CTRLS Data Centres, Nxtra by Airtel, Yotta, WebWerks, CYFuture and E2E Networks.

E2E Networks; is a cloud service provider offering cloud hosting, managed services, and infrastructure solutions focused on reliable, high-performance IT solutions for businesses, especially SMEs. It was listed on National

Stock Exchange Emerge SME Platform in May 2018, and later migrated to NSE Mainboard in April 2022.

Yotta; established in 2007, is a provider of data centre solutions in India. They offer a range of services including data Centre infrastructure, cloud services, managed services and other scalable IT solutions for businesses.

CYFuture: Founded in 2003, CYFuture is an IT services company in India specializing in cloud solutions, IaaS, SaaS, and PaaS and managed services.

WebWerks: Founded in 1996, it offers services such as colocation, cloud hosting, managed services to businesses. WebWerks currently operates in a JV with Iron Mountain to provide data centre services in India.

CTRLS**:** CTRLS is a data centre services provider in India offering scalable solutions such as colocation, cloud, managed services, SaaS, PaaS, and more to businesses across a variety of industries. The company offers cloud services through its subsidiary Cloud4C.

Nxtra; is a subsidiary of the Bharti Airtel group providing data centre services, including edge data centres including colocation and managed services.

Among the leading players in the cloud, managed services, data centre infrastructure and software solutions, ESDS is one of the only two players providing the entire spectrum of cloud, managed services, data centre infrastructure and software solutions in India. Further, among the two, they are the largest in terms of revenue from operations in Fiscal 2024 with delivered revenue of INR 2,865.18 million.

Financial Parameters:

Table 20: Revenue from Operations (In INR million)

Company Name	Fiscal 22	Fiscal 23	Fiscal 24	H1'25
ESDS	1,954	2,076	2,865	1,722
E2E Networks	519	662	945	888
Yotta	NA	1,028	4,594	NA
CYFuture	1,126	1,068	1,512	NA
WebWerks	792	948	1,494	NA
CTRLS	9,329	11,213	13,390	NA
Nxtra By Airtel	13,333	16,011	18,266	NA

Source: Interview with Company Management, Nexdigm Analysis
NA implies 'Not Available' as the data is not publicly available

In Fiscal 2024, all players increased their revenue from operations with Yotta showing the highest increase from INR 1,028 million in Fiscal 2023 to INR 4,594 million in Fiscal 2024 followed by Nxtra by Airtel from INR 11,213 million in Fiscal 2023 to INR 13,390 million in Fiscal 2024. This is in line with the growing cloud market and increasing demand for data centres.

Table 21: Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) (In INR million) and EBITDA Margins (In %)

Company Name	EBITDA				EBITDA Margins (%)			
	Fiscal 22	Fiscal 23	Fiscal 24	H1'25	Fiscal 22	Fiscal 23	Fiscal 24	H1'25
ESDS	587	475	1019	739	30.05%	22.87%	35.56%	42.90%
E2E Networks	229	331	479	587	44.23%	49.94%	50.75%	66.14%
Yotta	NA	34	254	NA	NA	3.33%	5.54%	NA
CYFuture	161	79	56	NA	14.31%	7.40%	3.68%	NA
WebWerks	140	223	590	NA	17.71%	23.50%	39.49%	NA
CTRLS	5348	6184	6344	NA	57.33%	55.15%	47.38%	NA
Nxtra By Airtel	5481	6185	6953	NA	41.11%	38.63%	38.07%	NA

Source: Interview with Company Management, Nexdigm Analysis
NA implies 'Not Available' as the data is not publicly available

CTRLS and Nxtra By Airtel have the highest EBITDA figures of INR 6,344 million and INR 6,953 million respectively, with CTRLS achieving high margin of 47.38%, indicating strong operational effectiveness. E2E Networks exhibits significant margin growth, reaching 66.14% in the first half of Fiscal 2025, highlighting improved financial efficiency.

Table 22: Profit After Tax (PAT) (In INR million) and PAT Margins (In %)

Company Name	PAT				PAT Margins (%)			
	Fiscal 22	*Fiscal 23*	*Fiscal 24*	*H1'25*	*Fiscal 22*	*Fiscal 23*	*Fiscal 24*	*H1'25*
ESDS	-27	-225	136	239	-1.36%	-10.82%	4.75%	13.90%
E2E Networks	65	99	219	223	12.44%	14.97%	23.15%	25.11%
Yotta	NA	27	145	NA	NA	2.60%	3.16%	NA
CYFuture	70	109	-17	NA	6.20%	10.20%	-1.12%	NA
WebWerks	64	131	114	NA	8.04%	13.81%	7.64%	NA
CTRLS	2864	2898	2096	NA	30.70%	25.85%	15.65%	NA
Nxtra By Airtel	2384	2201	2318	NA	17.88%	13.75%	12.69%	NA

Source: Interview with Company Management, Nexdigm Analysis
NA implies 'Not Available' as the data is not publicly available

E2E Networks shows steady growth, with PAT margins improving to 25.11% in the first half of Fiscal 2025, indicating effective cost management. ESDS has turned a profit in Fiscal 2024 after previous losses, achieving a notable margin of 4.75% showcasing high resilience. CTRLS maintains strong PAT figures, though a decline in margins to 15.65% in Fiscal 2024 raises questions about sustainability.

Table 23: Return on Equity (RoE) (In %)

Company Name	Fiscal 22	Fiscal 23	Fiscal 24	H1'25
ESDS	-1.36%	-10.81%	6.23%	10.06%
E2E Networks	19.59%	22.56%	36.37%	8.11%
Yotta	NA	NA	28.51%	NA
CYFuture	13.72%	17.74%	-2.48%	NA
WebWerks	15.66%	3.07%	1.14%	NA
CTRLS	35.78%	26.60%	15.62%	NA
Nxtra By Airtel	59.07%	14.41%	8.75%	NA

Source: Interview with Company Management, Nexdigm Analysis
NA implies 'Not Available' as the data is not publicly available

In Fiscal 2024, ESDS shows a significant recovery, moving from margins of -10.81% to 6.23%, reflecting improved operational efficiency. E2E Networks demonstrates consistent growth with a strong 36% margin in Fiscal 2024. CYFuture and WebWerks face declining RoE, with CYFuture reporting a decline to -2% in Fiscal 2024.

Table 24: Return on Capital Employed (RoCE) (In %)

Company Name	Fiscal 22	Fiscal 23	Fiscal 24	H1'25
ESDS	6.33%	0.84%	14.53%	11.18%
E2E Networks	15.33%	30.16%	29.01%	10.54%
Yotta	NA	NA	12.28%	NA
CYFuture	18.29%	19.58%	1.15%	NA
WebWerks	16.47%	3.66%	1.82%	NA
CTRLS	31.92%	24.59%	16.02%	NA
Nxtra By Airtel	45.44%	17.69%	10.87%	NA

Source: Interview with Company Management, Nexdigm Analysis
NA implies 'Not Available' as the data is not publicly available

In Fiscal 2024, ESDS shows a notable improvement in RoCE, rising to 14.53% from 0.84% in Fiscal 2023 and maintaining a solid 11.18% in the first half of Fiscal 2025, indicating effective use of capital. CYFuture demonstrated declining RoCE from 20% in Fiscal 2023 to 1% in Fiscal 2024 indicating loss in financial efficiency.

Table 25: Days Sales Outstanding (DSO) (In Numbers)

Company Name	Fiscal 22	Fiscal 23	Fiscal 24	H1'25
ESDS	119.30	100.47	87.90	89.51
E2E Networks	0.87	3.33	9.91	15.65
Yotta	NA	NA	146.06	NA
CYFuture	200.88	171.12	148.81	NA
WebWerks	57.85	37.94	79.75	NA
CTRLS	61.82	90.82	66.51	NA
Nxtra By Airtel	78.73	40.72	48.92	NA

Source: Interview with Company Management, Nexdigm Analysis
NA implies 'Not Available' as the data is not publicly available

Days Sales Outstanding (DSO) is a measure of the average number of days it takes for a company to collect a payment. A higher DSO suggests a delay in receiving payments and hence, an indication of a cash-flow problem.

Operational Parameters

Table 26: Total Customers

Company Name	Total Customers			
	Fiscal 22	Fiscal 23	Fiscal 24	H1'25
ESDS	1427	1492	1465	1398
E2E Networks	2600+	2750+	3000+	NA
Yotta	NA	NA	13000+	NA
CYFuture	NA	NA	9500+	NA
WebWerks	NA	NA	800+	NA
CTRLS	NA	NA	10500+	NA
Nxtra By Airtel	NA	NA	2000+	NA

Source: Interview with Company Management, Nexdigm Analysis
NA implies 'Not Available' as the data is not publicly available
Note- Customers of Nxtra by Airtel are only for the colocation and the cloud segment

E2E Networks, without its own data centres, is unable to offer co-location services, limiting its ability to serve enterprises (such as large BFSI customers) that requires dedicated data centres. Players such as ESDS leverage its end to end services which includes both cloud as well co location to attract more stable and diverse clientele including large enterprises along with SMEs.

Table 28: Average Revenue per Customer (In INR million)

Company Name	Fiscal 22	Fiscal 23	Fiscal 24	H1'25
ESDS	1.37	1.39	1.96	1.23
E2E Networks	0.20	0.24	0.32	NA
CYFuture	NA	NA	0.15- 0.16	NA
Yotta	NA	NA	0.35	NA
WebWerks	NA	NA	1.87	NA
CTRLS	NA	NA	1.26-1.28	NA
Nxtra By Airtel	NA	NA	9.13	NA

Source: Interview with Company Management, Nexdigm Analysis
NA implies 'Not Available' as the data is not publicly available
Note: Revenue per Rack- Revenue from Operations / Total Customers

In Fiscal 2024, ESDS leads in average revenue per customer, indicating a strong market position with premium services or infrastructure. Companies such as Nxtra By Airtel, Yotta, and E2E Networks show moderate revenue per customer, focusing on scalability and maintaining competitive pricing. WebWerks and CYFuture have the lowest revenue per customer, which indicates of a low-cost, high-volume strategy targeting a different customer segment

Table 29: Revenue Split by Customer Tenure (In %)

Company Name	Revenue from Existing Customers (In %)				Revenue from New Customers (In %)			
	Fiscal 22	*Fiscal 23*	*Fiscal 24*	*H1'25*	*Fiscal 22*	*Fiscal 23*	*Fiscal 24*	*H1'25*
ESDS	85.29	78.18	92.91	75.50	14.71	21.82	7.09	24.50
E2E Networks	44	50	50-60	NA	56	50	40-50	NA
CYFuture	NA	NA	55-60	NA	NA	NA	40-45	NA
Yotta	NA	NA	65-70	NA	NA	NA	30-35	NA
WebWerks	NA	NA	60-65	NA	NA	NA	35-40	NA
CTRLS	NA	NA	65-70	NA	NA	NA	30-35	NA
Nxtra By Airtel	NA	NA	70-75	NA	NA	NA	25-30	NA

Source: Interview with Company Management, Nexdigm Analysis
NA implies 'Not Available' as the data is not publicly available

Table 30: Revenue Split by Customer Industry (In %)

Company Name	BFSI (In %)				Government				Enterprises			
	Fiscal 22	Fiscal 23	Fiscal 24	H1'25	Fiscal 22	Fiscal 23	Fiscal 24	H1'25	Fiscal 22	Fiscal 23	Fiscal 24	H1'25
ESDS	10.51	11.64	18.27	31.56	29.64	33.90	34.04	29.30	59.85	54.46	47.69	39.14
E2E Networks	NA	NA	15-20	NA	NA	NA	45-50	NA	NA	NA	30-40	NA
CYFuture	NA	NA	45-50	NA	NA	NA	20-25	NA	NA	NA	30-35	NA
Yotta	NA	NA	40	NA	NA	NA	35	NA	NA	NA	25	NA
WebWerks	NA	NA	30-35	NA	NA	NA	40-45	NA	NA	NA	25-30	NA
CTRLS	NA	NA	25	NA	NA	NA	45	NA	NA	NA	30	NA
Nxtra By Airtel	NA	NA	20	NA	NA	NA	55	NA	NA	NA	25	NA

Source: Interview with Company Management, Nexdigm AnalysisNA implies 'Not Available' as the data is not publicly available

Table 31: Revenue Split by Service Line (In %)

Company Name	IaaS (In %)				SaaS (In %)				Managed Services (In %)			
	Fiscal 22	Fiscal 23	Fiscal 24	H1'25	Fiscal 22	Fiscal 23	Fiscal 24	H1'25	Fiscal 22	Fiscal 23	Fiscal 24	H1'25
ESDS	45.59	41.70	49.59	58.05	26.14	28.54	23.35	20.88	28.27	29.75	27.06	21.07
E2E Networks	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
CYFuture	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Yotta	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
WebWerks	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
CTRLS	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Nxtra By Airtel	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Source: Interview with Company Management, Nexdigm Analysis
NA implies 'Not Available' as the data is not publicly available

Table 32: Number of Data Centres

Company Name	Fiscal 22	Fiscal 23	Fiscal 24	H1'25
ESDS	3	4	4	4
E2E Networks	NA	NA	NA	NA
CYFuture	NA	NA	6	NA
Yotta	NA	NA	2	NA
WebWerks	NA	NA	6	NA
CTRLS	NA	NA	11	NA
Nxtra By Airtel	NA	NA	12	NA

Source: Interview with Company Management, Nexdigm Analysis
NA implies Not Available

OUR BUSINESS

To obtain a complete understanding of our business, prospective investors should read this section in conjunction with "Risk Factors", "Industry Overview", "Restated Consolidated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 34, 159, 285 and 363, respectively.

This section contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in such forward-looking statements. For details, see "Forward-Looking Statements" on page 20.

*We have included certain non-GAAP financial measures and other performance indicators relating to our financial performance and business in this section. Such measures and indicators are not standardized terms and hence a direct comparison of these measures and indicators between companies may not be possible. For further details, see "Certain Conventions, Use of Financial Information, and Market Data and Currency of Presentation – Non-Generally Accepted Accounting Principles ("**Non-GAAP**") Financial Measures" on page 18.*

*Unless otherwise indicated, industry and market data used in this section have been derived from the Nexdigm Report, which was prepared by Nexdigm Private Limited ("**Nexdigm**"). Our Company commissioned Nexdigm to prepare the Nexdigm Report specifically for the purpose of the Issue pursuant to the master service agreement dated October 21, 2024. For more details on the Nexdigm Report, see "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data" on page 18. A copy of the Nexdigm Report is available on our Company's website at www.esds.co.in/investor-relations/industry-report.*

OVERVIEW

We are an end-to-end AI-enabled cloud, managed services, Data Centre infrastructure and software solutions provider in India. We are one of the only two players in India providing the entire spectrum of cloud, managed services, Data Centre infrastructure and software solutions in India. Further, among the two, we are the largest in terms of revenue from operations in Fiscal 2024 (*source: Nexdigm Report*).

We offer a comprehensive platform of cloud infrastructure and software solutions consisting of (1) infrastructure as a service ("**IaaS**"), which is broadly divided into colocation and Data Centre services, cloud services and cloud computing (2) managed services and (3) software as a service ("**SaaS**"), which allows us to provide well-architected cloud-adoption solutions to our customers aimed at reducing their cost while providing security, flexibility, scalability and reliability. We were one of the first cloud service providers in India to offer community cloud services, provided on multi-tenant model to a group of organizations that have similar business model and requirements, such as data privacy, security, compliances and regulatory considerations (*source: Nexdigm Report*).

The cloud industry in India is poised for rapid growth due to the Digital India initiative driving Government-led digital transformation, which requires scalable cloud infrastructure (*source: Nexdigm Report*). Indian cloud services market has grown at a CAGR of 22.3% during Fiscal 2020 to Fiscal 2024 and is expected to grow at a CAGR of 15.8%, from ₹523.8 billion in Fiscal 2024 to ₹1,844.1 billion in Fiscal 2030 (*source: Nexdigm Report*).

We provide our services to a diverse range of end-user industries and customers, comprising: (i) banking, financial services and insurance companies (collectively, "**BFSI**"); (ii) public sector entities, including central, state, and local government departments, public sector undertakings ("**PSUs**"), government agencies, and institutions that procure products or services for administrative, infrastructure, or public service purposes (collectively, "**Government**"); (iii) and businesses and enterprises not included in BFSI or Government (collectively "**Enterprises**"). We serviced 1,398 customers in the six months ended September 30, 2024.

As businesses undergo rapid digital transformation, the need for secure, high-performance, and cost-effective cloud solutions has become paramount. Enterprises require scalable infrastructure to handle growing workloads, while small and medium sized businesses ("**SMB**") look for cost-efficient cloud adoption without heavy upfront investments. Government bodies seek compliance-driven and secure cloud environments, and BFSI institutions demand high-availability architectures with stringent security standards. Cloud Service Providers bridge the identified gaps aced by businesses, enabling businesses to focus on their core operations while they handle the complexities of IT infrastructure management (*source: Nexdigm Report*).

Infrastructure as a Service (IaaS) Portfolio

We operate our IaaS services through four Data Centres in India, which are located in: Nashik, Maharashtra; Navi Mumbai; Maharashtra; Bengaluru, Karnataka; and Mohali, Punjab. Each of our Data Centres has been granted "Tier 3" status by either QSA International Limited or EPI Certification Pte. Ltd. and are located in close proximity to major IT and enterprise hubs. Our four Data Centres cover, in aggregate over 60,000 sq. feet and are interconnected by multiple Gbps fibre-optic backbone network that provides a secure path for the exchange of information between local area networks (LANs) or subnetworks hosted on our Data Centres. All of our Data Centres comply with international standards and industry best practices, including guaranteed uptime of at least 99.95%, supported by power redundancy services, and are a backed up with disaster recovery services, and supported by a 24/7 services team.

Our IaaS portfolio is broadly divided into (i) Colocation and Data Centre Services (ii) Cloud Services and Cloud Computing, addressing distinct infrastructure needs:

- *Colocation and Data Centre Services*: We offer Data Centre colocation, allowing businesses to securely house their own IT infrastructure while benefiting from redundant power, cooling, and high-speed connectivity. This is ideal for organizations needing physical control over their hardware while leveraging a professional Data Centre environment.

- *Cloud Services and Cloud Computing*: We provide fully managed cloud computing solutions, eliminating the need for enterprises to maintain physical infrastructure. Our cloud offerings enable on-demand scalability, disaster recovery, and compliance-driven architectures tailored to industry needs. Our comprehensive IaaS cloud computing services portfolio includes (1) public cloud, (2) private cloud, (3) virtual private cloud, (4) hybrid cloud and (5) various community cloud offerings. Our community cloud is a virtual infrastructure that is shared between several organizations from a specific community with common concerns (security, compliance, jurisdiction, etc.). We currently offer community clouds for Enterprises, Government and BFSI companies, as well as the development of smart cities across India. As at January 31, 2025, we had 115 Government clients using our government community cloud, 152 banks and financial institutions using our BFSI community cloud across 724 branches and 142 organisations using our SAP HANA community cloud.

Our vertical autoscaling cloud technology that powers our IaaS, "**eNlight Cloud**", is patented in the United States and India. Our autoscaling cloud technology optimizes cloud server usage and power consumption for our customers while maintaining security, performance and accessibility for our customers. We operated three Data Centres in India in Fiscal 2022 and are operating four Data Centres in India since Fiscal 2022.

Managed Services Portfolio

Our managed services offer 24/7 IT support, data back-up and recovery, migration services database administration services including SAP Basis administration, SAP HANA administration, security operations centre ("**SOC**") services, and disaster recovery services. Our managed services portfolio offers a diverse range of services to our customers to complement day-to-day data management of IT services and cloud migration, including the following:

- Cloud managed services;
- Data centre managed services;
- Security managed services (cybersecurity and compliance);
- IT infrastructure and network managed services;
- Backup and disaster recovery services;
- Managed database services; and
- Managed DevOps and automation.

We also seek to provide a one-stop end-to-end solution of customized and comprehensive cloud and software offerings for SMB customers that have minimal in-house IT teams with a cost-effective pay-per-use model, which is more streamlined for the Indian SMB market.

Software as a Service (SaaS) Portfolio

Our SaaS offerings provide, among others, (1) a comprehensive Data Centre management and monitoring suite, (2) vulnerability scanners, which are programs designed to assess computers, networks or applications for known weaknesses, (3) web access firewalls, and (4) a virtual private network ("**VPN**") – for secure connectivity. Our SaaS offerings include software products and applications hosted on our cloud platform on an annual, semi-annual, monthly or quarterly subscription model, which allows our clients to develop, run and manage applications and services. Further, we provide both in house and third party developed applications on a digital marketplace developed by us, namely "**SPOCHUB**". SPOCHUB enables us and our software vendors to offer our software vendors solutions with customised packages to enterprise customers.

We collaborate with Governmental and public sector organisations to offer SaaS offerings and Data Centre solutions, which we term as "**G-SaaS**". Our G-SaaS collaborations include (1) partnering with a Government energy service company for implementation of smart metering projects in various states around India, (2) collaborating on e-governance projects of certain ministries of the Government, (3) collaboration with several smart cities in India, to which we provide smart city solutions by hosting their data on our cloud platform, (4) collaboration with government agriculture organizations for smart farming initiatives and (5) collaboration with Software Technology Parks of India ("**STPI**") to provide managed services, SaaS services and cloud platforms to government entities.

Our Revenue from IaaS, Managed Services and SaaS

The table below sets forth our revenue by (i) IaaS (ii) Managed Services and (iii) SaaS and such revenue as percentage of revenue from operations for the period and fiscal years indicated.

Type of Product/ Service	Six months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue (in ₹ million)	**As a % of revenue from operations**	**Revenue (in ₹ million)**	**As a % of revenue from operations**	**Revenue (in ₹ million)**	**As a % of revenue from operations**	**Revenue (in ₹ million)**	**As a % of revenue from operations**
IaaS	999.39	58.05%	1,420.82	49.59%	865.58	41.70%	890.69	45.59%
Of which:								
Cloud Services and Cloud Computing	*742.95*	*43.16%*	*1,191.09*	*41.57%*	*764.62*	*36.84%*	*845.84*	*43.30%*
Colocation and Data Centre Services	*256.44*	*14.90%*	*229.73*	*8.02%*	*100.96*	*4.86%*	*44.85*	*2.30%*
Managed services	362.74	21.07%	775.39	27.06%	617.60	29.76%	552.26	28.27%
SaaS	359.37	20.88%	668.97	23.35%	592.49	28.54%	510.63	26.14%
Revenue from operations	**1,721.50**	**100.00%**	**2,865.18**	**100.00%**	**2,075.66**	**100.00%**	**1,953.58**	**100.00%**

We adopt a "go-to-market" strategy, by collaborating with third party IT companies to deliver customers with bundled solutions. Such collaboration is aimed for both parties to maximize their technologies, align synergies, reduce the time-to-market and be more competitive in terms of pricing as well as innovation.

Our Customers

We have a diversified customer base, which include customers from BFSI, Enterprises (including customers in the healthcare, education, energy and utilities, real estate, IT and IT enabled services, agriculture, manufacturing, entertainment and media sectors), and Government (government institutions/departments).

The following table sets forth revenue from customers from BFSI, Enterprise and Government and such revenue as percentage of revenue from operations for the period and fiscal years indicated.

Revenue by customer industry	Six months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue (in ₹ million)	**As a % of revenue from operations**	**Revenue (in ₹ million)**	**As a % of revenue from operations**	**Revenue (in ₹ million)**	**As a % of revenue from operations**	**Revenue (in ₹ million)**	**As a % of revenue from operations**
BFSI[(1)]	543.39	31.56%	523.50	18.27%	241.57	11.64%	205.31	10.51%
Government[(2)]	504.32	29.30%	975.33	34.04%	703.61	33.90%	578.96	29.64%
Enterprise[(3)]	673.79	39.14%	1,366.36	47.69%	1,130.48	54.46%	1,169.31	59.85%
Revenue from operations	**1,721.50**	**100.00%**	**2,865.18**	**100.00%**	**2,075.66**	**100.00%**	**1,953.58**	**100.00%**

Notes:

*(1) BFSI customers refers to clients operating in the Banking, Financial Services, and Insurance ("**BFSI**") sector, including banks, non-banking financial companies (NBFCs), insurance firms, investment firms, and fintech companies.*

(2) Government customers refer to public sector entities, including central, state, and local government departments, public sector undertakings (PSUs), government agencies, and institutions that procure products or services for administrative, infrastructure, or public service purposes.

(3) Enterprise customers refers to customers other than BFSI and Government customers.

The following table sets certain other information on our customers for the period and fiscal years indicated.

Particulars	Six months ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total Customers[(1)]	1,398	1,465	1,492	1,427
Average Revenue per Customer[(2)] (in ₹ million)	1.23*	1.96	1.39	1.37
Revenue Retention Rate % [(3)] (%)	NA	128.24%	83.06%	NA

Notes:

1. *Total Customers: Total customers for which revenue has been recognised for the relevant period/year.*
2. *Average Revenue per Customer: Revenue from operations divided by Total Customers ("**Average Revenue per Customer**").*
3. *Revenue Retention Rate %: Revenue from existing customers in the current period/year divided by revenue from operations of the previous period/year ("**Revenue Retention Rate %**"). Existing customers are entities that have engaged in previous years with the Company's products or services and continue to maintain an active business relationship in current year/period.*

** Not annualized.*

While our number of customers has remained relatively stable between Fiscal 2022 and the six months ended September 30, 2024, this reflects a balanced approach, where new customer acquisitions have been offset by a strategic shift in our customer mix. We have focused on customers with higher service requirements, leading to a reduction in smaller accounts, which has allowed us to concentrate on higher-value engagements. This approach has resulted in an increase in our Average Revenue per Customer, which grew from ₹1.37 million in Fiscal 2022 to ₹1.96 million in Fiscal 2024. At the same time, our Revenue Retention Rate % has significantly improved, from 83.06% in Fiscal 2023 to 128.24% in Fiscal 2024, demonstrating our ability to earn more revenue from existing customers.

We were awarded the Aegis Graham Bell Award in the category of "Combat Covid 19 with Artificial Intelligence" in 2022 and we were recognized as the Most Preferred and Trusted Cloud Service Provider by Economic Times Achievers (Karnataka) in 2022. During 2023, we were awarded as outstanding Cloud Service Provider at NBFC Tech Summit.

We had 1,027 employees as at January 31, 2025. Our employees are a key asset for our organisation. We were ranked 28th amongst India's Best Companies to Work for in 2020, by Great Place to Work® Institute India and the Economic Times. We were ranked in 2020 and 2021 amongst the best places to work by Great Place to Work® Institute India across various categories.

We attribute our growth to the strength and experience of our Directors, Key Managerial Personnel and Senior Management. Piyush Prakashchandra Somani, who is one of our Promoters and our Chairman and Managing Director, has over 19 years of experience in the information technology sector. He has been instrumental in expanding our operations in India and overseas. For more details on our Key Managerial Personnel and Senior Management, see "*Our Management*" beginning on page 256.

Our Key Financial and Operational Metrics

The following table sets forth certain of our key financial and operational metrics as at and for the period/years indicated:

Metrics	As at and for the six months ended September 30, 2024	As at and for the year ended March 31, 2024	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022
Financial Parameters				
Revenue from operations (in ₹ million)	1,721.50	2,865.18	2,075.66	1,953.58
EBITDA[(1)] (in ₹ million)	738.53	1,018.81	474.77	587.00
EBITDA Margin [(2)] *(in %)*	42.90	35.56	22.87	30.05
Profit/(Loss) for the period/year (in ₹ million)	239.34	136.10	(224.60)	(26.63)
PAT Margin [(3)] *(in %)*	13.90	4.75	(10.82)	(1.36)
RoE[(4)] *(in %)*	10.06	6.23	(10.81)	(1.36)
RoCE[(5)] *(in %)*	11.18	14.53	0.84	6.33
Days Sales Outstanding (DSO)[(6)]	90.00	88.00	100.00	119.00
Operational Parameters				
Total Customers[(7)]	1,398	1,465	1,492	1,427
Average Revenue per Customer[(8)] (in ₹ million)	1.23	1.96	1.39	1.37
Revenue by customer tenure:				
Existing Customers[(9)(a)] *(in %)*	75.50%	92.91%	78.18%	85.29%
New Customers[(9)(b)] *(in %)*	24.50%	7.09%	21.82%	14.71%
Revenue by customer industry:				
BFSI Customers [(10)(a)] *(in %)*	31.56%	18.27%	11.64%	10.51%
Government customers [(10)(b)] *(in %)*	29.30%	34.04%	33.90%	29.64%
Enterprises [(10)(c)] *(in %)*	39.14%	47.69%	54.46%	59.85%
Revenue by service lines:				
IaaS revenue [(11)(a)] *(in %)*	58.05%	49.59%	41.70%	45.59%
SaaS revenue [(11)(b)] *(in %)*	20.88%	23.35%	28.54%	26.14%
Managed Services revenue [(11)(c)] *(in %)*	21.07%	27.06%	29.76%	28.27%
Number of Data Centres [(12)]	4	4	4	3

Notes:

1. *EBITDA is calculated as profit/(loss) before exceptional items (and before share of profit/(loss) from associates and/or JV) plus depreciation & amortization expense plus finance costs minus other income ("**EBITDA**").*
2. *EBITDA Margin is calculated as EBITDA divided by revenue from operations ("**EBITDA Margin**").*
3. *PAT Margin is calculated as Profit/(Loss) for the period/year divided by revenue from operations.*
4. *RoE (return on equity) is calculated by dividing Profit/(Loss) for the period/year by average total equity, where average total equity is calculated as the average of total equity at the end of current period/year and at the end of previous period/year ("**RoE**").*
5. *RoCE (return on capital employed) is calculated by dividing profit/(loss) before exceptional items (and before share of profit/(loss) from associates and/or JV) plus finance cost by average Capital Employed ("**RoCE**"). Average Capital Employed is calculated as the average of Capital Employed at the end of current period/year and at the end of previous period/year. Capital Employed is calculated as sum of equity share capital, other equity, current borrowings, non-current borrowings and deferred tax liability*
6. *Days Sales Outstanding (DSO) is calculated by dividing trade receivables at the end of the period/year by revenue from operations for the relevant period/year, multiplied by the total number of days in the relevant period/year.*
7. *Total Customers is calculated as the total number of customers for which revenue has been recognised for the relevant period/year ("**Total Customers**").*
8. *Average Revenue per Customer is calculated as revenue from operations divided by Total Customers.*
9. *Revenue by customer tenure %:*
   (a) *Existing Customers %: Revenue from operations from existing customers as a % of revenue from operations for the relevant period/year. Existing customers are entities that have engaged in previous years with a company's products or services and continue to maintain an active business relationship in the current year/period.*

   (b) *New Customers %: Revenue from operations from new customers as a % of revenue from operations for the relevant period/year. New customers are entities that have engaged in current year/period with a company's products or services for the first time.*

10. *Revenue by customer industry: Revenue from operations from customers in the following sectors as a % of revenue from operations for the relevant period/year:*
    (a) *BFSI Customers: BFSI customer refers to a client operating in the Banking, Financial Services, and Insurance (BFSI) sector, including banks, non-banking financial companies (NBFCs), insurance firms, investment firms, and fintech companies.*
    (b) *Government Customers: Government customers refer to public sector entities, including central, state, and local government departments, public sector undertakings (PSUs), government agencies, and institutions that procure products or services for administrative, infrastructure, or public service purposes.*
    (c) *Enterprises: Enterprise customer refers to customers other than BFSI and Government customers.*
11. *Revenue by service lines: Revenue from operations from following segments as a % of revenue from operations for the relevant period/year:*
    (a) *IaaS revenue: IaaS (Infrastructure as a Service) revenue refers to the income generated from providing cloud-based computing resources, including servers, storage, and networking, on a subscription or pay-per-use basis and colocation income*
    (b) *SaaS revenue: SaaS (Software as a Service) revenue refers to the income generated from providing cloud-based software applications on a subscription or pay-per-use basis.*
    (c) *Managed Services revenue: Managed Services revenue refers to the income generated from providing ongoing IT infrastructure, cloud, security, and operational support under a subscription or contract-based model.*
12. *Number of Data Centres: Number of Data Centres operational at the end of the relevant period/year.*

Our Corporate Structure

Our Company has three 100%-owned subsidiaries as on date of this Draft Red Herring Prospectus. For details on our Subsidiaries, see "*Our Subsidiaries*" beginning on page 253.

STRENGTHS

We are a leading player offering end-to-end cloud, managed services, Data Centre infrastructure and software solutions in India.

Among Indian players, we were one of the early adopters of cloud technology in India (*source: Nexdigm Report*), establishing our first Data Centre in Nashik, Maharshtra during 2010 and launching cloud services (eNight Cloud) in 2011. Recognizing the need for holistic solutions, we introduced end-to-end offerings integrating infrastructure, managed services, and application support. Among the leading players in the cloud, managed services, Data Centre infrastructure and software solutions, we are one of the only two players providing the entire spectrum of cloud, managed services, Data Centre infrastructure and software solutions in India (*source: Nexdigm Report*). This includes community clouds tailored for industries such as:

- BFSI: Empowering 152 banks and financial institutions with secure, scalable cloud services as at January 31, 2025.

- Government: Supporting digital transformation initiatives, like Smart Meters, Public Distribution System, Pradhan Mantri Swanidhi, National Register of Citizens, Pradhan Mantri Kisan, GruhJyothi and Mudra Yojana.

- SAP HANA Clients: Specialized SAP HANA Community Cloud solutions catering to 142 Enterprise clients as at January 31, 2025.

For details of our revenue by industry, see "-*Overview*" on page 208.

Our ability to offer end-to-end cloud, Data Centre and software solutions has enabled us to focus on our Revenue Retention Rates % as a larger share of existing customers increase their service scope to include our comprehensive range of IaaS, SaaS and managed services. This is reflected in our Revenue Retention Rates % and by the split of customers who are availing the comprehensive product and service suite versus those engaging with us for standalone services.

Particulars	Six months ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
% of customers availing:				
All 3 service lines**(1)**	91.20%	62.32%	84.05%	76.73%
2 service lines**(2)**	1.57%	21.98%	5.43%	9.81%
1 service line**(3)**	7.22%	15.70%	10.52%	13.45%
Revenue Retention Rate % **(4)** **(**%)	NA	128.24%	83.06%	N/A

Notes:

1. *3 service lines: Number of customers for whom revenue has been recognized under IaaS, Managed Services and SaaS divided by Total Customers for the relevant period/year.*
2. *2 service lines: Number of customers for whom revenue has been recognized under any two of IaaS, Managed Services and SaaS divided by Total Customers for the relevant period/year.*
3. *1 service line: Number of customers for whom revenue has been recognized under only one of IaaS, Managed Services and SaaS divided by Total Customers for the relevant period/year.*
4. *Revenue Retention Rate %: Revenue from existing customers in the current period/year divided by revenue from operations of the previous period/year. Existing customers are entities that have engaged in previous years with a company's products or services and continue to maintain an active business relationship in current year/period.*

By offering integrated IaaS, SaaS, and managed services, we enable organizations to seamlessly navigate their cloud transformation journey, ensuring operational continuity, compliance, and cost efficiency and has enabled us to deepen our relationships with customers across sectors, including BFSI, Government, and Enterprise clients.

For instance, a Maharashtra-based co-operative bank, initially onboarded for Managed Services in 2013, has expanded its engagement over the years to include SOC SIEM in 2021, the Famrut Platform (SaaS) in 2022, and most recently, annual maintenance contract for non-IT equipments in 2024. Another co-operative bank in Maharashtra was onboarded in 2017 for Managed Services and IaaS and we have renewed the contract on February 14, 2024 for a term of five years.

In the government sector, a regulatory body under the Ministry of Finance engaged us for Managed Services in 2018 and later expanded to Cloud (IaaS) and Security Operations Center (SaaS) in 2022.

Similarly, in the enterprise segment, a customer that initially engaged us for Managed Services and Cloud (IaaS) in 2021 later adopted Managed Network Services in 2023, further strengthening our engagement.

Our comprehensive Security-as-a-Service (SECaaS) framework enables businesses to proactively manage threats and achieve robust security and compliance objectives

As a cybersecurity partner, we deliver Security as a Service ("**SECaaS**") solution to enterprises, BFSI institutions, and government organizations. Our Security Operations Centre (SOC) actively monitors and mitigates cyber threats, ensuring operational resilience and regulatory compliance.

With 129 customers onboarded across 7,025 devices as at January 31, 2025, our security information and event management ("**SIEM**") programs analysed 126,690 security alerts in the period from January 1, 2025 to January 31, 2025. The SIEM team investigated 125,784 alerts, raising 906 critical security advisories, preventing potential security breaches, and ensuring proactive threat management in the period from January 1, 2025 to January 31, 2025.

As at January 31, 2025, our cybersecurity services portfolio extends to 140 customers, securing 7,408 devices through vulnerability assessments, penetration testing, API security testing, and incident response services. We identified and assessed 599,909 vulnerabilities in the period from January 1, 2025 to January 31, 2025, strengthening our clients' security posture. Our SIEM team has analysed 27 critical incidents and issued 30 security advisories to mitigate evolving threats in the period from January 1, 2025 to January 31, 2025.

As organizations increasingly adopt SECaaS, several BFSI institutions and enterprises have engaged our cybersecurity solutions as standalone services. Our comprehensive security framework, encompassing SIEM, endpoint security, vulnerability management, and incident response, provides scalable and cost-efficient protection against evolving cyber risks. Through our end-to-end cybersecurity offerings, we continue to support businesses in achieving robust security and compliance objectives.

We have long-term relationships with well-established banks and other businesses

As a result of our diversified product offering and clientele, we are able to cater to a wide range of industries. We have long-standing relationships with over 100 banks and well-established businesses, including STPI and Larsen and Toubro Limited. We have been able to steadily increase the ageing of our customer relationships, with customers having a relationship of more than three years rising from 30.80% to 49.28%, and those with a relationship of more than five years increasing from 9.79% to 23.25% from Fiscal 2022 to Fiscal 2024. This reflects our ability to foster long-standing partnerships, driven by our diversified and end-to-end offerings that cater to evolving digital transformation needs.

Particulars	**Six months ended September 30, 2024**	**Fiscal 2024**	**Fiscal 2023**	**Fiscal 2022**
Total Customers[1]	1,398	1,465	1,492	1,427
Customer Ageing: % of revenue from customers with relationships: [2]				
> 3 years	38.99%	49.28%	42.70%	30.80%
> 5 years	22.78%	23.25%	11.09%	9.79%

Notes:

1. *Total Customers: Total Customers for which the revenue has been recognised for the relevant period/year*
2. *Customer Ageing: Customer ageing is calculated as the percentage of revenue derived from customers who have a relationship with the company for at least 3 years and 5 years (from contract inception to the end of the reporting period) as a proportion of total revenue from operations for the relevant period/year.*

Strong Government Partnerships and Policy Advocacy

The Digital Personal Data Protection Act, 2023 ensures that personal data is processed in a manner that recognises the rights of individuals to protect their personal data while allowing for the processing of such personal data for lawful purposes. Apart from this, Reserve Bank of India (RBI) has introduced mandates for BFSI sector, requiring all payments data to be stored in India, except in cases of banks, specifically foreign banks which are allowed to store banking data abroad, for cross border payment transactions. To meet localization requirements, India has seen substantial growth in Data Centre infrastructure, with both global giants and local players investing in facilities. (*source: Nexdigm Report*).

Indian Data Centre providers are well-positioned to benefit from this regulatory push, offering secure, compliant, and scalable solutions for enterprises navigating localization mandates. With growing infrastructure investments and cutting-edge technology, domestic players are steadily strengthening their capabilities to compete with global giants. (*source: Nexdigm Report*).

- *STPI Collaboration:*
    - STPI was set up to boost software exports and services from the country by promoting the IT/ITeS industry. STPI has supported exports by increasing STPI-registered units from INR 520 million in Fiscal 1993 to INR 8,500 billion in Fiscal 2023. Presently, STPI has five tier-3 compliant Data Centres in five major Indian cities, namely, Bengaluru, Mohali, Bhubaneshwar, Chennai and Vijayawada, of which, the Bengaluru and the Mohali ones are run by our Company. Being associated with a premier science and technology organization under the Government of India adds to the credibility of its partner companies. (Source: Nexdigm Report)
    - We collaborate with the STPI to implement an asset-light Data Centre model. This approach allows for rapid scalability with minimal capital investment, meeting the growing demands of Tier II and Tier III cities for Data Centre services.
    - Through our collaboration with STPI, we support public sector entities and enterprises with localized, low-latency cloud and Data Centre solutions that comply with Indian regulatory norms.
- *MeitY STQC Empanelment:*

- Standardisation Testing and Quality Certification ("**STQC**") Directorate is an attached office of the Ministry of Electronics and Information Technology ("**MeitY**"), Government of India, that provides quality assurance services in the area of electronics and IT through countrywide network of laboratories and centres.

- We are a MeitY STQC-audited and empanelled cloud service provider, certified to offer:

    - Public cloud;
    - Virtual private cloud; and
    - Government community cloud solutions.

- Our MeitY STQC empanelment ensures that our cloud services meet stringent security and operational standards set by the Government of India, making it a preferred choice for sensitive public sector projects.

- *Policy Advocacy through the Cloud Computing Innovation Council of India:*

    - Piyush Prakashchandra Somani, as an active member of the Cloud Computing Innovation Council of India, we contribute to shaping policies that support data localization, fair competition, and infrastructure recognition for Data Centres, with the aim to create a robust ecosystem for Indian enterprises and government bodies.

By combining our collaboration with STPI and our empanelment with MeitY with our broader public sector strategy, we seek to reinforce our commitment to fostering transparency, security, and innovation in India's digital landscape.

AI-driven innovations and patented technology

We hold commercial patents for our eNlight software, which intelligently identifies customer requirements and applies vertical and diagonal scaling technologies, which enable dynamic resource allocation for cost-effective and efficient cloud performance. We are engaged in the development and commercialization of artificial Intelligence ("**AI**") and machine learning ("**ML**") driven systems for cloud environments. These AI-powered solutions enhance operational efficiency and address industry-specific challenges.

We are well positioned to leverage on such opportunities due to our robust and scalable business model, which comprises:

- Our patented eNlight vertical auto scalable cloud technology plays an important role in achieving optimal capacity utilisation thereby allowing us to service larger load demands. Cloud computing capacity can either be increased through "horizontal scaling" or "vertical scaling". Horizontal scaling refers to provisioning additional servers to meet customer needs, while vertical scaling is a more efficient system, in which more power and memory is added to the same virtual machine, thereby increasing the resource capacity of the virtual machine and in effect, the machine optimization (*source: Nexdigm Report*). Vertical auto scaling technology is a key differentiator of our business. Vertical auto scaling is technically and commercially beneficial while operating a large volume of virtual machines in a cloud environment and has high optimisation effect from capacity utilisation. While companies like Google Cloud, AWS and Azure offer auto vertical scaling globally, we are the only player in India holding a patent for this technology, which was granted to us in November 2022 (*source: Nexdigm Report*).

- Further, we operate our business on an asset light model, which comprises ownership of computing hardware assets only, which, together with our vertical auto scaling technology, allows us to quickly scale by allowing (i) efficient handling of unexpected loads, (ii) scaling up of RAM, CPU, bandwidth, etc. (iii) effective use of virtualization technology, (iv) quick and easy way to scale resources and (v) maximum uptime and performance with auto-scalability.

Transparent and flexible customized billing system

Our billing system offers our customers customization and flexibility to optimize cost and performance. Our customers can choose to pay based on:

- Transactions;

- Branches;
- Users;
- Custom consumption metrics; and
- Business KPIs.

We believe that this model democratizes digital transformation, enabling organizations of all sizes to access advanced cloud services without heavy upfront investments. Our pay-per-use billing solutions include the following:

- The "pay-per-consumption" billing model. Due to our patented eNlight vertical autoscaling technology, we are able to scale the resources of our virtual machines automatically, based on the load demand, and invoice our customers specifically for such consumed resources. This billing model is in contrast to the "pay-per-use" upbilling model adopted for other cloud computing services pursuant to which the customer is charged for the virtual machines allocated to them by the cloud provider (*source: Nexdigm Report*). Our "pay-per-consumption" billing model is designed to increase our operational efficiency and allow us to better compete with our competitors.

- The "pay-per-branch" billing model. This billing model is used specifically by our co-operative banking customers. Under the "pay-per-branch" billing model, a bank pays a fixed amount per month per branch and we provide core banking on SaaS model to these banks bundled with the required managed services, in collaboration with our technology partners.

- The "pay-per-transaction" billing model. This billing model seeks to bill customers per successful transaction.

- The "custom consumption metrics" and "business KPI" billing models. These billing models seeks to bill customers based upon agreed usage-based metrics.

Companies are under significant pressure to optimize the cost and performance, enhance the operational expectations and maintain high level of cyber security for their business (*source: Nexdigm Report*). Consequently, we have observed that such businesses prefer migrating to a predictable cost model, such as our "pay-per-consumption" billing model, bundled with our end-to-end managed services. We believe that such varied billing models have supported our customer retention, scaling of operations and cross sell and upsell of services.

Strength and experience of our Directors, Key Managerial Personnel and Senior Management

We attribute our growth to the strength and experience of our Directors, Key Managerial Personnel and Senior Management. Piyush Prakashchandra Somani, who is one of our Promoters and our Chairman and Managing Director, has over 19 years' experience in the information technology sector. We have significantly benefitted from Piyush's vision, technical acumen and leadership. For further details of our Key Managerial Personnel and Senior Management, see "*Our Management*" on page 256.

Our intellectual capital comprises a team of industry experts who bring a diverse blend of domain expertise, technological proficiency, product innovation, and regulatory acumen. This intellectual depth enables us to anticipate market trends, drive innovation, and deliver robust, scalable, and secure solutions. We are committed to attracting, nurturing, and retaining top talent to continuously enhance our competitive edge.

As at January 31, 2025, we have a workforce of 1,027 employees, with our core technical teams having experience in cloud computing, cybersecurity, Data Centre infrastructure, and enterprise IT solutions. The below table highlights the strength and experience of our core technical teams as at January 31, 2025:

Department	Number of Employees	Number of Manager & Above Employees	Average Experience of Manager & Above (years)
Data Centre operations	90	6	9.73
R&D (SPOCHUB, Software Division)	103	11	13.99
Service delivery	159	31	13.77

Department	Number of Employees	Number of Manager & Above Employees	Average Experience of Manager & Above (years)
Technical support	227	19	14.11
Cloud Infrastructure	80	12	14.15

STRATEGIES

Expand our business through focusing on enhancing infrastructure, driving AI/ML innovation, and committing to sustainability for efficient scaling and customer value

Our multi-pronged expansion strategy aims to enhance infrastructure capabilities, while ensuring operational efficiency, and customer-centric innovation. The following are the key initiatives:

- Infrastructure Expansion and Optimization

    a. Scaling Data Centre (DC) Resources: Investments in compute, storage, memory, power, cooling, and other essential components to support revenue growth and increasing customer demand.

    b. Lifecycle Management: Upgrading and replacing end-of-life systems to maintain performance, security, and reliability.

    c. Technology Rebalancing: Adopting next-generation infrastructure to optimize resource utilization, improve cost efficiency, and enhance service delivery.

To achieve the above, we are investing in both Cloud node and GPU node servers, storage, and networking equipment, with the majority of the capital expenditure focused on expanding existing infrastructure besides replacement or upgradation. For details with respect to the proposed utilisation of a portion of the Net Proceeds towards the purchase and installation of cloud computing equipment and other equipment and infrastructure, see "*Objects of the Issue - Details of the Objects*" on page 131.

- AI/ML-Driven Automation and Service Enhancement

    a. Self-Provisioning and Intelligent Onboarding: Leveraging AI/ML capabilities to simplify customer onboarding, automate provisioning, and improve overall user experience.

    b. Industry-Specific Solutions: Enhancing vertical-specific cloud solutions to cater to evolving enterprise needs and build a robust cloud marketplace.

- Data Sovereignty and ESG Commitments

    a. Sustainability and ESG Initiatives: Investing in energy-efficient infrastructure, carbon footprint reduction, and green Data Centre strategies to align with ESG goals.

We will seek to continue to innovate with transparent, consumption-based solutions to avoid the need for expensive licenses or hardware. Customers can choose only the services they need and pay based on use, allowing them to focus on optimizing their cost and operational performance. We believe that our flexible billing model enhances customer engagement by facilitating a smooth, tailored digital transformation process. We believe that our strategic investment will enable us to scale efficiently, stay competitive, and deliver enhanced value to our customers while ensuring compliance and sustainability in a rapidly evolving digital landscape.

Continue to scale our AI-driven solutions

We are increasing our focus on AI research and development, creating autonomous solutions that enhance operational efficiency across industries. Key development initiatives include:

- Agriculture: Smart farming to optimize crop yields and improve farmer livelihoods through our Famrut farmers' advisory portal – a digital agri-ecosystem with the objective of assisting farmers in improving yield and revenue from their land by connecting them with relevant stakeholders.

- Cloud Automation: Self service and solution generation capability for customers through the platform itself leveraging the experience of community cloud and self-configuration

- Customer Experience and Operational Efficiency: Utilizing AI Ops and Agentic AIs to improve operational efficiency and enhance Customer experience by adapting to changing environments and solving complex problems with minimal human intervention

Our R&D initiatives are driving across advanced technologies to enhance our capabilities in cloud and Data Centre solutions. See "- *Technology Innovation Overview*" on page 226 for a summary of key technologies, detailing our objectives and development stages to highlight our commitment to industry-leading innovation.

Enhance collaboration with our Government and business partners.

Leveraging our partnerships with the Government of India, we intend to scale our presence in public sector projects by expanding our Data Centre network and our public-sector services including cybersecurity, disaster recovery, and secure cloud services tailored to the individual needs of our government agency partners. We also intend to collaborate with third parties to benefit from the technological knowhow of third-party partners and offer our products and services to a wider spectrum of business partners. Such collaborations include:

- Collaboration with business collaboration partners and independent software vendors pursuant to which such partners offer core banking software, while we assist in hosting the core banking software on our community cloud.

- Collaboration with STPI – We collaborate with STPI to provide digital services, SaaS services and digital platforms to Government entities on a subscription-based payment model.

- Collaboration for the smart metering project and other smart city projects with our technology and business collaboration partners.

- We collaborated with various companies to host SAP on our eNlight Cloud. Such companies offer implementation and functional aspect of such hosting and we provided the infrastructure on our SAP HANA community cloud along with managed services.

- Collaborations / relationships with multinational technology companies, including Dell International Services India Private Limited.

For details of such collaborations, see "- *Technology and Business Collaboration Partners*" on page 227.

We plan to increase such technical collaboration with third parties, including collaborations that allow us to offer complete digital transformation solutions to customers. Additionally, we aim to enhance our ecosystem by expanding our strategic alliances with companies with expertise in robotic process automation, business intelligence, AI/ML and the internet of things ("**IoT**").

Continue to strengthen our brand leadership

We will continue to promote our expertise through:

- Thought leadership events, workshops, and educational content.

- Our participation in advocacy organisations, such as the Cloud Computing Innovation Council of India, to address key challenges in data localization and cloud adoption.

- Targeted marketing campaigns that showcase the impact of our services across industries, particularly in AI and cloud innovation.

Our strategic approach combines technology, government partnerships, AI-driven solutions, and a customer-centric philosophy to deliver transformative digital solutions. Our commitment to sustainability, flexible financial models, and leadership in data sovereignty are intended to ensure that we remain a trusted partner for enterprises and governments alike, shaping the future of cloud and Data Centre technologies in India and beyond.

Transition towards 100% renewable energy for sustainable and efficient operations

The digital age has created a huge demand for data storage and management (*source: Nexdigm Report*). It has been observed that Data Centres generate approximately 3.5% of global greenhouse gas emissions (*source: Nexdigm Report*). According to the United Nations, the IT industry accounts for 2-3% of global emissions, which could increase to 14% by 2040. This rapid digital transformation presents a major challenge related to balancing technological growth with environmental sustainability, ensuring that the rapid expansion of cloud infrastructure does not come at the cost of rising carbon emissions and resource depletion (*source: Nexdigm Report*).

We intend to shift to 100% renewable energy within the next four years. We have already installed rooftop solar panels at our Registered Office and the Nashik Data Centre. Over the next two years, we plan to source 50% of our power consumption from solar power, increasing to 70% in three years and reaching 100% by the end of the fourth year.

Additionally, we aim to achieve significant cost benefits through taking advantage of government policies that promote green initiatives, including policies such as the Karnataka Data Centre Policy 2022-27, Data Centers who have a minimum 30% component of green energy in total power consumption will be provided with power tariff concession (*source: Nexdigm Report*).

PRODUCTS AND SERVICES

We offer a comprehensive platform of cloud infrastructure and software solutions consisting: of (1) infrastructure as a service ("**IaaS**"), which is divided into (a) colocation and Data Centre services and (b) cloud services and cloud computing; (2) managed services, where we offer several services enabling companies to optimise and modernise their cloud environment, secure their data and migrate their legacy data on cloud environments, and fully manage it on a day to day basis; and (3) software as a service ("**SaaS**"), which is a software distribution model wherein we host applications on cloud platforms and make them available to end users on periodic subscription model, allowing clients to develop, run and manage applications. Our comprehensive platform of cloud infrastructure and software solutions which allows us to provide well-architected cloud-adoption solutions to our customers aimed at reducing their cost while providing security, flexibility, scalability and reliability.

Due to our comprehensive and integrated product and service range, we are able to provide products and services to our customers across initiation, implementation and post-delivery stages. At the initiation stage, we design tailored solutions based on our customers' business needs and requirements. During the implementation process, we offer customers seamless cloud migration services. After delivery, we conduct regular client reviews to constantly improve our services. We also have a 24/7 technical support team who can respond to our customers' inquiries. Our service model allows us to service our customers on a continuous basis by providing support for their entire cloud-adoption and migration life-cycle. Our regular engagement also allows us to market and cross-sell our SaaS products and managed services to our customers. Such service model enables us to understand our customers' needs in a timely manner and identify new business opportunities.

The following case studies illustrate our strong ability to scale relationships with existing customers by providing a comprehensive and integrated portfolio of cloud and IT solutions, ensuring long-term engagement and value addition.

Customer Case Study 1: A leading BFSI institution sought a secure, scalable, and cost-efficient cloud infrastructure to meet regulatory compliance and operational resilience requirements. With our end-to-end offerings including IaaS, SaaS, managed services, and advanced security solutions they seamlessly integrated analytics, automation, and compliance-driven frameworks, achieving significant cost savings, enhanced system reliability, and strengthened their security posture and reinforcing our role as their strategic IT partner.

Customer Case Study 2: A government agency tasked with managing public services, data storage, and communication for various departments needed a secure, highly available, and scalable cloud infrastructure to host sensitive data, provide continuous services, and comply with strict regulatory standards. Given the nature of the agency's operations, security, reliability, and compliance were paramount. The client was seeking to migrate critical infrastructure to the cloud, allowing for more agile management and future scalability. We proposed a comprehensive suite of services to meet the government's technical and compliance needs while ensuring data protection, uninterrupted service, and efficient management of IT resources to meet the government agency's requirements.

The table below sets forth our revenue from IaaS, SaaS and managed services and such revenue as a percentage of revenue from operations for the period and fiscal years indicated.

Type of Product/ Service	**Six months ended September 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Revenue (in ₹ million)	**As a % of revenue from operations**	**Revenue (in ₹ million)**	**As a % of revenue from operations**	**Revenue (in ₹ million)**	**As a % of revenue from operations**	**Revenue (in ₹ million)**	**As a % of revenue from operations**
IaaS	999.39	58.05%	1,420.82	49.59%	865.58	41.70%	890.69	45.59%
Of which:								
Cloud Services and Cloud Computing	*742.95*	*43.16%*	*1,191.09*	*41.57%*	*764.62*	*36.84%*	*845.84*	*43.30%*
Colocation and Data Centre Services	*256.44*	*14.90%*	*229.73*	*8.02%*	*100.96*	*4.86%*	*44.85*	*2.30%*
Managed services	362.74	21.07%	775.39	27.06%	617.60	29.76%	552.26	28.27%
SaaS	359.37	20.88%	668.97	23.35%	592.49	28.54%	510.63	26.14%
Revenue from operations	**1,721.50**	**100.00%**	**2,865.18**	**100.00%**	**2,075.66**	**100.00%**	**1,953.58**	**100.00%**

IaaS Portfolio

The IaaS model specializes in delivering cloud computing infrastructure as an on demand service. IaaS are self-service models for accessing, monitoring and controlling remote Data Centre infrastructures, including storage, networking, networking services, etc. The role of an IaaS service provider is to provide the basic infrastructure necessary for hosting cloud applications. A subscriber has control over the processing, storage and platform related choices. IaaS solutions are highly flexible, scalable and is accessible by multiple users (*source: Nexdigm Report*).

Cloud Computing

Cloud computing is the on-demand availability of computer system resources, especially data storage (cloud storage) and computing power, without direct active management by the user. Cloud computing is used to describe Data Centres that are available to users over the internet. The technology used in cloud computing is the virtualization software, which separates physical computing device into one or more "virtual" devices, each of which can be used and managed to perform computing tasks. Virtualization provides the agility required to speed up IT operations and reduces cost by increasing infrastructure utilization. (*Source: Nexdigm Report*)

Public Cloud

A public cloud is a public, hyperscale, multi-tenant platform where computing services can be reserved or rented on demand (*source: Nexdigm Report*). These resources are available over the internet and allow customers to provision and scale services instantly, without the time and cost associated with purchasing dedicated infrastructure (*source: Nexdigm Report*). Applications, storage and other resources are shared by multiple customers (*source: Nexdigm Report*). Our public cloud "eNlight" technology was developed in-house and is patented in the United States of America and India. eNlight offers a cloud computing environment that allows vertical autoscaling and bills customers through the "pay-per-consumption" billing model. eNlight is built on multiple layers of security. Through a web-based control panel, customers using our public cloud manage and monitor their cloud infrastructure.

Private Cloud

A private cloud is cloud infrastructure operated solely for a single organization and operates on a dedicated infrastructure (*source: Nexdigm Report*). We offer private cloud services to customers who propose to migrate their business and corporate data on a secure, customizable and flexible cloud platform, without capital investment required for maintaining a "on premise" cloud environment. Our private cloud platform allows organizations to have full control of their cloud environment located in a Data Centre that has been granted TIA-942-B Tier 3 compliance status by either QSA International Limited or EPI Certification Pte. Ltd. Built on our eNlight cloud platform, we believe that our private cloud is able to offer solutions for any type of workload, with high levels of security and privacy. Our private cloud is aimed at organizations that require a dedicated IT environment with round the clock technical support, which is offered by our managed services team.

Virtual Private Cloud

A virtual public cloud functions like a private cloud that runs on public or shared infrastructure (*source: Nexdigm Report*). The virtual private cloud isolates one user's resources from another user's resources using an individualized, private IP subnet or a virtual local area network (*source: Nexdigm Report*). Our virtual private cloud is a secure, isolated cloud, derived from a public cloud system, providing higher levels of data security and granular control in the hands of our customers. Our virtual private cloud customers have full control over their cloud environment, without going out of our secure internal network, through a layer of virtual network isolation. A feature of our virtual private cloud is "Cloud Burst", which allows enterprises to deal with peaks in IT demands. Our virtual private cloud is supported by round the clock technical support. Our virtual private cloud is geared towards offering cost benefits to customers, as it is part of a public cloud and therefore seeks to capture the economies of scale.

Hybrid Cloud

A hybrid cloud model includes a combination of private and public cloud offerings. It is a composition of a public cloud and a private environment, such as a private cloud or on-premises resources, that remain distinct entities but are bound together, offering the benefits of multiple deployment models (*source: Nexdigm Report*). Our eNlight hybrid cloud is a combination of our public cloud and private cloud offering, which provides an intelligently scalable and secure platform by prioritizing workloads between public and private cloud platforms. Like our virtual private cloud, our eNlight hybrid cloud also includes "Cloud Burst", a feature which permits applications to migrate on our public cloud, when necessary, thereby avoiding interruptions. Applications hosted on a private cloud can "burst" into our public cloud during such peaks, thereby avoiding interruptions. Our hybrid cloud is also supported by round the clock technical support. Our hybrid cloud can also be created by bridging customer cloud and colocation of customer devices.

Community Cloud

A community cloud is a virtual infrastructure that is shared between several organizations from a specific community with common concerns (security, compliance, jurisdiction, etc.) (*source: Nexdigm Report*). We were one of the first cloud service providers in India to offer community cloud services, providing multi-tenant model to a group of organizations that have similar business model and requirements, such as data privacy, security, compliances and regulatory considerations (*source: Nexdigm Report*).

We currently offer community clouds for Enterprises, Government and BFSI companies, as well as the development of smart cities across India.

- <u>Government community cloud</u>: Government institutions in India are increasingly migrating their workloads on cloud as their existing legacy systems are not scalable and secure (*source: Nexdigm Report*). Recognizing such challenges, we built a cloud platform that is used by 115 Government clients as at January 31, 2025. This platform is empanelled with the Ministry of Electronics and Information Technology and audited by the Standardisation Testing and Quality Certification Directorate ("**STQC**").

- <u>BFSI community cloud</u>: Our BFSI community cloud is a customizable platform that supports core banking solutions, hosted banking solutions, security services and emerging technologies. This cloud is vertically auto scalable and is managed by round the clock technical support. We have been able to service co-operative banks with our "pay-per-branch" billing model, which allows a bank to pay a fixed amount per month per branch while we manage their core banking software hosting and other managed services, together with our BFSI technology partners. As at January 31, 2025, our BFSI community cloud is used by 152 banks and financial institutions across 724 branches across India.

- <u>SAP HANA community cloud</u>: SAP HANA is a database management system developed by SAP, designed for high-performance analytics and real-time data processing, whose primary function is to store and retrieve data as requested by the applications. We have developed a community cloud that offers SAP HANA systems on cloud. Our cloud is certified by SAP in SAP HANA operations and cloud and infrastructure operations.

As at January 31, 2025, we provided our SAP HANA cloud services to 142 organisations across multiple industries.

- Smart Cities cloud – The Smart City cloud is designed to host and manage the Data Centre and disaster recovery workloads by smart cities under an initiative of the Government of India. It efficiently processes and analyzes the vast amounts of data generated by IoT devices, sensors, and connected systems. (*source: Nexdigm Report*) This cloud solution offers scalable, secure, and cost-effective options for storing, processing, and sharing data in real time. As at January 31, 2025, this cloud is used by more than nine smart city Data Centre and disaster recovery projects across India.

- Enterprises cloud – An Enterprise Community Cloud is a shared cloud infrastructure created for multiple enterprises that share common goals or compliance requirements. It provides enhanced security, governance, and resource optimization tailored to meet the specific needs of its clients. This setup ensures scalability, reliability, and performance while maintaining data isolation and compliance for each individual enterprise. It is particularly well-suited for applications that require robust data management, seamless integration, and secure collaboration among enterprise stakeholders. (*source: Nexdigm Report*) As at January 31, 2025, this cloud is used by 1,404 clients.

SaaS Portfolio

Our SaaS portfolio includes both in-house and third party developed applications, which are hosted on our cloud platform and our digital marketplace SPOCHUB. Our in-house developed SaaS include:

- "eMagic" – a comprehensive Data Centre management and monitoring suite;
- "VTMscan" – a vulnerability scanner, which is an intelligent computer program designed to assess websites, networks or applications for known security and configuration weaknesses and avoid data leaks;
- "eNlight WAF" – a web application firewall;
- "eNlight Web VPN" – a web based VPN like solution to allow private network access over a secure connectivity;
- "eCOS – eNlight Cloud Object Storage" –a web based object storage to store static files;
- "eNlight IoT" – an indigenously developed IoT platform;
- "eNlight Meet" – an audio, video, screen sharing & chat communications solution for virtual meetings;
- "eNlight 360°" – a hybrid cloud orchestration solution;
- "IPeG - Integrated Proactive eGovernance" - a web based G2C service delivery & scheme digitisation platform;
- "IPAS - Integrated Planning and Automation System" - ERP developed for governance and planning of budgets for a state; and
- "Low-code Magic"- a low-code application development platform.

Our other SaaS offerings include:

- Cyber-attacks prevention and detection software;
- Loan origination platforms, which provide comprehensive customer information analysis to reduce credit and operational risks for loans, tracking of loans, disbursement, recovery and documentation;
- End to end healthcare management systems;
- Digital agro-ecosystem platform, through which farmers are connected to stakeholders of the agro-ecosystem, with the key objective of assisting the farmers in improving yield and revenue from their land;
- Mobile enabled end-to-end education management system; and

- Digitization and archival of documents software.

G-SaaS

As part of G-SaaS, we provide services that include document and data migration to cloud, software offerings on SPOCHUB, Data Centre management and back-up servers for disaster management. Smart city applications are software applications that help governments to optimize their expenses, provide deployment of software services and ensure data confidentiality.

Across the world, government departments have initiated automation of business and IT processes through Government SaaS or platform as a service ("**PaaS**") is a cloud computing model that provides a complete environment for developing, running, and managing applications initiatives, aimed at digitalization of services. Such digitization initiatives have been accentuated by the COVID-19 pandemic, increase in the use of mobile phones, rapid increase in subscription based cloud services, increase in use of biometric authentication, regulatory enforcement of individual privacy, etc. Government institutions are increasingly also migrating their workloads on cloud because their existing legacy systems are not scalable and secure (*source: Nexdigm Report*). Our G-SaaS platform is empanelled with the MeitY and audited by the STQC.

We are authorised to offer our products and services on the Government e Marketplace ("**GEM**") portal of the Government of India. Such GEM portal authorisation is a pre-condition, for a cloud computing and Data Centre management company to offer their products and services to the Government. As part of our offerings to such Governmental agencies, we provide (a) Data Centre and disaster recovery services, (b) software services, and (c) SPOCHUB.

As part of our G-SaaS offering, we provide our smart city cloud, located across our Data Centres, which allows smart cities to process citizen data for enhanced decision-making. We have collaborated with various system integrators to provide solutions and technologies in smart cities for implementing various smart city solutions. Through our GEM portal of the Government of India, we are authorized to serve the Government with our cloud services. As part of our smart city engagements, we have collaborated with a smart city in Maharashtra and its municipal corporation, in order to migrate the on premise application on cloud services. We also extend support to the municipal corporations for several civic applications, in collaboration with system integrators. As part of G-SaaS, we have also partnered with a Government energy service companies for implementing a smart metering project around various states in India and worked on E-governance projects with certain ministries of the Government.

Managed Services Portfolio

Our managed services portfolio offers a diverse range of services to our customers to complement day-to-day data management of IT services and cloud migration, including the following:

- IT/ Cloud Operations Services: Our IT/cloud operations services include operations management, cloud deployment, cloud migration, maintenance, optimization, security, configuration, 24/7 help desk support, hosting, and implementation on our public cloud, private cloud, virtual private cloud, hybrid cloud and various community cloud platforms. Our team will seek to evaluate each customer's applications and data to create a custom plan for building and running an optimized cloud environment. We also offer on-premises IT operations services for certain of our customers that do not employ a cloud environment.

- Managed Security and Other Managed Services: Our managed services include 24/7 technical support, data backup and recovery, cloud migration services, database administration services, implementation of SAP systems and SAP HANA administration, disaster recovery support and deployment of a security operations centre (SOC) to monitor, prevent, detect, investigate, and respond to cyber threats around the clock.

- Consulting Services: Our consulting services include Data Centre build and audit services. Data Centre build services to support our customers to design, build, and improve their Data Centre systems to meet their business requirements, while Data Centre audit services include review and upgrade of operational procedures, change controls, security, reliability and scalability to help our customers improve their Data Centre's performance and protect against downtime.

- DevOps Services: DevOps combines development (Dev) and operations (Ops) to increase the speed, efficiency, and security of software delivery. Our DevOps services involve the unification and automation of software processes by combining and managing interconnected code; managing deployment, monitoring, maintenance and update of software applications, scaling applications up and down to fit changing needs; and continuous integration and continuous delivery/deployment to streamline the software development lifecycle.

As part of our managed services, we offer:

- 24/7 IT Support – our network of IT support staff is available round the clock for IT support related to infrastructure, applications, databases, networking and security.

- Availability of technical staff and IT infrastructure – we offer the services of technical staff to customers, as well as built-in failover mechanisms to keep solutions operational, in the event of a system failure or disaster.

- Data back-up and recovery – we provide various types of managed backup and recovery services including high performance backup, portable backups, multi-point replications of data, file system level backups, disk based for long term archival, object storage, and other related services.

- Migration services – we offer services to migrate an organization's data and business on cloud as well as cross platform services, which reduces business costs related to maintaining on premise servers. A cross-platform or multiplatform software is a type of application, program or software that works on various operating systems or devices.

- Database administration services – which include multiple database requirements such as database integration, maintenance, monitoring, optimization, upgrade and performance tuning.

- SAP Basis for SAP HANA administration - we offer SAP Basis administrator support for maintenance and lifecycle administration of SAP infrastructure. Our SAP Basis support team focuses on implementation, maintenance, monitoring and upgradation of SAP systems. We also provide support for solution management and disaster recovery setups for SAP HANA and non-HANA landscapes.

- SOC services – A security operations centre or SOC is responsible for detecting, preventing, investigating, and responding to cyber threats. Our SOC service includes (i) providing our customers with a Tier 3 cloud infrastructure, (ii) "Eagle Eye Services", which is a subscription-based cyber security monitoring service, (iii) VPN solutions for remote access of data, (iv) securing of digital identity of businesses with enhanced web security.

- Disaster recovery service – we collaborate with our customers to strategize disaster recovery plans, analyse risks, business impact, and ensure bespoke system recovery. We assume responsibility for implementing the disaster recovery plan in the event of a crisis.

- Business Continuity Planning ("**BCP**") Management – We assist organizations in developing, implementing, and managing comprehensive business continuity plans to ensure operational resilience. Our BCP management services include risk assessment, impact analysis, redundancy planning, and real-time incident response. We work closely with customers to establish proactive measures, ensuring business continuity during disruptions, minimizing downtime, and safeguarding critical operations.

- SD-WAN Services (Work in Progress) – Our SD-WAN services aim to provide secure, scalable, and high-performance network connectivity for businesses by optimizing traffic routing, enhancing application performance, and reducing latency. The service will incorporate centralized management, dynamic traffic steering, and integration with cloud platforms, ensuring seamless connectivity across multiple locations while maintaining network security and compliance.

- Anti-Ransomware Service – Our anti-ransomware service is designed to detect, prevent, and mitigate ransomware threats through a multi-layered security approach. The service includes continuous monitoring, anomaly detection, behavioural analysis, automated backup protection, and rapid threat containment. By leveraging advanced threat intelligence and endpoint protection mechanisms, we help organizations strengthen their cybersecurity posture and mitigate financial and operational risks associated with ransomware attacks.

- Endpoint Security Services – We provide comprehensive endpoint security solutions to safeguard enterprise devices, including desktops, laptops, mobile devices, and servers, against cyber threats. Our services include real-time threat detection, vulnerability management, AI-driven behavioural analysis, and centralized security policy enforcement. Additionally, we offer next-generation antivirus protection, endpoint detection and response (EDR), and device control features to ensure robust security across all endpoints within an organization.

- SOAR Services – Our Security Orchestration, Automation, and Response (SOAR) services enhance an organization's security posture by automating incident response workflows and integrating threat intelligence. We provide centralized visibility into security events, allowing rapid investigation and remediation of threats. By streamlining security operations, reducing response times, and ensuring compliance, our SOAR solutions enable businesses to proactively manage cybersecurity risks.

- Privileged Access Management (PAM) – We offer a Privileged Access Management (PAM) solution designed to secure and control access to critical systems and sensitive data. Our PAM services include credential vaulting, session monitoring, just-in-time access provisioning, and multi-factor authentication to prevent unauthorized access and insider threats. By implementing granular access controls, automated privilege escalation, and continuous auditing, we help organisations mitigate security risks, ensure compliance, and enhance their overall cybersecurity posture.

TECHNOLOGY INNOVATION OVERVIEW

Our R&D initiatives enable us to enhance our capabilities in cloud and Data Centre solutions. Below is a summary of key technologies under development, detailing our objectives to highlight our commitment to innovation.

Liquid Cooling and Active Thermal Management for Data Centres

Objective: Addressing high-power density challenges, especially with AI/ML workloads, we have partnered with various server vendors to explore water-based cooling solutions that can efficiently dissipate heat from CPUs, GPUs, and motherboard components.

Energy Efficiency Projects

Objective: Our suite of energy efficiency initiatives includes:

- Intelligent Placement of Virtual Machines: Optimizing energy use through virtual machine placement strategies (Development in Progress).

- Workload-Based Server Consolidation: Actively deployed, this optimizes resource allocation based on workload demand.

- Carbon Footprint Assessment: A PhD-led project focused on quantifying the carbon impact of VMs, supporting sustainable cloud operations (Developing).

System Integration

Objective: Our approach to System Integration enhances IT/OT interoperability and platform integration for streamlined service delivery. Key aspects include:

- End-to-End Service Integration: Fully deployed to deliver seamless operations.

- Multi-Tenancy Improvements for eNlight Cloud: Developing advanced multi-tenancy to enhance our orchestration platform.

- AI-Driven Service Automation: In development to automate solution definition and delivery, furthering efficiency and responsiveness.

Autonomous Cloud Platform

Objective: We are developing an Autonomous Cloud Platform (ACP) within our in-house developed eNlight cloud suite, which is a vertically auto scalable cloud technology, patented in the United States of America (USPTO patent no. - US9176788B2) and India (Patent no - 397708). ACP is intended to be an AI-driven cloud automation solution designed to streamline cloud infrastructure management. Organizations across industries, including BFSI, healthcare, and government sectors, require secure, scalable, and highly resilient cloud solutions. Our in-house developed methods and systems for automated scaling of computing clusters, patented in India (Patent no. - 412126) would enable ACP to reduce cloud management complexities while maximizing performance and cost savings.

CyberShield AI – AI-Powered Cybersecurity Defense

Objective: Cyber threats are evolving at an alarming rate, with ransomware attacks, insider threats, and zero-day vulnerabilities posing significant risks to organizations. Traditional security systems struggle to keep up, leading to delayed threat detection, financial losses, and compliance risks. As part of our SECaaS offerings, "eNlight WAF" – a web application firewall and "VTMscan" – a vulnerability scanner, which is an intelligent computer program designed to assess websites, networks or applications for known security and configuration weaknesses and avoid data leaks, we are developing an AI-powered cybersecurity platform designed to autonomously detect, analyze, and neutralize cyber threats in real time. By leveraging artificial intelligence (AI), machine learning (ML), and behavioural analytics, this solution would ensure continuous monitoring, automated incident response, and adaptive risk assessment with minimal human intervention.

Autonomous Hiring Platform

Objective: We are developing an Autonomous Hiring Platform as part of our SaaS offering which would be deployed on our digital marketplace "SPOCHUB". SPOCHUB enables us and our software vendors to offer our software vendors solutions with customised packages to enterprise customers. Autonomous Hiring Platform is being developed as an AI-driven recruitment solution designed to automate candidate screening, streamline interview scheduling, and enhance skill assessments.

These R&D projects underscore our strategic focus on energy efficiency, enhanced connectivity, and intelligent automation, positioning us as an innovator in the cloud and Data Centre space. We are committed to advancing these technologies to meet evolving customer needs and drive impactful, sustainable growth.

TECHNOLOGY AND BUSINESS COLLABORATION PARTNERS

We adopt a "go-to-market" strategy, by collaborating with third party IT companies to deliver customers with bundled solutions. Such collaboration is designed for both parties to maximize their technologies, align synergies, reduce the time-to-market and be more competitive in terms of pricing as well as innovation. Some of our significant partners include:

- STPI – We collaborate with STPI, an autonomous society under the Ministry of Electronics and Information Technology, Government of India to provide digital services, SaaS services and digital platforms to Government entities on a subscription-based payment model. The services are offered through our Bengaluru and Mohali Data Centres, which have been jointly developed with STPI on a public-private partnership basis with revenue sharing pursuant to a master services agreement entered into with STPI. These Data Centresprovide server co-location, cloud services and managed IT services to various sectors.

- A provider of back-end IT enabled services – In 2015, RBI mandated all co-operative banks and district co-operative central banks to migrate to core banking (*source: Nexdigm Report*). In order to assist banks, we partnered with a provider of back-end IT enabled services to provide a core banking platform solution. We offered the end-to-end managed solution that included core banking software on the SaaS model and disaster recovery services. The service was offered on our "pay-per-branch" subscription model.

- An Indian multinational information technology services and consulting company– We have collaborated with an Indian multinational information technology services and consulting company on a smart city project.

- A full-service SAP software solutions provider - We have provided our eNlight SAP HANA community cloud hosting services to a full-service SAP software solutions provider.

We also collaborate extensively with multiple technology and business collaboration partners to offer our Data Centre, cloud and managed services, which assists in execution of such Government contracts. Together, with a few of these partners, such as Larsen and Toubro Limited, we have undertaken a number of smart metering and smart city projects, which include the smart metering project for 5 million smart metres in Uttar Pradesh.

We have formed consortiums with certain companies to cater to clients in the banking sector wherein cloud services have been outsourced to us by such companies. We have also collaborated with certain companies to host SAP HANA (which is an in-memory database, designed to handle transactions and analytics) on our eNlight cloud. Such companies offered implementation and functional aspect of such hosting and we provided the infrastructure and managed services.

We have also partnered with a disaster recovery monitoring and management tool in order to collaborate on disaster recovery services.

IaaS has been our core business and flash storages have been the backbone to our cloud services. Our relationships with well-known brands allows us an insight into their technologies in order to develop products collaboratively and also increase our brand visibility and reach.

An important aspect of our managed services portfolio is data back-up. We partner with multiple companies to create flexible models to provide backup solutions.

OUR SUPPLIERS

We consider our suppliers to be an important element in the IT services delivered to our customers. Our IT suppliers provide us with various hardware and software products and services based upon the needs of our customers including servers and server storage equipment; cloud computing and cloud storage; software solutions including enterprises and security solutions, and connectivity services and solutions. We purchase IT products and services both directly from the IT owners and also through licensed intermediaries under both long-term agreements and on a purchase order basis.

For a table setting forth the cost of supplies from our top supplier, top five suppliers and top 10 suppliers based on their contribution to our other expenses plus additions to property, plant and equipment for the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022, see "*Risk Factors – 10. For the six months ended September 30, 2024 and Fiscals 2024, 2023, and 2022, the cost of supplies from our top supplier represented 13.94%, 14.16%, 8.55% and 22.78%, of our other expenses plus additions to property, plant and equipment, respectively, and our cost of supplies from our top 10 suppliers represented 48.13% 41.73%, 40.62% and 48.97% of our other expenses plus additions to property, plant and equipment, respectively. We rely on our suppliers for various critical aspects of our information technology infrastructure. If any of our top 10 suppliers ceased supplying products/services to us and we were unable to find a supplier to replace it, it could have an adverse effect on our business, financial condition, results of operations, and cash flows*" on page 43.

SALES AND MARKETING

We consider brand visibility to be an important element of the IT industry. Our marketing initiatives include a combination of online as well as offline activities, including (a) those that increase website visitors, session duration and website page views, (b) virtual meetings with customers, and (c) search engine optimization to attract potential customers on our website. We also undertake digital marketing through multiple social media channels.

We have a consultative approach to sales, through which our technical teams understand the specific and unique customer requirements and offer commercially viable and customized solutions. Our sales teams predominantly focus on selling various cloud solutions and services (IaaS, PaaS and SaaS), security services, software development services, website and mobile application development, delivering emerging technologies, industry solutions and community clouds. Typically, we commence our relationship with customers through our managed services, which we are able to cross-sell and up-sell across our portfolio.

In addition to our marketing initiatives, our collaborations with well-known companies, including STPI, has been a significant contributor to us winning Government orders.

As at January 31, 2025, our sales, presales and marketing team comprised 157 personnel.

CUSTOMERS

We have a diversified customer base, which include customers from BFSI, healthcare, education, energy and utilities, real estate, IT and IT enabled services, agriculture, manufacturing, entertainment and media, and government departments.

For details on our top 10 customers by revenue for the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022, see "*Risk Factors – 9. In the six months ended September 30, 2024, our revenue from our top client and top 10 clients represented 22.02% and 56.86% of our revenue from operations, respectively, and any loss or reduction of business from these clients could have a material adverse effect on our business, financial condition, results of operations and cash flows. In addition, our top client for the six months ended September 30, 2024, a BFSI incorporated in Russia, is subject to certain economic sanctions. Although we are not in breach of these sanctions, if the scope of secondary sanctions are increased or new sanctions are implemented such that we would be required to no longer sell our services to this client, it could have a material adverse effect on our business, financial condition, results of operations and cash flows*" on page 41.

The following table sets forth revenue from customers from BFSI, Enterprise and Government and such revenue as percentage of revenue from operations for the period and fiscal years indicated.

Revenue by customer industry	Six months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations
BFSI[1]	543.39	31.56%	523.50	18.27%	241.57	11.64%	205.31	10.51%
Government[2]	504.32	29.30%	975.33	34.04%	703.61	33.90%	578.96	29.64%
Enterprise[3]	673.79	39.14%	1,366.35	47.69%	1,130.48	54.46%	1,169.31	59.85%
Revenue from operations	**1,721.50**	**100.00%**	**2,865.18**	**100.00%**	**2,075.66**	**100.00%**	**1,953.58**	**100.00%**

Notes:

*(1) BFSI customers refers to clients operating in the Banking, Financial Services, and Insurance ("**BFSI**") sector, including banks, non-banking financial companies (NBFCs), insurance firms, investment firms, and fintech companies.*

(2) Government customers refer to public sector entities, including central, state, and local government departments, public sector undertakings (PSUs), government agencies, and institutions that procure products or services for administrative, infrastructure, or public service purposes.

(3) Enterprise customers refers to customers other than BFSI and Government customers.

The table below shows our Total Customers for the period and fiscal years indicated.

Particulars	Six months ended September 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total Customers[1]	1,398	1,465	1,492	1,427

Notes:

*1. Total Customers: Total customers for which revenue has been recognised for the relevant period/year ("**Total Customers**").*

We have had customers in India and abroad. The table below sets forth our revenue from Indian and foreign customers and such revenue as a percentage of our revenue from operations for the period and fiscal years indicated.

Particulars	Six months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations
India [A]	1,276.00	74.12%	2,713.75	94.71%	1,919.53	92.48%	1,764.96	90.35%
Foreign [B]	445.50	25.88%	151.43	5.29%	156.13	7.52%	188.61	9.65%
Revenue from operations [C = A + B]	**1,721.50**	**100.00%**	**2,865.18**	**100.00%**	**2,075.66**	**100.00%**	**1,953.58**	**100.00%**

For more details on our customers, see "- *Strengths - We have long-term relationships with well-established banks and other businesses*" on page 215.

RESEARCH AND DEVELOPMENT

We are an innovation driven company. Through our R&D initiatives, we developed our eNlight vertical autoscaling cloud technology, which is patented in the United States and India. We offered our first "Made In India" cloud in 2011.

Over the years, our R&D team has developed several products that complement our Data Centre and cloud business, which includes:

- "eNlight cloud" – a patented vertical auto scalable cloud technology, which forms the base of our community cloud;
- "eMagic" – a comprehensive Data Centre management and monitoring suite;
- "VTMscan" –a vulnerability scanner, which is an intelligent computer program designed to assess websites, networks or applications for known security and configuration weaknesses and avoid data leaks;
- "eNlight WAF" – a web application firewall;
- "eNlight Web VPN" – a web based VPN like solution to allow private network access over a for secure connectivity
- "eCOS – eNlight Cloud Object Storage" – a web based object storage to store static files;
- "eNlight IoT" – an indigenously developed IoT platform running on the eNlight Cloud;
- "eNlight Meet" – an audio, video, screen sharing & chat communications solution for virtual meetings; and
- "eNlight 360" a hybrid cloud orchestration solution.

We are committed to supporting innovation and are focused on creating more cost-effective technology products and solutions, which is our contribution towards "Atmanirbhar Bharat" (Self Reliant India) – through our Famrut farmers' advisory portal – a digital agri-ecosystem with the objective of assisting farmers in improving yield and revenue from their land by connecting them with relevant stakeholders.

As at January 31, 2025, our R&D team comprised 103 members. Our R&D expenses primarily comprise employees' salaries. The table below sets forth our R&D expenses and such expenses as a percentage of revenue from operations for the period and years indicated:

Particulars	Six months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations	Revenue (in ₹ million)	As a % of revenue from operations
R&D expenses	45.20	2.63%	126.62	4.42%	113.98	5.49%	80.21	4.11%
Revenue from operations	1.721.50	100.00%	2.865.18	100.00%	2.075.66	100.00%	1.953.58	100.00%

DATA CENTRES

A Data Centre is a dedicated physical infrastructure used to house computer systems, related storage systems and associated components. Data Centres serve as the repository for IT equipment, such as physical servers, storage subsystems, networking switches, routers and firewalls, as well as the cabling and physical racks used to organize and interconnect the IT equipment. A Data Centre also comprises supportive infrastructure, such as power distribution and supplemental power subsystems. All of this demands a physical facility with physical security to house the entire collection of infrastructure and equipment. The location of Data Centre, stability of geography, connectivity to submarine cable networks, level of construction activity, power capacity and water availability are certain crucial factors determining operational efficiency of a Data Centre.

We operate our IaaS cloud computing services through four Data Centres in India, which are located in: Nashik, Maharashtra; Navi Mumbai; Maharashtra; Bengaluru, Karnataka; and Mohali, Punjab. Each of our Data Centres has been granted “Tier 3” status by either QSA International Limited or EPI Certification Pte. Ltd. and is located in close proximity to a major IT and enterprise hub. Our four Data Centres cover, in aggregate, over 60,000 sq. feet and are interconnected by multiple Gbps fibre-optic backbone network that provides a secure path for the exchange of information between local area networks (LANs) or subnetworks hosted on our Data Centres. All of our Data Centres comply with international standards and industry best practices, including guaranteed uptime of at least 99.95%, supported by power redundancy services, and are a backed up with disaster recovery services, and supported by a 24/7 services team.

All our Data Centres are connected by multiple Gbps backbone network and is backed up with disaster recovery services. During the last three fiscal years and the six months ended September 30, 2024, all our Data Centres, during their period of operation, have maintained an uptime of at least 99.995% compliant with the Tier-3 uptime standard 99.98% All of our Data Centres have been granted “Tier 3” status by QSA International Limited or EPI Certification Pte. Ltd.

Our Data Centres house the following facilities:

- N+N/N+1 redundant UPS, which is a safeguard to ensure that an uninterruptible power supply.
- Automated multiple diesel generators in N+1 redundancy mode, for onsite power backup for all critical and non-critical appliances.
- Power racks ranging from 3KW to 20KW. A Data Centre rack houses various server, network and storage components. Its design ensures airflow so that the internal workings of the machine are not damaged by changes in temperature.
- Dual power distribution units (PDU) in each rack. A rack PDU is a device that can be fitted with multiple outlets to effectively control and distribute electricity to devices in the rack.
- Intelligent PDU(iPDU) for rack level power monitoring and billing.
- Precision air conditioning in N+N/ N+M/ N+1 redundancy mode with power back-up.
- Advanced laser-based very early smoke detection system (VESDA) continuously monitors the Data Centre air for the presence of any traces of smoke.

Data Centre Sustainability

- Renewable Energy Integration and Optimization: Implemented on-site solar panels (150kWp) to supply power to non-critical areas, achieving a 5% increase in energy efficiency and a reduction in carbon emissions of around 61 tonnes of CO_2 per year.
- PUE Maintainability: Through in-house energy efficiency initiatives, we successfully achieved and maintained an average Power Usage Effectiveness (PUE) of 1.55 across all our Data Centre locations, demonstrating our commitment to sustainable and cost-effective operations.
- Occupancy Sensors and Lighting Control: Use motion-sensing LED lighting systems to reduce power consumption in unoccupied areas, enhancing energy efficiency.
- Optimized Cooling Efficiency: Achieved approximately 35% cooling efficiency improvement through Cold aisle containment, active tiles, booster fans and blanking plates.
- IoT Platform for Environmental Monitoring: ESDS IoT platform deployed for temperature and humidity monitoring in Bengaluru and Mohali Data Centres.

The table below sets forth the certifications that our date centres have received.

Location of the Data Centre	Certifications
Nashik, Maharashtra	ISO 9001:2015, ISO 27001:2022, ISO 20000-1:2018, ISO 22301:2019, SAP HANA Operations certified in cloud services, PCI DSS 4.0 compliance, CMMI Maturity Level 5, ISO 27017:2015, ISO 27018:2019, ISO 14001:2015, ISO-27701:2019, ISO-45001:2018, SOC-I, II, III, STQC-MeitY and Rated Tier 3 by TIA 942 conducted by QSA International Limited
Navi Mumbai, Maharashtra	ISO 9001:2015, ISO/IEC 27001:2022, ISO 20000-1:2018, ISO 22301:2019, SAP certified in cloud services, HANA Operations, PCI DSS compliance 4.0, CMMI Maturity Level 5, ISO 27017:2015, ISO 27018:2019, ISO 14001:2015, ISO-27701:2019, ISO-45001:2018, SOC-I, II, III, STQC-MeitY and Rated Tier 3 by TIA 942 conducted by QSA International Limited
Bengaluru, Karnataka	ISO 9001:2015, ISO/IEC 27001:2022, ISO/IEC 20000-1:2018, ISO/IEC 22301:2019, SAP certified in cloud services, PCI DSS 4.0 compliance, CMMI Maturity Level 5, ISO 27017:2015, ISO 27018:2019, ISO 14001:2015, ISO-27701:2019, ISO-45001:2018, SOC-I,II,III, and Rated Tier 3 by TIA 942-B 2017 conducted by EPI Certification Pte. Ltd.
Mohali, Punjab	ISO 9001:2015, ISO/IEC 27001:2022, ISO/IEC 20000-1:2018, ISO/IEC 22301:2019, SAP certified in cloud services, CMMI Maturity Level 5, ISO 27017:2015, ISO 27018:2019, ISO 14001:2015, ISO-45001:2018, and Rated Tier 3 by TIA 942-B 2017 conducted by EPI Certification Pte. Ltd.

INTELLECTUAL PROPERTY

Our in-house developed eNlight cloud suite, which is a vertically auto scalable cloud technology, is patented in the United States of America (USPTO patent no. - US9176788B2) and India (Patent no - 397708). Our in-house developed methods and systems for automated scaling of computing clusters is patented in India (Patent no. - 412126).

Our Company has obtained trademark registrations under the Trade Marks Act, 1999 with respect to the following:

Nature of the Intellectual Property	Name and Class of Registration	Date of Expiry (month/date/year)	Watermark /Logo Image
Word Mark	"Famrut" Class 42	April 6, 2030	Famrut

Nature of the Intellectual Property	Name and Class of Registration	Date of Expiry (month/date/year)	Watermark /Logo Image
Word Mark	"ESDS" Class 9	August 31, 2030	
Word Mark	"ESDS" Class 42	August 31, 2030	
Logo Mark	"Enlight Cloud Class" 42	April 6, 2030	
Logo Mark	"Enlight 360" Class 42	April 6, 2030	
Logo Mark	"Famrut" Class 42	April 6, 2030	
Logo Mark	"ESDS" Class 42	April 6, 2030	
Logo Mark	"SPOCHub" Class 42	December 22, 2030	
Word Mark	"SPOCHub" Class 42	November 14, 2029	

Nature of the Intellectual Property	Name and Class of Registration	Date of Expiry (month/date/year)	Watermark /Logo Image
Word Mark	"Enlight" Class 9	December 7, 2031	eNlight 360°
Word Mark	"Enlight Cloud" Class 9	December 7, 2031	eNlight™ CLOUD
Word Mark	"Enlight" Class 42	December 7, 2031	eNlight™ CLOUD
Logo Mark	"Enlight 360" Class 9	December 7, 2031	eNlight 360°
Logo Mark	"Enlight Cloud" Class 9	December 7, 2031	eNlight™ CLOUD
Logo Mark	"Low Code Magic" Class 42	October 14, 2033	Low Code Magic

Nature of the Intellectual Property	Name and Class of Registration	Date of Expiry (month/date/year)	Watermark /Logo Image
Word Mark	"VTM Scan" Class 42	July 3, 2034	
Logo Mark	"VTM Scan" Class 42	July 3, 2034	

EMPLOYEES

As at January 31, 2025, we had 1,027 employees. The department wise breakup of such employees was as follows:

Department	Number of Employees
Data Centre operations	90
Facility Management	32
Finance and billing	24
Governance and compliance	6
Human resources and administration	36
International operations	99
Management	5
Purchase and store	9
R&D (SPOCHUB, Software Division)	103
Sales, presales and marketing	157
Service delivery	159
Technical support	227
Cloud Infrastructure	80
Total	**1,027**

We attribute our growth to the strength and experience of our Directors, Key Managerial Personnel and Senior Management. For details of our Directors, Key Managerial Personnel and Senior Management, see "*Our Management*" on page 256.

We have a focus on supporting our employees' personal and professional development including through the following:

- Holistic Development Programs: Through various leadership programs like Karna's Lakshyabhed and Aarohan, L&D successfully focused on skill enhancement and leadership.

- Technical Upskilling: Significant investment in technical training (total of 44 batches workshops totalling 114,400 man-hours in 2024, equipping employees with advanced skills.

- Assessment Initiatives: Comprehensive employee assessments in 124 technologies, improving organizational competency evaluation.

- Employee Incentive and Support Programs including the following**:**

    - Performance-Based Bonuses: Rewards based on individual, team, and company performance; leadership programs based on individual performance

- Referral Bonus Program: Incentives for referring potential hires.

- Loan Assistance: Support for personal loans, vehicle loans, or housing loans.

- Career Pathing & Succession Planning: Clear roadmaps for career advancement within the organization.

- Flexible Work Arrangements: Options for hybrid work, compressed workweeks, or remote work; paid leave and employee wellness programs.

In 2019, we achieved the 2nd rank among India's Great Places to Work (Mid-sized) and the 15th Rank in Asia. We ranked 28th amongst India's Best Companies to Work for in 2020, by Great Place to Work® Institute India and the Economic Times. We were ranked in 2020 and 2021 amongst the best places to work by Great Place to Work® Institute India across various categories. In 2024, we were recognised among the India's Top 25 mid-size Best Place to Work for by Great Place to Work® Institute India. We have also received the award for Best Learning Culture by the Economic Times HR World in 2024.

COMPETITION

We face competition from varied players across our different product and service offerings (*source: Nexdigm Report*). Such companies principally include companies of Indian origin, such as CtrlS Data Centers Limited, Nxtra By Airtel, Yotta Data Services Private Limited, WebWerks India Private Limited, CYFuture India Private Limited, and E2E Networks Limited (*source: Nexdigm Report*).

For more details on our competition, see "*Risk Factors – 31. The markets in which we operate are highly competitive and if we are unable to compete effectively, our business, financial condition, results of operations and cash flows could be adversely affected*" on page 60.

We believe the strength of our brand, end to end and diverse cloud computing product portfolio, unique pricing model such as "pay-per-consumption, "pay-per-branch" and "pay-per-transaction", eNlight vertically auto scalable capacities and customer experience are important differentiating factors in customers choosing us as their preferred cloud service provider, which helps us in retaining our customers, and sets us apart from our competitors.

For details on operational and financial benchmarking for us and our competitors in India, see "*Industry Overview-Peer Competitive Benchmarking*" on page 202. In addition, for details in relation to a comparison of our KPIs with our listed industry peers, see "*Basis for the Issue Price – Comparison of our KPIs with our listed industry peer*" on page 146.

INSURANCE

All the premises from which we operate are insured against fire and certain special perils including earthquake and certain of our premises are also insured again terrorism damage and damage caused due to riots and strikes. We have also obtained keyman insurance, directors and officers liability insurance and vehicle insurance. We believe that our insurance coverage is of the type and in the amounts commensurate with the nature and scope of our operations. For risks in relation to our insurance, see "*Risk Factors - 43. Our operations are subject to various risks, including breakdowns, equipment failure, interruptions in the supply of power, internet and telecommunication services and water, third party liability claims, labour disturbances, employee fraud and infrastructure failure, as well as force majeure events such as fire, earthquake, flood, and acts of terrorism. Our insurance coverage may not be adequate to protect us against all potential losses, which could have an adverse effect on our results of operations, cash flows and financial condition*" on page 67.

PROPERTIES

All the premises from which we operate are on a leasehold basis or are utilised pursuant to master service agreements entered into by us permitting our use of such premises.

Our Registered Office and our Data Centre in Nashik, Maharashtra are located at Plot No. B-24 & 25, NICE Area, MIDC, Satpur, Nashik, Maharashtra, India – 422007 and has been leased by us from Nashik Industrial Co-operative Estate Limited pursuant to a deed of assignment dated November 14, 2008 for lease of 95 years from November 14, 2008.

Our corporate office is located at Unit No. B-01, Ground Floor, Empire Tower, Gut No. 31, Mouje Elthan, Thane – 400 708, Maharashtra, India and has been taken by us from Reliable Exports (India) Private Limited pursuant to a leave and license agreement dated November 30, 2023 for a period from December 1, 2023 to November 30, 2028.

Our Data Centre in Bengaluru, Karnataka is located at 1st Floor, STPI building, No 76 & 77, Electronic City, Bengaluru, Karnataka, India – 560 100 is used by us pursuant to the master service agreement dated February 19, 2020 entered into by our Company with STPI, which is valid for a period of 10 years from July 1, 2020 (being the date of completion of setting up of the Data Centre), extendable for a further period of five years at the discretion of STPI. As consideration for us operating the date centre on the premises, we are required to pay STPI minimum guaranteed charges or 18% of the revenue generated from the Data Centre (whichever is higher) on an annual basis.

Our Data Centre in Mohali, Punjab is located at Plot no C 184, Industrial Area, Phase VIIIA, Sector 75, Sahibzada Ajit Singh Nagar, Punjab, India – 160 071 is used by us pursuant to the master service agreement entered into by our Company with STPI, which is valid for a period of 10 years from July 5, 2022 (being the date of completion of setting up of the Data Centre), which is extendable for a further period of five years at the discretion of STPI. As consideration for us operating the date centre on the premises, we are required to pay STPI minimum guaranteed charges or 18% of the revenue generated from the Data Centre (whichever is higher) on an annual basis.

Our Data Centre in Navi Mumbai, Maharashtra is located at Reliable Teach Park, A & B Wing, 2nd Floor, Dighe, Gavthewadi, Airoli, Navi Mumbai – 400 708, Maharashtra, India is utilised by us in accordance with the master service agreement entered into by us with Yotta Data Services Private Limited, which expires on August 14, 2031.

We also take on lease several other premises for use by our employees.

We have not leased, purchased or sold any properties from/to our Promoters, Promoter Group, Directors or Key Managerial Personnel, or any other related person or entity during the last five years preceding the date of this Red Herring Prospectus.

CORPORATE SOCIAL RESPONSIBILITY

Our corporate social responsibility ("**CSR**") initiatives mainly focus on areas including eradication of hunger, poverty and malnutrition, promotion of education, women empowerment, environmental sustainability, contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government, rural development projects and slum development. Our initiatives include the following:

- Education Sponsorship: we take responsibility for sponsoring the education of children of facility management staff, ensuring access to quality learning opportunities.

- Digital Labs Initiative: Donated laptops to village schools to create digital labs, bridging the digital divide and promoting technology access in rural areas.

- 1 Billion Trees Mission: we are actively working on a mission to plant 1 billion trees, contributing significantly to reforestation and biodiversity conservation.

- Carbon Footprint Reduction: we are focused on reducing carbon emissions through sustainable practices and eco-friendly initiatives within the organization and community projects.

The table below sets forth our required minimum expenditure on CSR activities and our actual expenditure towards CSR activities for Fiscals 2024, 2023 and 2022.

Particulars	Year ended March 31,		
	2024	2023	2022
	₹ in million		
Amount required to be spent during the Fiscal, including deficit of the previous Fiscal, as per Section 135 of the Companies Act, 2013, read with	0.18	2.03	3.80

Particulars	Year ended March 31,		
	2024	2023	2022
	₹ in million		
Companies (Corporate Social Responsibility Policy) Rules, 2014 [A]			
Amount spent during the Fiscal [B]	0.32	2.10	3.80
Excess/(deficit) of the amount required to be spent for the Fiscal [C = B – A]	0.14	0.07	0.00

KEY REGULATIONS AND POLICIES IN INDIA

The following is a brief overview of certain Indian laws and regulations which are relevant to our Company's business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies that are available in the public domain. Taxation statutes such as the Income-tax Act, 1961 and other miscellaneous regulations and statutes such as the Trademarks Act, 1999, apply to us as they do to any Indian company.

The overview set out below is not exhaustive and is only intended to provide general information, and is neither designed, nor intended, to be a substitute for professional legal advice. For details of government approvals obtained by our Company in compliance with these regulations, please see the "Government and Other Approvals" on page 415. The statements below are based on the current provisions of Indian law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Industry specific laws

The Information Technology Act, 2003 ("IT Act")

The IT Act was enacted with the purpose of providing legal recognition to transactions carried out by various means of electronic data exchange involving alternatives to paper-based methods of communication and storage of information. The IT Act also seeks to facilitate electronic filing of documents and create a mechanism for the authentication of electronic records through digital signatures. The IT Act prescribes punishment for publishing and transmitting obscene material in electronic form. It provides for extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India. The Information Technology (Procedure and Safeguards for Blocking for Access of Information by Public) Rules, 2009 specifically permit the Government of India to block access of any information generated, transmitted, received, stored or hosted in any computer resource by the public, the reasons for which are required to be recorded by it in writing.

Under the Information Technology Act, 2000, we are subject to civil liability to compensate for causing wrongful loss or wrongful gain to any person, while possessing, dealing or handling any sensitive personal data or information in a computer resource owned, controlled or operated by us due to negligence in implementing and/or maintaining reasonable security practices and procedures.

The IT Act and the Information Technology (Amendment) Act, 2008, which amends the IT Act, facilitate electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third-party information liability under specified circumstances, and creates liability for failure to protect sensitive personal data. The IT Act also prescribes civil and criminal liability including fines and imprisonment for computer related offences including those relating to unauthorized access to computer systems, tampering with or unauthorized manipulation of any computer, computer system or computer network and, damaging computer systems and creates liability for negligence in dealing with or handling any sensitive personal data or information in a computer resource and in maintaining reasonable security practices and procedures in relation thereto.

Pursuant to a notification dated November 24, 2021, issued by Ministry of Electronics and Information Technology, the Central Government appointed the Group Co-ordinator (Cyber Law) as the Designated Officer for purposes of the Information Technology (Procedure and Safeguards for Blocking for Access of Information by Public) Rules, 2009.

The Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 ("IT Security Rules")

The Department of Information Technology, Ministry of Electronics and Information Technology, Government of India ("**DoIT**") notified the IT Security Rules which prescribe directions for the disclosure, collection, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The IT Security Rules require every such body corporate or person who on behalf of the body corporate receives, stores or handles information to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, and publish such policy on its website; containing managerial, technical, operational and physical security control measures commensurate with the information assets being protected based on the nature of business, for handling and dealing with personal information, including sensitive personal data and ensuring security of all personal data collected by it. The IT Security Rules further require that all such personal data be used solely for the purposes for which it was collected, and any third-party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law.

The Information Technology (Intermediaries Guidelines and Digital Media Ethics Code) Rules, 2021 ("IT Intermediaries Rules")

The DoIT notified the IT Intermediaries Rules under the IT Act, 2000, in supersession of the Information Technology (Intermediary Guidelines) Rules, 2011, except with respect to things done or omitted to be done prior to the supersession, requiring intermediaries receiving, storing, transmitting, or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under the IT Intermediaries Rules, to disable hosting, publishing, transmission, selection or modification of such information once they become aware of it, as well as specifying the due diligence to be observed by intermediaries. The IT Intermediary Rules also make it mandatory for an intermediary to publish its privacy policy, rules, and regulations on its website, to inform their users, at least once a year, in case of a non-compliance and to establish a grievance redressal mechanism.

The IT Intermediaries Rules requires certain due diligence conduct by intermediaries including specific information requirements to users related to the rules and regulations, privacy policy, and user agreement of the intermediaries, due diligence by significant social media intermediaries including the appointment of a chief compliance officer to ensure compliance with the IT Act, observance of code of ethics by digital media publishers, provision for a grievance redressal mechanism by intermediaries, and grants authorized officers authority to examine content and issue directions to block content in case of an emergency. These IT Intermediaries Rules were amended by the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2022. The amendments expand the scope of existing obligations of intermediaries, impose new obligations on them and provide for a grievance appellate mechanism. Further, on March 15, 2024, an advisory on due diligence by intermediaries and platforms was announced under the IT Act and the IT Intermediaries Rules instructing intermediaries and platforms to make available under-tested or unreliable artificial intelligence ("**AI**") foundational models, large language models, Generative AI, software, or algorithms to users in India only after accurately labelling the generated output. Additionally, they must label all artificially generated media and text with unique identifiers or metadata to facilitate easy identification.

The Digital Personal Data Protection Act, 2023 ("DPDPA 2023")

The DPDPA 2023 provides for collection and processing of digital personal data by companies collecting data in digital form or in non-digital form which is digitised subsequently. DPDPA 2023 is also applicable to processing of digital personal data outside the territory of India, if such processing is in connection with any activity related to offering of goods or services to data principals within the territory of India. DPDPA 2023 stipulates obligations in relation to collection, recording, organisation, structuring, storage, adaptation, retrieval, use, alignment or combination, indexing, sharing, disclosure by transmission, dissemination or otherwise making available, restriction, erasure or destruction of personal data and appointment of a data protection officer for grievance redressal. In addition, significant data fiduciaries, as defined in DPDPA 2023 are required to appoint an independent data auditor who will evaluate their compliance with DPDPA 2023.

The Ministry of Electronics and Information Technology ("**MEITY**") on January 3, 2025, released the draft Digital Personal Data Protection Rules, 2025 (**"draft DPDP Rules"**) which seek to operationalise DPDPA 2023. As per these rules the data fiduciaries must provide clear and accessible information about how personal data is processed, enabling informed consent. The draft DPDP Rules also address the restrictions and handling of data, reporting of personal data breaches and cross-border data transfers among other specifications.

Revised Guidelines for Other Service Providers, 2021 ("Revised OSP Guidelines")

The Department of Telecommunications, vide guidelines issued on June 23, 2021 bearing reference number No. 18-8/2020-CS-I(Pt.), has issued the revised guidelines for other service providers in India which provide voice based business processing outsourcing services ("**OSPs**"). The Revised OSP Guidelines provide for general and specific guidelines to be followed by OSPs and security conditions to be adhered to in its operation. An Indian company registered under the Companies Act, 2013 providing voice-based business process outsourcing services to their customers may be registered as an OSP. The Revised OSP Guidelines provide for self-regulation of operations with certain records and logs required to be maintained and to be submitted periodically to the Department of Telecommunication on request.

Draft India Data Accessibility and Use Policy, 2022

The Draft India Data Accessibility and Use Policy ("**Data Policy**") was introduced by the MEITY on February 21, 2022. The Data Policy aims to enhance access, quality, and use of non-personal data, in line with the current and emerging technology needs of the decade. The primary objectives of the policy include, among others: (i) maximising access to and use of quality non personal data available with public sector; (ii) enhancing the efficiency of service delivery; (iii) promoting data interoperability and integration to enhance data quality and usability; (iv) protecting privacy and security of all citizens; (v) building digital and data capacity, knowledge and competency of government officials; (vi) increasing the availability of datasets of national importance; and (vii) streamlining inter-government data sharing while maintaining privacy, etc. The Data Policy also proposes that a India Data Office shall be set up by MEITY with an objective to *inter alia*, streamline and consolidate data access.

Information Technology (The Indian Computer Emergency Response Team and Manner of Performing Functions and Duties) Rules, 2013 ("CERT-In Rules" or "Rules")

The Indian Computer Emergency Response Team ("**CERT-In**") was established by the Government of India under Section 70B of the IT Act and officially notified on October 27, 2009. It serves as the national agency for cybersecurity incident response, playing a crucial role in monitoring, preventing, and responding to cybersecurity incidents across India. To regulate its functioning and ensure a structured approach to cybersecurity, the Government of India notified the CERT-In Rules on January 16, 2014. These Rules define CERT-In's roles, responsibilities and authority, outlining its interactions with stakeholders such as government organizations, service providers, intermediaries, data centres, and corporate entities. CERT-In is responsible for collecting, analysing and disseminating information on cyber incidents, issuing guidelines and advisories, and coordinating response measures to mitigate cybersecurity threats. The Rules empower CERT-In to call for information and issue binding directions to organizations in the event of cybersecurity incidents. Additionally, entities are required to report cyber incidents to CERT-In and implement cybersecurity best practices. Non-compliance with these directives may result in penalties under Section 70B(7) of the IT Act, 2000, including imprisonment of up to one year, a fine of up to ₹ 1 lakh, or both.

Cyber Security Directions, 2022

The Cyber Security Directions dated April 28, 2022, issued by the CERT-In, Ministry of Electronics and Information Technology, mandate entities to report cyber incidents within six hours of noticing them. These directions mandate mandatory reporting of cyber incidents such as data breaches, ransomware attacks, and system compromises within six hours of detection. Organizations must also enable and retain Information and Communication Technology ("**ICT**") system logs for 180 days within Indian jurisdiction and provide them to CERT-In upon request. To maintain accurate cybersecurity event tracking, all ICT systems must be synchronized with the Network Time Protocol servers of the National Informatics Centre or National Physical Laboratory. Additionally, data centres, cloud service providers, VPS providers, and VPN providers are required to register and maintain customer records, including validated names, IP addresses, and contact details, for at least five years. Failure to comply with these directions may result in penalties under Section 70B(7) of the IT Act, 2000, including fines and imprisonment.

Draft Data Centre Policy, 2020

The Ministry of Electronics and Information Technology ("**MeitY**"), in November 2020, released the draft Data Centre Policy ("**the Policy**") for development of Data Centres infrastructure within India, driven by the growing need for data localization and digital infrastructure in India. The policy lays forth plans for the Data Centre Sector's ("**DCS**") advancement. It suggests giving DCS an 'Infrastructure Status' so that it can access long-term credit from lenders on favorable terms. It recommends the Data Centre Incentivization Scheme ("**DCIS**'), which outlines both non-fiscal and fiscal incentives for DCS, among other things. Additionally, it suggests creating designated areas known as secure data zones areas, called "Data Centre Parks" to meet the high demands of networking, storage, and a variety of data-related services, along with the necessary infrastructure, such as water and electricity. The Policy proposes the establishment of Data Centre Economic Zones comprising Hyper-scale Data Centres, Cloud Service Providers, IT companies, R&D units, etc. It outlines an institutional framework for governance wherein it proposes setting up an Inter-Ministerial Empowered Committee ("**IMEC**"), a decision-making body in the DCS, Data Centre Facilitation Unit under IMEC to oversee the implementation of various measures and initiatives and a Data Centre Industry Council to act as an interface between DCS and the Government.

E-Waste (Management) Rules, 2022

The E-Waste (Management) Rules, 2022 ("**EWM Rules**"), notified by the Ministry of Environment, Forest and Climate Change on November 2, 2022, came into effect on April 1, 2023, replacing the E-Waste (Management) Rules, 2016. These rules introduce a revised Extended Producer Responsibility ("**EPR**") framework, making producers responsible for ensuring the environmentally sound management of e-waste through collection targets, authorized recyclers, and an online EPR portal. The scope of regulated electronic and electrical equipment ("**EEE**") has been expanded to over 100 product categories. The rules also mandate producers, manufacturers, refurbishers, and recyclers to register on the centralized EPR Portal, which will monitor compliance and facilitate e-waste tracking. Under the EPR framework, obligated entities must ensure that e-waste is collected and processed through authorized dismantlers and recyclers while meeting annual collection and recycling targets. The EWM Rules prohibit disposal in landfills and incineration, emphasizing the need for scientific recycling and recovery of valuable materials. Additionally, producers are permitted to meet their EPR obligations through market-based mechanisms, such as purchasing EPR certificates from recyclers.

Environmental Laws

The Environment (Protection) Act, 1986 ("EPA") read with Environment Protection Rules, 1986 ("EP Rules") and the Environmental Impact Assessment Notification, 2006 ("EIA Notification")

The EPA has been enacted for the protection and improvement of the environment. It stipulates that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emit any environmental pollutant in excess of such standards as may be prescribed. Further, no person shall handle or cause to be handled any hazardous substance except in accordance with such procedure and after complying with such safeguards as may be prescribed. EPA empowers the Central Government to take all measures necessary to protect and improve the environment such as laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas where industries may operate and generally to curb environmental pollution.

Further, the EP Rules specifies, inter alia, the standards for emission or discharge of environmental pollutants, prohibitions and restrictions on the location of industries as well as on the handling of hazardous substances in different areas. For contravention of any of the provisions of the EP Act or the rules framed thereunder, the punishment includes either imprisonment or fine or both. Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources.

Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the relevant state pollution control boards. Under the Water Act, any individual, industry or institution discharging industrial or domestic waste into water 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 ("Air Act")

Under the Air Act, the relevant state pollution control board may inspect any industrial plant or manufacturing process and give orders, as it may deem fit, for the prevention, control and abatement of air pollution. Further, industrial plants and manufacturing processes are required to adhere to the standards for emission of air pollutants laid down by the relevant state pollution control board, in consultation with the Central Pollution Control Board. The relevant state pollution control board is also empowered to declare air pollution control areas. Additionally, consent of the state pollution control board is required prior to establishing and operating an industrial plant. The consent by the state pollution control board may contain provisions regarding installation of pollution control equipment and the quantity of emissions permitted at the industrial plant.

Laws relating to Taxation

In addition to the aforementioned material legislations which are appliable to our Company, some of the tax legislations that may be applicable to the operations of our Company include:

1. Income-tax Act 1961, the Income-tax Rules, 1962, as amended by the Finance Act in respective years;*

2. Income-tax Bill, 2025, approved by the Union Cabinet, Government of India;

3. Central Goods and Service Tax Act, 2017, the Central Goods and Service Tax Rules, 2017 and various state-wise legislations made thereunder;

4. The Integrated Goods and Service Tax Act, 2017 and rules thereof;

5. Professional tax-related state-wise legislations; and

6. Indian Stamp Act, 1899 and various state-wise legislations made thereunder.

**The Income-tax Bill, 2025 has been approved by the Union Cabinet, Government of India and has been introduced before the Lok Sabha. It seeks to replace the Income-tax Act, 1961.*

Intellectual Property Laws

The Trade Marks Act, 1999 ("Trademarks Act")

The Trademarks Act provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement. The Trademarks Act also prohibits any registration of deceptively similar trademarks or compounds, among others. It also provides for infringement, falsifying and falsely applying for trademarks.

The Patents Act, 1970 ("Patents Act")

The Patents Act provides for the application and registration of new inventions of products or processes that meet the criteria of novelty, inventive step and industrial applicability for granting exclusive rights to the holder of such a patent to exclude others from making, using, selling, or distributing the invention without consent and obtaining relief in case of infringement. Under the Patents Act, the registration is granted for a fixed period of twenty years from the filing date of the application and after the expiry of the term of the patent, it becomes available in the public domain allowing its use without having to pay any fee / royalty to the inventor of the product or process.

Labour Law Legislations

Shops and establishments legislations

Under the provisions of local shops and establishments legislations applicable in the states in India where our establishments are set up and business operations exist, such establishments are required to be registered. Such legislations regulate the working and employment conditions of the employees employed in shops and establishments, including commercial establishments, and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of records, maintenance of shops and establishments and other rights and obligations of the employers and employees. These shops and establishments' acts, and the relevant rules framed thereunder, also prescribe penalties in the form of monetary fine or imprisonment for violation of provisions, as well as procedures for appeal in relation to such contravention of the provisions.

In addition to the local shops and establishments legislations, the employment of employees, depending on the nature of activity, is regulated by a wide variety of generally applicable employment laws. The various employment-related legislations (and rules issued thereunder) that may apply to our operations, from the perspective of protecting the employees' rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, including but not limited to the following:

- The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- The Employee's Compensation Act, 1923
- The Employees' State Insurance Act, 1948
- The Equal Remuneration Act, 1976
- The Maternity Benefit Act, 1961
- The Payment of Bonus Act, 1965
- The Payment of Gratuity Act, 1972
- The Child Labour (Prohibition and Regulation) Act, 1986
- The Right of Persons with Disabilities Act, 2016

- The Workmen's Compensation Act, 1923
- The Labour Welfare Fund Act, 1965
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- The Apprentices Act, 1961

In order to rationalize and reform labour laws in India, the Government of India enacted The Code on Social Security, 2020 ("**Code**") which received the assent of the President of India on September 28, 2020. The Code was initially proposed to come into effect on April 1, 2021; however, its implementation has been delayed, and only specific provisions related to the Employees' Provident Funds and Employees' Pension Scheme have been notified as of May 2023. It proposes to subsume several separate 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 (Regulation of Employment and Condition of Service) Act, 1996.

Other than few provisions of the Code on Social Security which were notified in 2023, comprehensive implementation of the Code is still pending, with further notifications awaited from the government.

Foreign Investment and Trade Regulations

Foreign Exchange Laws

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999 ("**FEMA**") along with the rules, regulations and notifications made by the Reserve Bank of India ("RBI") thereunder, and the consolidated Foreign Direct Investment ("**FDI**") Policy ("**Consolidated FDI Policy**") (effective from October 15, 2020) issued by the Department of Industrial Policy and Promotion ("**DIPP**"), Ministry of Commerce and Industry, Government of India from time to time. The Consolidated FDI Policy consolidates all the press notes, press releases, and clarifications on FDI issued by DIPP. Further, the RBI has enacted the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 ("**FEMA Rules**") and the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 which regulate the mode of payment and reporting requirements for investments in India by a person resident outside India. Requirements under these laws currently include restrictions on pricing, issue transfer, valuation of shares and sources of funding for such investments, and may, in certain cases, require prior notice for approval of the Government of India. Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the approval route. Under the Consolidated FDI Policy, foreign direct investment is permitted up to 100% on the automatic route, in sectors which are not specifically listed or prohibited in the Policy (including the information technology sector), subject to applicable laws or regulations, security and other conditionalities. Accordingly, the Consolidated FDI Policy permits our Company 100% FDI under the automatic route. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 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.

Foreign Exchange Management (Overseas Investment) Rules, 2022 ("ODI Rules")

The RBI, with an aim to operationalise a new overseas investment regime, has introduced the ODI Rules and the Foreign Exchange Management (Overseas Investment) Regulations, 2022 ("**ODI Regulations**"), vide Notification No. G.S.R. 646(E) and Notification No. FEMA 400/2022-RB dated August 22, 2022 respectively. Further, the Foreign Exchange Management (Overseas Investment) Directions, 2022 ("**ODI Directions**") were introduced to be read with the ODI Rules and the ODI Regulations. The new regime simplifies the framework to cover wider economic activity and thereby, significantly reducing the need for specific approvals. Investment may be made by an Indian entity only in a foreign entity engaged in activities permissible under the law in force in India and the host jurisdiction. Any manner of Overseas Direct Investment ("**ODI**") by an Indian entity shall be made as prescribed in the ODI Rules, namely: (i) subscription as part of MoA or purchase of equity capital, (ii) acquisition through bidding or tender procedure, (iii) acquisition of equity capital by way of rights issue or allotment of bonus shares, (iv) capitalisation of any amount due from the foreign entity subject to applicable conditions, (v) swap of securities, and (vi) merger, demerger, amalgamation or any scheme of arrangement.

Foreign Trade (Development and Regulation) Act, 1992 ("FTA") and the rules framed thereunder

The FTA read along with the Foreign Trade (Regulation) Rules, 1993, seeks to provide for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India. The FTA provides that no person shall make any import or export except under an importer-exporter code number ("**IEC**") granted by the Director General of Foreign Trade, Ministry of Commerce ("**DGFT**"). Every Indian entity engaged in any activity involving import or export is required to obtain an IEC unless specifically exempted from doing so.The IEC granted to any person may be suspended or cancelled inter alia in case the person contravenes any of the provisions of FTA or any rules or orders made thereunder or the DGFT or any other officer authorized by him has reason to believe that any person has made an export or import in a manner prejudicial to the trade relations of India. Any person who makes any export or import in contravention of any provision of this Act or any rules or orders made thereunder, or the foreign trade policy would become liable to a penalty under the FTA. Failure to mention the IEC number attracts a penalty of not less than ₹ 10,000 and not more than five times the value of the goods or services or technology in respect of which any contravention is made or is attempted to be made.

Other Applicable Laws

In addition to the above, our Company is required to comply with the provisions of the Indian Contract Act, 1872, Companies Act**,** Transfer of Property Act, 1882, The Competition Act, 2002, Prevention of Corruption Act, 1988, SEBI Listing Regulations, RBI guidelines, Insolvency and Bankruptcy Code, 2016 ("**IBC**"), Consumer Protection Act, 2019, employment laws and other applicable laws and regulations imposed by the central and state governments and other authorities for its day-to-day operations.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was originally incorporated as a private limited company under the name of 'ESDS Software Solution Private Limited' under the Companies Act, 1956, pursuant to a certificate of incorporation dated August 18, 2005, issued by the RoC. Subsequently, our Company was converted into a public limited company pursuant to a board resolution dated June 29, 2021 and a special resolution passed in the extra-ordinary general meeting of the shareholders held on June 30, 2021, and the name of our Company was changed to "ESDS Software Solution Limited" and a fresh certificate of incorporation dated July 8, 2021 was issued by the RoC. For details of the business of our Company, please see the section titled "*Our Business*" on page 208.

Changes in our registered office

Except as disclosed below, there has been no change in our registered office since incorporation:

Effective date of change	Details of change	Reason(s) for change
August 5, 2009	10 Archana Society Lokmanya Nagar, Nasik Road, District Nasik, Maharashtra 422 101 to Plot No. B-24 & 25, NICE Area, M.I.D.C., Satpur, Nasik – 422 007, Maharashtra, India	Requirement for additional space and administrative convenience

Main objects of our Company

The main objects contained in our Memorandum of Association are as follows:

1. *"To carry on in India and abroad business of development of all types of software and allied activities.*

2. *To provide online software services, on line technical support for web hosting companies, to manage web servers, to provide software services in the information and technology sector, to carry out Data Conversion of Books / CD's to Microsoft Word Documents or other word's format provided by the parties through the Hard Copies / CD's Web Down Loads on a regular basis and any other networking or marketing business in India and abroad.*

3. *To carry on the Business of sale, purchase and supply of IT and Non IT services, Purchase, sale and supply of hardware, collocation of servers, and setting up of IT & Non IT Infrastructure Services."*

The main objects as contained in our Memorandum of Association enable our Company to carry on the business presently being carried on and proposed to be carried on by our Company.

Amendments to our Memorandum of Association

The following table set forth details of the amendments to our Memorandum of Association, in the last 10 years, immediately preceding the date of this Draft Red Herring Prospectus:

Date of Shareholders' resolution/effective date	Details of the amendments
November 14, 2016	A new set of MOA was adopted and Clause III(A) of the MOA was amended to insert sub clause 3 (as set out below) after the existing sub clause 2: "*To carry on the Business of sale, purchase and supply of IT and Non IT services, Purchase, sale and supply of hardware, collocation of servers, and setting up of IT & Non IT Infrastructure Services*"
May 3, 2018	Clause V of the MoA was amended to reflect the increase in the authorised share capital of our Company from ₹300,000,000 divided into 6,127,030 equity shares of face value ₹10, 2,387,297 optionally convertible cumulative preference shares of ₹100 each carrying a coupon rate of 12% to ₹435,000,000 divided into 6,127,030 equity shares of face value ₹10, 2,387,297 12% optionally convertible cumulative preference shares of ₹100 each carrying a dividend rate of 12% ("**12% OCPS**") and 1,350,000 0.01% compulsory convertible cumulative preference shares of ₹100 each carrying a coupon rate of 0.01% ("**0.01% CCPS**")
June 4, 2018	Clause V of the MoA was amended to reflect the reclassification in the authorised share capital of our Company from ₹435,000,000 divided into 6,127,030 equity shares of face value

Date of Shareholders' resolution/effective date	Details of the amendments
	₹10, 2,387,297 12% OCPS and 1,350,000 0.01% CCPS to ₹435,000,000 divided into 19,985,000 equity shares of face value ₹10 and 2,351,500 0.01% CCPS
July 30, 2019	Clause V of the MoA was amended to reflect the reclassification of the authorised share capital of our Company from ₹435,000,000 divided into 19,985,000 equity shares of face value ₹10 and 2,351,500 0.01% CCPS to ₹435,000,000 divided into 13,500,000 equity shares of face value ₹10 and 3,000,000 0.01% CCPS
May 27, 2020	Clause V of the MoA was amended to reflect the reclassification of the authorised share capital of our Company from ₹435,000,000 divided into 13,500,000 equity shares of face value ₹10 and 3,000,000 0.01% CCPS to ₹435,000,000 divided into 11,500,000 equity shares of face value ₹10, 3,000,000 preference shares of ₹100 each carrying a dividend rate of 0.01% and 200,000 preference shares of ₹100 each carrying a dividend rate of 16%
June 30, 2021	Clause I of the MOA was amended to change the name of our Company from ESDS Software Solution Private Limited to ESDS Software Solution Limited, pursuant to the conversion of our Company from a private limited company to a public limited company
July 26, 2021	Clause V of the MoA was amended to reflect the sub-division of the face value of the equity shares of our Company, from 11,500,000 equity shares of face value of ₹ 10 each into 115,000,000 Equity Shares of face value of ₹ 1 each
	Clause V of the MoA was amended to reflect the increase in share capital of our Company from ₹435,000,000 divided into 11,500,000 equity shares of face value ₹1, 3,000,000 preference shares of ₹100 each carrying a dividend rate of 0.01% and 200,000 preference shares of ₹100 each carrying a dividend rate of 16% to ₹445,000,000 divided into 115,000,000 Equity Shares of face value ₹1, 3,000,000 preference shares of ₹100 each carrying a dividend rate of 0.01%, 200,000 preference shares of ₹100 each carrying a dividend rate of 16% and 1,000,000 preference shares of ₹10 each carrying a dividend rate of 0.01%
	Clause V of the MoA was amended to reflect the increase in share capital of our Company from ₹445,000,000 divided into 115,000,000 Equity Shares of face value ₹1, 3,000,000 preference shares of ₹100 each carrying a dividend rate of 0.01%, 200,000 preference shares of ₹100 each carrying a dividend rate of 16% and 1,000,000 preference shares of ₹10 each carrying a dividend rate of 0.01% to ₹460,000,000 divided into 115,000,000 equity shares of face value ₹1, 3,150,000 preference shares of ₹100 each carrying a dividend rate of 0.01% and 200,000 preference shares of ₹100 each carrying a dividend rate of 16% and 1,000,000 preference shares of ₹10 each carrying a dividend rate of 0.01%
January 25, 2025	Clause V of the MoA was amended to reflect the reclassification of the authorised share capital of pour Company from ₹460,000,000 divided into 115,000,000 equity shares of face value ₹1, 3,150,000 preference shares of ₹100 each carrying a dividend rate of 0.01% and 200,000 preference shares of ₹100 each carrying a dividend rate of 16% and 1,000,000 preference shares of ₹10 each carrying a dividend rate of 0.01% to ₹ 460,000,000 divided into 460,000,000 equity shares of ₹ 1 each

Major events and milestones in the history of our Company

The table below sets forth the key events and milestones in the history of our Company:

Calendar Year	Particulars
2024	Appraised at maturity (CMMi) level 5 of the capability maturity model integrated for software discipline by Maverick Quality Advisory Services
2023	Launch of our data centre in Airoli
2022	Launch of our data centre in Mohali, Punjab, pursuant to master service agreement entered into by us with STPI
	Received a patent from the Government of India for a "method and system for real time detection of resource requirement and automatic adjustments"
	Appraised at maturity (CMMi) level 3 on the capability maturity model integration by Maverick Quality Advisory Services
2021	Additional investment by GEF Capital Partners in our Company through South Asia Growth Fund II Holdings, LLC, South Asia Growth Fund II, L.P., GEF ESDS Partners, LLC and South Asia EBT Trust (acting through its trustee, Orbis Trusteeship Services Private Limited)
	Conversion of our Company from a private limited to public limited company
2020	Additional investment by GEF Capital Partners in our Company through South Asia Growth Fund II Holdings, LLC and South Asia EBT Trust (acting through its trustee at the time, Orbis Capital Limited)

Calendar Year	Particulars
	Launch of our data centre in Bengaluru, in partnership with STPI, pursuant to master service agreement entered into by us with STPI
	Introduction of information technology consultancy in services portfolio
	Recognized as SAP® certified partner in SAP HANA® operations for India
2019	Investment by GEF Capital Partners in our Company through South Asia Growth Fund II, L.P. and Global Environment Capital Company, L.L.C.
	Incorporation of foreign Subsidiaries, namely ESDS Cloud FZ-LLC in Dubai (United Arab Emirates) and ESDS Global Software Solution, Inc. in the State of Delaware (United States of America)
	Appraised at maturity level 3 of the capability maturity model integrated for software discipline by Map Certifications Private Limited
	Extension of empanelment with the Ministry of Electronics and Information Technology, Government of India as a cloud service provider in India
2017	Entered into a rate contract with DIT Maharashtra
2016	Launch of our data centre in Mahape, Navi Mumbai, Maharashtra*
2015	We received a USPTO patent for a "method and system for real time detection of resource requirement and automatic adjustments" in relation to our "eNlight Cloud" service
2011	Launch of our Company's intelligent cloud computing platform- eNlight Cloud
2010	Launch of our data centre in Nashik, Maharashtra

**The data centre was shifted from Mahape to Airoli in 2024.*

Key awards, accreditations or recognitions

Our Company has received the following key awards, accreditations and recognitions:

S. No.	Award, accreditations, and recognitions	Calendar Year
1.	Awarded the 'Best Learning Culture in an Organisation- Small & Medium Sized Enterprises' at the Economic Times HR World, Future Skills Awards	2024
2.	Recognised as among India's Top 25 Mid-size workplaces by building a culture of innovation by all by Great Place to Work® Institute India	
3.	Awarded the 'The Best Cloud as a Service Provider' at the 'MSP India Summit 2023' in the Cloud Category	2023
4.	Awarded the 'Most Admired Brand' by VARINDIA Magazine	
5.	Recognised as the outstanding cloud services provider by NBFC 100 Leader Excellence Awards	
6.	Winner of the 12th Aegis Graham Bell Award in the category of 'Combat COVID19 with Artificial Intelligence'	2022
7.	Recognized as the Most Preferred and Trusted Cloud Service Provider at ET Achievers 2022, Karnataka organised by the Times Group	
8.	Recognised as one of the Top 50 India's Best Workplaces for Women 2021 by the Great Place to Work Institute, India	2021
9.	Recognised as one of the Top 75 India's Best Workplaces in IT & IT-BPM 2021 by the Great Place to Work Institute, India	
10.	Recognised as the 'Most Admired Brand' 2021 by VARINDIA	
11.	Recognised as the Best Tech Brand 2020-21 at the Best Tech Brands 2021 by The Economic Times	
12.	Best Mid-Segment Data Center Award at the Data Center Industry Awards for Excellence 2021	
13.	Recognized by the Great Place to Work Institute for its 'Commitment To Being a Great Place to Work'	
14.	Ranked 28th amongst India's Best Companies to Work for by Great Place to Work® Institute India and The Economic Times	2020
15.	Recognised as among India's 50 Best Workplaces for Women 2020 by Great Place to Work® Institute India	
16.	Recognised as the 15th Best Small & Medium Workplaces in Asia 2020 by Great Place to Work® Institute	
17.	Ranked 2nd in the Great Mid-Sized Workplaces of India by Great Place to Work® Institute India	2019
18.	Recognised as 'Best Smart City Community Cloud Provider' at the Smart Livable and Resilient City Conclave	2018
19.	Received CIO Choice Award under the category titled, 'Public Cloud' for double patented Auto-Vertical Scaling 'eNlight Cloud'	
20.	Ranked 13th in India's Great Mid-Size Workplaces 2017 by The Mint	2017

S. No.	Award, accreditations, and recognitions	Calendar Year
21.	Received Innovation in Cloud Technology Award at the 7th Annual Aegis Graham Bell Awards	
22.	Received NetApp Innovation Award 2016 in the recognition of cloud computing innovation	2016
23.	Ranked 98th amongst India's Best Companies to Work for by Great Place to Work and The Economic Times	
24.	Received 'Trendsetter' award 2015 for Excellence in IT Innovation by NetApp	2015
25.	The award for Best Web Hosting and Data Centre Service Provider in West India conferred at the Global Business & Service Excellence Awards 2014 by Prime Time Research Media Private Limited	2014
26.	Received 'Innovation in Cloud Based Technology' award from The Economic Times	
27.	Best Web Solution and Data Centre Service Provider in Maharashtra conferred at the Global Business & Service Excellence Awards 2013 by Prime Time Research Media Private Limited	2013
28.	Most Promising Banking Technology Solutions & Service Provider in North Maharashtra conferred at the Business & Service Excellence Awards 2012 by Big Research	2012
29.	Received Maharashtra Information Technology Award 2011 for Best IT Enabled Services	2011
30.	Received Green IT Infrastructure award at the Maharashtra IT Awards, by Government of Maharashtra	2010

Significant financial and/or strategic partners

Except as set out below, our Company does not have any significant financial or strategic partners.

Our Company has entered into master service agreements dated February 19, 2020 (with respect to our Bengaluru Data Centre) and July 5, 2022 (with respect to our Mohali Data Centre) with Software Technology Parks of India, Bengaluru ("**STPI**") (the "**Master Service Agreements**"). Pursuant to the Master Service Agreements, our Company has been given the right to set up and operate our Data Centres located at Bengaluru and Mohali, on a public-private partnership model, on premises allocated by STPI. Our Company is required to adhere to certain standards of performance with respect to such Data Centres. Further, STPI is required to assist our Company in marketing activities. As of the date of this Draft Red Herring Prospectus, our Company has the right to operate the Bengaluru Data Centre till June 30, 2030, and the Mohali data centre till July 4, 2032. In accordance with the Master Service Agreements, such periods may be extended for an additional period of five years at the discretion of STPI. As consideration for the continued operation of the Bangalore Data Centre and the Mohali Data Centre, our Company is obligated to pay STPI, guaranteed minimum charges on an annual basis or an 18% revenue share (whichever is higher).

Time/cost overrun in setting up projects by our Company

There have been no time and cost overruns pertaining to our business operations or any projects undertaken by our Company.

Launch of key products or services, entry into new geographies or exit from existing markets, location of our data centres and capacity/facility creation

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, location of our data centres and capacity/facility creation, to the extent applicable, see "- *Major events and milestones in the history of our Company*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 247, 208 and 363, respectively.

Defaults or rescheduling/restructuring of borrowings with financial institutions/banks

As on the date of this Draft Red Herring Prospectus, there have been no defaults, restructuring or rescheduling of borrowings availed by our Company from financial institutions or banks.

Details regarding material acquisitions or divestments of business/undertakings, mergers or amalgamations in the last 10 years

Except as set out below, our Company has not made any material acquisitions or divestments of any business or undertaking, and has not undertaken any mergers, amalgamation in the last 10 years preceding the of the Draft Red Herring Prospectus:

Divestment of ESDS Internet Services Private Limited ("ESDS Internet"), our erstwhile subsidiary

Our Company, on August 29, 2024, sold its entire holding of 9,000 equity shares of ₹ 10 each, in its subsidiary, ESDS Internet Services Private Limited representing 50% of the paid-up share capital of ESDS Internet to Vinod Rajmal Sancheti, for a purchase consideration of ₹ 90,000. Our Company obtained a valuation certificate dated June 1, 2024, from Omkar Ravindra Karambelkar, a registered valuer, for certifying the fair market value of the equity shares of ESDS Internet. Accordingly, pursuant to the divestment, ESDS Internet ceased to be a subsidiary of our Company.

Our Company has not acquired any business/material assets in the last five years.

Revaluation of assets in the last 10 years

Except as disclosed below, our Company has not revalued its assets in the 10 years preceding the date of this Draft Red Herring Prospectus.

- Our Company had revalued the carrying value of the land and building as on March 31, 2020, from their carrying value as at March 31, 2020 (before revaluation) of ₹ 22.98 million and ₹ 77.66 million, respectively pursuant to adjustment on account of fair valuation to ₹ 65.67 million and ₹ 110.51 million, respectively, as on March 31, 2020.

- Our Company had revalued the carrying value of the land and building on April 12, 2024, from their carrying value as at March 31, 2023 (before revaluation) of ₹ 62.37 million and ₹ 100.84 million, respectively pursuant to adjustment on account of fair valuation to ₹ 85.70 million and ₹ 132.52 million, respectively.

Details of shareholders' agreements

As on date of this Draft Red Herring Prospectus, there are no subsisting shareholders' agreements among our Shareholders *vis-à-vis* our Company.

As on the date of this Draft Red Herring Prospectus, there are no special rights available to Shareholders under our Articles of Association.

Other agreements

Except as disclosed below, there are no arrangements or agreements, deeds of assignment, acquisition agreements, shareholders' agreements, inter se agreements, agreements of like nature or agreements comprising any clauses/ covenants in relation to the securities of our Company, which are material to our Company, and which are required to be disclosed, or the non-disclosure of which may have a bearing on the investment decision of prospective investors in the Issue. Further, there are no clauses/ covenants that are adverse or prejudicial to the interest of the minority and public shareholders of our Company, or which may have a bearing on any investment decision.

Investment Agreement dated September 16, 2024 ("September Investment Agreement") entered into by and between our Company, Piyush Prakashchandra Somani ("Promoter"), South Asia Growth Fund II, L.P., GEF ESDS Partners LLC, South Asia Growth Fund II Holdings LLC, South Asia EBT Trust through Orbis Trusteeship Services Private Limited ("Existing GEF Investors") and the October 2024 Investors.

Our Company, the Existing GEF Investors and the October 2024 Investors entered into the September Investment Agreement dated September 16, 2024, wherein the October 2024 Investors had collectively agreed to subscribe to 4,634,151 Equity Shares of face value ₹ 1 each, of the Company against a subscription amount of ₹ 760.00 million. For details, see "*Capital Structure - Notes to the capital structure – 1. Share capital history of our Company – (a) Equity Share capital*" on page 97.

The September Investment Agreement provides the October 2024 Investors with the right to participate in any further issuance of securities by our Company, in proportion to their respective shareholding (subject to certain exclusions including for any issuance pursuant to the Issue). The September Investment Agreement, as amended restricts the October 2024 Investors from *inter alia* transferring the Equity Shares held, subscribed pursuant to the September Investment Agreement and subsequently acquired or subscribed, for a period of one year from the closing date for the subscription pursuant to the September Investment Agreement. The September Investment Agreement and such right shall terminate upon the consummation of the Issue and shall not survive listing. To give effect to the same, a waiver cum amendment agreement to the September Investment Agreement, dated March 27, 2025, was entered between our Company, Piyush Prakashchandra Somani and the October 2024 Investors, waives and suspends certain rights which were available to the October 2024 Investors, for the purpose of the Issue.

Investment Agreement dated December 10, 2024 ("December Investment Agreement") entered into by and between our Company, Piyush Prakashchandra Somani ("Promoter") and Mukul Mahavir Agrawal ("Investor")

Our Company, the Promoter and the Investor entered into an Investment Agreement dated December 10, 2024, in furtherance to the Investment Agreement dated September 16, 2024. As per the December Investment Agreement, the Investor had agreed to subscribe to 2,222,222 Equity Shares of face value ₹ 1 each, of the Company against a subscription amount of ₹ 500.00 million. For details, see "*Capital Structure - Notes to the capital structure – 1. Share capital history of our Company – (a) Equity Share capital*" on page 97.

The December Investment Agreement provides the Investor with the right to participate in any further issuance of securities by our Company, in proportion to his shareholding (subject to certain exclusions including for any issuance pursuant to the Issue). The December Investment Agreement imposes restriction on the Investor with respect to transfer of Equity Shares subscribed by him pursuant to the December Investment Agreement or any Equity Shares held by him till March 31, 2025, or from selling such shares to a competitor without the consent of the Baord. Moreover, the Investor shall not be permitted to transfer the shares for a period of 6 months from the date of filing of the DRHP. The December Investment Agreement and such right shall terminate upon the consummation of the Issue and shall not survive listing. To give effect to the same, a waiver cum amendment agreement to the December Investment Agreement, dated March 26, 2025, was entered between our Company, Piyush Prakashchandra Somani and the Investor, waives and suspends certain rights which were available to the Investor, for the purpose of the Issue.

As on the date of this Draft Red Herring Prospectus, our Company has not entered into any other subsisting material agreement including with strategic partners, joint venture partners, and/or financial partners other than in the ordinary course of business of our Company.

Other than as disclosed above and agreements entered into by us in the normal course of business (which do not directly or indirectly or potentially or whose purpose and effect is not to, impact the management or control of our Company), there are no agreements entered into by Promoters, Promoter Group entities, Directors, Key Managerial Personnel, employees of our Company and/or our Subsidiaries, among themselves or with the listed entity or with a third party, solely or jointly, in the normal course of business, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of our Company or impose any restriction or create any liability upon our Company, whether or not our Company is a party to such agreements.

Agreements with Key Managerial Personnel, Senior Management, Directors or any other Employee

There are no agreements entered into by Key Managerial Personnel or Senior Management or Directors 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.

Material clauses of Articles of Association

There are no material clauses of the Articles which have been left out from the disclosure in this Draft Red Herring Prospectus, having any bearing on the Issue.

For details of the Articles of Association, please see "*Main Provisions of The Articles of Association*" on page 461.

Our holding company

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Our Subsidiaries, associates or joint ventures

For details in relation to our Subsidiaries, please see *"Our Subsidiaries"* on page 253.

As on the date of this Draft Red Herring Prospectus, our Company does not have any joint ventures or associates.

OUR SUBSIDIARIES

Our Company has three Subsidiaries, as on the date of this Draft Red Herring Prospectus.

(i) ESDS Cloud FZ-LLC;
(ii) ESDS Global Software Solution Inc; and
(iii) Spochub Solutions Private Limited.

Set out below are details of our Subsidiaries.

1. ***ESDS Cloud FZ-LLC ("ESDS Cloud FZ")***

Corporate Information

ESDS Cloud FZ was incorporated as a free zone company with limited liability on May 29, 2019, in accordance with the provisions of private companies regulations of 2016 issued under the Law No. 15 of 2014 concerning Dubai Development Authority, as amended, with the Dubai Development Authority, ("**DDA**"). Its commercial license number is 96100. It operates from a shared desk facility located at Ex-17, Ground Floor, Building 07, Co-work, Dubai Outsource City, Dubai, United Arab Emirates.

Nature of Business

ESDS Cloud FZ is in the business of providing IT services.

Capital Structure

Below is the capital structure of ESDS Cloud FZ:

Particulars	No. of shares of face value of AED 1,000 each
Share capital	10*

** On January 9, 2025, our Company has invested an additional amount of USD 4.47 million (₹ 385.99 million) towards subscription to additional 56 shares of AED 1,000 each of ESDS Cloud FZ. Pursuant to such investment, ESDS Cloud FZ has filed an application dated March 3, 2025, seeking approval of the Dubai Development Authority for the related increase in the share capital of ESDS Cloud FZ. As of the date of this Draft Red Herring Prospectus, the application filed with the DDA is currently pending and accordingly, the proposed increase in share capital of ESDS Cloud FZ is yet to be completed.*

Shareholding Pattern

The shareholding pattern of ESDS Cloud FZ as on the date of this Draft Red Herring Prospectus is as follows:

S. No.	Name of the shareholder	Number of shares (of AED 1,000 each) held	Percentage of total equity share capital (%)
1.	ESDS Software Solution Limited	10*	100.00
Total		**10***	**100.00**

** On January 9, 2025, our Company has invested an additional amount of USD 4.47 million (₹385.99 million) towards subscription to additional 56 shares of AED 1,000 each of ESDS Cloud FZ. Pursuant to such investment, ESDS Cloud FZ has filed an application dated March 3, 2025, seeking approval of the Dubai Development Authority for the related increase in the share capital of ESDS Cloud FZ. As of the date of this Draft Red Herring Prospectus, the application filed with the DDA is currently pending and accordingly, the proposed increase in share capital of ESDS Cloud FZ is yet to be completed.*

2. ***ESDS Global Software Solution Inc ("ESDS Global")***

Corporate Information

ESDS Global was incorporated as a corporation on July 1, 2019, in accordance with the provisions of the General Corporation Law of the State of Delaware. Its company registration number is 20190107436 and its registered office is situated in 919, North Market Street, Suite 950, Wilmington, New Castle, Zip Code - 19801.

Nature of Business

ESDS Global is in the business of providing data centre and managed services.

Capital Structure

Particulars	No. of equity shares of face value of 1$ each
Authorised share capital	1,000
Paid-up share capital	1,000

Shareholding Pattern

The shareholding pattern of ESDS Global as on the date of this Draft Red Herring Prospectus is as follows:

S. No.	Name of the shareholder	Number of equity shares (of 1$ each) held	Percentage of equity share total capital (%)
1.	ESDS Software Solution Limited	1,000	100.00
Total		**1,000**	**100.00**

3. ***SPOCHUB Solutions Private Limited ("SPOCHUB")***

Corporate Information

SPOCHUB was incorporated as a private company under the Companies Act, 2013, on February 25, 2021. Its CIN is U72900MH2021PTC355918, and its registered office is situated at B-24 and 25, Nice Industrial Area, Satpur M.I.D.C., Nashik- 422 007.

Nature of Business

SPOCHUB is in the business of gathering, accumulating, organising, tabulating, managing, obtaining, collecting, purchase, acquisition, import, dissemination, disposal, export, sales and marketing of and trading in, all types of information, data, statistics, computer based information systems and data bases and library and information sciences, both in the form and nature in which the same may be so gathered, accumulated, organised, tabulated, obtained, imported, acquired, collected or purchased and also in all types of modified forms, formats, manner and nature.

Capital Structure

Particulars	No. of equity shares of face value of ₹ 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up share capital	20,000

Shareholding Pattern

The shareholding pattern of SPOCHUB as on the date of this Draft Red Herring Prospectus is as follows:

Name of the shareholder	Number of equity shares (of ₹10) held	Percentage of total equity share capital (%)
ESDS Software Solution Limited	19,998	99.99
Piyush Prakashchandra Somani*	2	0.01
Total	**20,000**	**100.00**

* *As a nominee of our Company*

Accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of any of our Subsidiaries that have not been accounted for by our Company.

Interest in our Company

Except as provided in "*Our Business*" on page 208 and "*Restated Consolidated Financial Information – Note 41 - Interests in other entities*" on page 354, none of our Subsidiaries have any business interest in our Company.

Related business transactions

Except as disclosed in *"Restated Consolidated Financial Information – Note 31 (a) – Related party names and Note 31 (b) (I) – Nature of transactions and amounts"* on page 339, there have been no related business transactions of our Subsidiaries with our Company during the six months ended September 30, 2024 and last three Fiscals.

Common pursuits

ESDS Cloud FZ and ESDS Global are in the same line of business as that of our Company and accordingly, there are certain common pursuits amongst these Subsidiaries and our Company. However, these Subsidiaries are incorporated outside India. Our Company will adopt necessary procedures and practices as permitted by law and regulatory guidelines to address any conflict situations as and when they arise.

Other confirmations

None of our Subsidiaries are listed on any stock exchange in India or abroad. Further, neither have any of the securities of our Subsidiaries been refused listing by any of the stock exchanges in India or abroad, nor have any of our Subsidiaries failed to meet the listing requirements of any of the stock exchanges in India or abroad.

There is no conflict of interest between the lessors of immoveable properties, suppliers of raw materials and third party service providers, which are crucial for the operations of our Company, and our Subsidiaries and/or their directors.

OUR MANAGEMENT

Board of Directors

The Articles of Association provides that our Board shall comprise of a minimum of six Directors and a maximum of 15, provided that our Shareholders shall have the right to increase such number of Directors in accordance with the Articles and the Companies Act.

As on the date of this Draft Red Herring Prospectus, we have six Directors on our Board, of whom three are Executive Directors and three are Independent Directors including one Independent woman Director. Our Company is in compliance with the corporate governance requirements prescribed under the SEBI Listing Regulations and the Companies Act, 2013 in relation to the composition of our Board and constitution of committees thereof.

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

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
Piyush Prakashchandra Somani *Designation*: Managing Director and Chairman *Date of birth*: June 9, 1979 *Address*: Flat No. 1004, B-Wing, Kraabi Samrat Tropicano, Gangapur Road, Serene Meadows, Anandwali, Nashik – 422 013, Maharashtra, India *Occupation*: Service *Current term*: Five years with effect from January 26, 2025 (liable to retire by rotation) *Period of directorship*: Since incorporation *DIN*: 02357582	45	*Indian Companies* • SPOCHUB Solutions Private Limited. *Foreign companies* • ESDS Cloud FZ-LLC; • ESDS Global Software Solution, INC.
Komal Piyush Somani *Designation*: Whole-time Director *Date of birth*: June 1, 1986 *Address*: Flat No. 1004, B-Wing, Kraabi Samrat Tropicano, Gangapur Road, Serene Meadows, Anandwali, Nashik – 422 013, Maharashtra, India *Occupation*: Service *Current term*: Five years with effect from July 28, 2021 (liable to retire by rotation) *Period of directorship*: Since July 28, 2021 *DIN*: 08477154	38	*Indian Companies* • Resvera Wines Limited; *Foreign Companies* Nil
Jitendra Pathak *Designation*: Additional Director (Executive)* *Date of birth*: January 14, 1973 *Address*: Future Tower No. 56, Flat No. 1407, Amanora Park Town, Behind Amanora Mall, Hadapsar, Pune City, Pune - 411028, Maharashtra, India	52	*Indian Companies* • Pi Jam Foundation *Foreign Companies* Nil

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
Occupation: Service *Current term*: Since February 4, 2025 until next general meeting of the Company *Period of directorship*: Since February 4, 2025 *DIN*: 09000712		
Thandankorai Ganapathy Dhandapani *Designation*: Independent Director *Date of birth*: April 18, 1957 *Address*: 106, Bayview Apartment, 4th Seaward Road, Valmiki Nagar, Thiruvanmiyur, Chennai – 600 041, Tamil Nadu, India *Occupation*: IT Consultant *Current term*: Five years from July 28, 2021 *Period of directorship*: Since July 28, 2021 *DIN*: 09239677	67	*Indian Companies* Nil *Foreign Companies* Nil
Pamela Kumar *Designation*: Independent Director *Date of birth*: September 8, 1960 *Address*: #23 UAS Layout, N S Halli, Bangalore North, R.M.V. Extension li Stage, Bangalore – 560 094, Karnataka, India *Occupation*: Engineer *Current term*: Five years from July 28, 2021 *Period of directorship*: Since July 28, 2021 *DIN*: 07616165	64	*Indian Companies* Nil *Foreign Companies* Nil
Venkatesh Natarajan *Designation*: Independent Director *Date of birth*: November 25, 1962 *Address*: Prestige Bella Vista, Tower 19, 7th Floor, Flat No 19084, Mount Poonamallee Road, Chennai, Ayyappanthangal, Kancheepuram – 600056, Tamil Nadu, India *Occupation*: Professional *Current term*: Five years from July 1, 2023 *Period of directorship*: Since July 1, 2023 *DIN*: 07471917	62	*Indian Companies* Nil *Foreign Companies* Nil

**Pursuant to resolution of our Board dated February 4, 2024, he has been appointed as an Additional Director (Executive). His appointment is subject to approval of our Shareholders.*

Brief profiles of our Directors

Piyush Prakashchandra Somani is the Promoter and Managing Director of our Company and Chairman of our Board. He holds a bachelor's degree in engineering (electronics) from the University of Pune. He has been associated with our Company since incorporation and has over 19 years of experience in the information technology sector. He is primarily responsible for overseeing overall strategy and business development functions of our Company. As the founder of our Company, he has been instrumental in expanding the operations of our Company in India and in international markets. He is also on the board of directors of our subsidiaries, SPOCHUB Solutions Private Limited, ESDS Cloud FZ-LLC and ESDS Global Software Solution, Inc.

Komal Piyush Somani is the Whole-time Director on our Board, the Chief Marketing Officer and Chief Human Resource Officer of our Company. She holds a bachelor's degree in engineering from the University of Pune. She has been associated with our Company since September 1, 2012. She has over 12 years of experience in the information technology sector. She is primarily responsible for overseeing the overall strategy, human resources and marketing functions of our Company. She has won several awards and recognitions such as "Most Innovative Woman of the Year – 2018" at the 2nd She Leads Summit and Awards, 2018, was ranked amongst the 50 Most Innovative HR Technology Leaders 2017, and amongst the 25 Most Innovative HR Tech Leaders – 2016 at the Asia Pacific HRM Congress. She was also awarded the Maharashtra Nari Ratna Award 2017, Tejaswini Sanmaan by Swaraj in 2017 and Nashik Best HR Leaders – 2017. She is also on the board of directors of Resvera Wines Limited.

Jitendra Pathak is the Additional Director (Executive) on our Board and the Chief Operations Officer of our Company. He joined our Company on September 2, 2024. He holds a bachelor's degree in engineering from the Nagpur University and has passed the post-graduate diploma in business administration examination from Sardar Patel University. He has over 30 years' experience in the field of operations. He is primarily responsible for overseeing the overall management and technical operations functions of our Company. Prior to joining our Company, he was associated with RDM Services, Wifran Inc., Zenith Computers Limited, Vinamra Corporation, Wipro Infotech Limited, Vodafone India Services Private Limited, and ConnectWise LLP.

Thandankorai Ganapathy Dhandapani is an Independent Director of our Company. He holds a bachelor's degree in commerce from the University of Madras and is an associate member of the Institute of Chartered Accountants of India. He has completed the global program for management development by Ross School of Business, Michigan and the international seminar on TQC for Top Management organized by the Union of Japanese Scientists and Engineers. He has over 37 years of experience in the information technology sector. He was previously associated with Sundaram-Clayton Limited as their chief information officer.

Pamela Kumar is an Independent Director of our Company. She holds a bachelor's degree in engineering from the Panjab University and a master's degree in science from Rutgers, The State University of New Jersey. She has completed the Executive General Management Programme conducted by the Indian Institute of Management, Bangalore. She has over 17 years of experience in the field of systems and technology. Previously, she has been associated with AT&T Information Systems, Centre for Development of Telematics, Network Programs (India) Private Limited., Alliance Semiconductor (India) Private Limited, Texas Instruments (India) Limited, IBM India Private Limited, Hewlett-Packard India Software Operation Private Limited, and has previously been appointed as a Director General, India's Telecom Standards Development Organisation.

Venkatesh Natarajan is an Independent Director of our Company. He holds a bachelor's degree in mechanical engineering from the University of Mysore, a master's degree of technology in maintenance engineering and another master's degree in engineering management from the University of Mysore. He has over 23 years of experience in information management services. He was recognized as the 'Digital Transformation Champion' 2014 by Capgemini and CIO Crown. He was previously associated with Ashok Leyland Limited as the President-Ashok Leyland Information Management Services.

Confirmations

None of our Directors is or was a director of any company listed on any stock exchange, whose shares have been or were suspended from being traded during the five years preceding the date of this Draft Red Herring Prospectus, during the term of his/her directorship in such company.

None of our Directors is, or was a director of any listed company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

Except Piyush Prakashchandra Somani, who is the spouse of Komal Piyush Somani, none of our other Directors are related to each other.

No sum or consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

Further, none of our Directors have been identified as Wilful Defaulters or Fraudulent Borrowers as defined under the SEBI ICDR Regulations.

Arrangement or understanding with major Shareholders, customers, suppliers or others

None of our Directors have been appointed or selected pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

Service contracts with Directors

Our Company has not entered into any service contracts with any Director, which provide for benefits upon termination of employment. Except statutory benefits upon termination of their employment in our Company or superannuation, no Directors are entitled to any benefit upon termination of employment or superannuation.

Terms of appointment of our Executive Directors:

Piyush Prakashchandra Somani

Our Board at their meeting held on September 6, 2024 approved the appointment of Piyush Prakashchandra Somani as Managing Director for a period of five years from January 26, 2025. Our Shareholders have approved such appointment at their annual general meeting held on September 30, 2024. The following table sets forth the terms of appointment of Piyush Prakashchandra Somani as approved by our Shareholders at their meeting held on September 30, 2024:

S. No.	Category	Particulars
1.	Salary	**Annual remuneration**: Annual remuneration payable shall not exceed ₹ 14.09 million inclusive of fixed and variable components, with effect from August 1, 2024 with a provision for increase in remuneration of not more than 30% per annum over the remuneration of the previous year which would be subject to recommendation by the Nomination and Remuneration Committee, the Audit Committee and approval of the Board on an annual basis. **Leave encashment**: Leave encashment at the end of his tenure, as per the Company's HR policy. Contributions to provident fund, superannuation fund or annuity fund, to the extent these, either singly or put together, are not taxable under the Income-tax Act, 1961 as per the Company's HR policy. Gratuity will be payable at a rate not exceeding half month's salary for each completed year of service, as per the Company's HR policy.
2.	Perquisites	He shall be entitled to the following: a. The Company will contribute to personal accident insurance, mediclaim insurance, keyman insurance policies obtained by the Company. b. A Company-maintained chauffeur driven car for the Company's business purposes. c. Telephone, cell phone and such other means of communication like laptop, internet facilities at his residence for business purposes which would not be considered as perquisites.
3.	Minimum Remuneration	In the event of loss or inadequacy of profits in the financial year 2024-25, remuneration will be paid to him as the minimum remuneration, which shall be within the ceiling limit specified under Part II of section II of Schedule V of the Companies Act, 2013, including any statutory modifications(s) or re-enactment(s) thereof, for the time being in force and in accordance with the recommendation of the Nomination and Remuneration Committee and the approval of Board of Directors.

S. No.	Category	Particulars
4.	Service Agreement	Our Company and Piyush Prakashchandra Somani entered into a service agreement dated October 1, 2024 for recording the terms and conditions for his appointment.

Komal Piyush Somani

Our Board at their meeting held on July 28, 2021 approved the appointment of Komal Piyush Somani as Whole-time Director for a period of five years, with effect from July 28, 2021. Our Shareholders have approved such appointment at their extra-ordinary general meeting held on August 9, 2021. The following table sets forth the terms of appointment of Komal Piyush Somani as approved by our Shareholders at their meeting held on September 30, 2024:

S. No.	Category	Particulars
1.	Salary	**Annual remuneration:** Annual remuneration payable shall not exceed ₹ 7.5 million inclusive of fixed and variable components, with effect from August 1, 2024 till the balance term of her appointment as Whole-time Director. Increase in remuneration of not more than 30% over the remuneration of the previous year may be provided, subject to the recommendation by the Nomination and Remuneration Committee, the Audit Committee and approval of the Board on an annual basis. **Leave encashment**: Leave encashment at the end of her tenure, as per the Company's HR policy. Contributions to provident fund, superannuation fund or annuity fund, to the extent these, either singly or put together, are not taxable under the Income-tax Act, 1961 as per the Company's HR policy. Gratuity will be payable at a rate not exceeding half month's salary for each completed year of service, as per the Company's HR policy.
2.	Perquisites	She shall be entitled to the following: a. The Company will contribute to personal accident insurance, mediclaim insurance, keyman insurance policies obtained by the Company. b. A Company-maintained chauffeur driven car for the Company's business purposes. c. Telephone, cell phone and such other means of communication like laptop, internet facilities at her residence for business purposes which would not be considered as perquisites.
3.	Minimum Remuneration	In the event of loss or inadequacy of profits in the financial year 2024-25, remuneration will be paid to her as the minimum remuneration, which shall be within the ceiling limit specified under Part II of section II of Schedule V of the Companies Act, 2013 and in accordance with the recommendation of the Nomination and Remuneration Committee and the approval of Board of Directors.
4.	Service Agreement	Our Company and Komal Piyush Somani entered into a service agreement dated August 9, 2021 ("**Service Agreement**") and a supplementary agreement to the Service Agreement dated September 30, 2024 for recording the terms and conditions for her appointment.

Jitendra Pathak

Our Board at their meeting held on February 4, 2025 approved the appointment of Jitendra Pathak as Additional Director (Executive) upto the date of the next general meeting of the Company, with effect from February 4, 2025. Additionally, pursuant to the resolution of our Board dated February 4, 2025, our Board has, subject to approval from Shareholders, approved the appointment of Jitendra Pathak as a Whole-time Director. The terms of his appointment as a Whole-time Director, as approved by our Board, subject to approval from Shareholders, is set out below:

S. No.	Category	Particulars
1.	Salary and Perquisites	Remuneration: Upto ₹ 18.92 million per annum, including all allowances, perquisites and benefits that he is entitled to in accordance with the Company's Rules and Regulations in force from time to time.

S. No.	Category	Particulars
2.	Other Terms	The Company shall reimburse to the Whole-time Director all the actual expenses incurred wholly, necessarily and exclusively for and on behalf of the Company and/or incurred in performance of the duties of the Company.
3.	Minimum Remuneration	Notwithstanding anything to the contrary herein contained, where in any financial year, the Company has no profits or its profits are inadequate, the Company will pay the above remuneration as minimum remuneration to the Whole-time Director. However, in any case the remuneration would not exceed the limits prescribed under the applicable provisions of the Companies Act, 2013.

Terms of appointment of our Independent Directors

Pursuant to the Board resolution dated September 5, 2023 each Independent Director is entitled to receive sitting fees of ₹60,000 per meeting for attending meetings of the Board and ₹45,000 per meeting for attending meetings of all committees, within the limits prescribed under the Companies Act, 2013, and the rules made thereunder.

Except as disclosed above in "*-Terms of appointment of our Executive Directors*" for our Executive Directors, our Company has not entered into any contract appointing or fixing the remuneration of a Director in the two years preceding the date of this Draft Red Herring Prospectus.

There is no contingent or deferred compensation payable to our Directors which does not form a part of their remuneration.

In Fiscal 2024, our Company has not paid any compensation or granted any benefit on an individual basis to any of our Directors (including contingent or deferred compensation) other than the remuneration paid to them for such period.

The remuneration paid to our Directors in Fiscal 2024 is as follows:

1. **Executive Directors**

The details of the remuneration paid to our Executive Directors in Fiscal 2024 is as set out below:

Name of Director	Designation	Total remuneration (in ₹ million)
Piyush Prakashchandra Somani	Managing Director and Chairman	8.38
Komal Piyush Somani	Whole-time Director	4.57
Jitendra Pathak	Additional Director (Executive)	Nil*

**As he was appointed as an Additional Director (Executive) of our Company on February 4, 2025 and as the Chief Operations Officer of our Company on September 2, 2024, he did not receive any remuneration in Fiscal 2024*.

2. **Independent Directors**

The details of the remuneration paid to our Independent Directors in Fiscal 2024 is as set out below:

Name of Director	Designation	Total remuneration (in ₹ million)
Thandankorai Ganapathy Dhandapani	Independent Director	0.76
Pamela Kumar	Independent Director	0.74
Venkatesh Natarajan	Independent Director	0.51

Remuneration paid by our Subsidiaries

None of our Directors have received or were entitled to receive any remuneration, sitting fees or commission from any of our Subsidiaries in Fiscal 2024.

Shareholding of Directors in our Company

The table below sets forth details of Equity Shares held by the Directors, as on date of this Draft Red Herring Prospectus:

S. No.	Name of the Director	Number of Equity Shares held
1.	Piyush Prakashchandra Somani	24,648,670
2.	Komal Piyush Somani	10,174,322

Our Articles of Association do not require our Directors to hold qualification shares.

Borrowing Powers

Pursuant to our Articles of Association, the applicable provisions of the Companies Act, 2013, a resolution passed by our Board at its meeting held on March 2, 2014 and a special resolution passed by our Shareholders at their meeting held on March 3, 2014, our Board has been authorized to borrow sums from time to time, which together with monies already borrowed (apart from temporary loans obtained our Company's banks in the ordinary course of business), may exceed aggregate of its paid up share capital and free reserves, provided that the aggregate amount so borrowed does not exceed ₹500 million or the aggregate of the paid up share capital and free reserves of the Company, whichever is higher.

Bonus or profit-sharing plan for our Directors

Our Company does not have any performance linked bonus or a profit-sharing plan for our Directors.

Contingent and deferred compensation payable to Directors

There is no contingent or deferred compensation payable to our Directors, which does not form part of their remuneration.

Interest of Directors

All our Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of our Board and/or committees thereof as approved by our Board and the reimbursement of expenses payable to them.

Our Managing Director and Chairman and our Whole-time Directors may be deemed to be interested to the extent of the remuneration payable to each of them by our Company as Directors of our Company.

Piyush Prakashchandra Somani and Komal Piyush Somani may also be interested to the extent of their shareholding in our Company and to the extent of any dividend payable to them and other distributions in respect of such shareholding.

Jitendra Pathak may be deemed to be interested to the extent of employee stock options held by him under the ESOP 2024 and which may be granted to him from time to time. Details with respect to the options held by him as of the date of this Draft Red Herring Prospectus (granted pursuant to the ESOP 2024) are set out below:

Name of person	Number of options held	Number of vested options held	Number of unvested options held
Jitendra Pathak	50,000	Nil	50,000

Komal Piyush Somani is also interested as a beneficiary and trustee of the P.O. Somani Family Trust to the extent of the shareholding of the P.O. Somani Family Trust in our Company.

All the Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company which is promoted by them or in which they hold directorships or any partnership firm in which they are partners.

Interest of Directors in the promotion or formation of our Company

Other than Piyush Prakashchandra Somani, none of our Directors have any interest in the promotion or formation of our Company.

No sum has been paid or agreed to be paid to the Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/ her to become, or to qualify him/ her as, a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of our Company.

Our Directors do not have any interest in any property acquired or proposed to be acquired of or by our Company.

Further, our Directors do not have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Except as stated in "*Restated Consolidated Financial Information – Note 31 (a) – Related party names and Note 31 (b) (I) – Nature of transactions and amounts"* at page 339, our Directors do not have any other business interest in our Company.

Changes to our Board in the last three years

Details of the changes in our Board in the last three years preceding the date of this Draft Red Herring Prospectus are set forth below:

Name	Date of appointment/ change in designation/ cessation	Reason
Jitendra Pathak*	February 4, 2025	Appointment as Additional Director (Executive)
Alipt Sharma	February 4, 2025	Resignation as Nominee Director due to personal reasons and pre-occupation in other assignments
Venkatesh Natarajan	July 1, 2023	Appointment as Independent Director
Ramesh Kumar Amudalapalli	January 18, 2023	Resignation as Independent Director due to multiple consultancy work commitments
Uma Manoj Mandavgane	May 20, 2022	Resignation as Independent Director due to rise in consultancy work commitments

**He was appointed as the Chief Operations Officer of our Company on September 2, 2024.*

Corporate Governance

The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company will be compliance with the requirements of the applicable regulations in respect of corporate governance, including Regulations 17 to 27 of the SEBI Listing Regulations, and the Companies Act, 2013, pertaining to the composition of the Board and constitution of the committees, at the time of listing and post listing, to the extent applicable.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act, 2013.

Committees of our Board

Our Board may constitute committees to delegate certain powers as permitted under the Companies Act, 2013.

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following committees:

(a) Audit Committee;

(b) Nomination and Remuneration Committee;

(c) Corporate Social Responsibility Committee;

(d) Stakeholders Relationship Committee; and

(e) Risk Management Committee.

1. *Audit Committee*

The Audit Committee was last reconstituted by a resolution of our Board dated June 30, 2023. The current constitution of the Audit Committee is as follows:

Name of Director	Position in the Committee	Designation
Thandankorai Ganapathy Dhandapani	Chairman	Independent Director
Pamela Kumar	Member	Independent Director
Venkatesh Natarajan	Member	Independent Director

The Company Secretary of our Company shall serve as the secretary of the Audit Committee.

The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI Listing Regulations and its terms of reference as on the date of this Draft Red Herring Prospectus are as follows:

(i) The Audit Committee shall have powers, which should include the following:

(a) To investigate any activity within its terms of reference;

(b) To seek information that it properly requires from any employee of the Company or any associate or subsidiary in order to perform its duties and all employees are directed by the Board to co-operate with any request made by the Committee from such employees;

(c) To obtain outside legal or other professional advice;

(d) To secure attendance of outsiders with relevant expertise, if it considers necessary and to seek their advice, whenever required;

(e) To approve the disclosure of the Key Performance Indicators to be disclosed in the documents in relation to the initial public offering of the equity shares of the Company and to confirm that verified details for all the key performance indicators pertaining to the company have been disclosed to the earlier investors at any point of time during the three years period prior to the date of filing of the draft red herring prospectus/ red herring prospectus are disclosed under 'Basis for offer Price' section of the offer Document; and

(f) Such powers as may be prescribed under the Companies Act, SEBI Listing Regulations and other applicable law.

(ii) The role of the Audit Committee shall include the following:

(a) Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(b) Recommendation for appointment, re-appointment, removal and replacement, remuneration and terms of appointment of auditors, of the Company and the fixation of audit fee and approval for payment for any other services;

(c) Approval of payments to statutory auditors for any other services rendered by the statutory auditors of the Company;

(d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

(i) 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;

(ii) Changes, if any, in accounting policies and practices and reasons for the same;

(iii) Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;

(iv) Significant adjustments made in the financial statements arising out of audit findings;

(v) Compliance with listing and other legal requirements relating to financial statements;

(vi) Disclosure of any related party transactions; and

(vii) Qualifications and modified opinion(s) in the draft audit report.

(e) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(f) Monitoring the end use of funds raised through public offers and reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/ application of the funds raised through the proposed initial public offer by the Company;

(g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(h) Formulating a policy on related party transactions, which shall include materiality of related party transactions and the definition of material modifications of related party transactions;

(i) Approval of any subsequent modifications of transactions of the Company with related parties and omnibus approval (in the manner specified under the SEBI Listing Regulations and Companies Act) for related party transactions proposed to be entered into by the Company. Provided that only those members of the committee, who are independent directors, shall approve related party transactions;

Explanation: The term "related party transactions" shall have the same meaning as provided in Regulation 2(1)(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act.

(j) Approval of related party transactions to which the subsidiary(ies) of the Company is party but the Company is not a party, if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds ₹10,000 million or 10% of the annual consolidated turnover as per the last audited financial statements of the Company, whichever is lower, subject to such other conditions prescribed under the SEBI Listing Regulations;

(k) Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

(l) Scrutiny of inter-corporate loans and investments;

(m) Valuation of undertakings or assets of the company, wherever it is necessary;

(n) Evaluation of internal financial controls and risk management systems;

(o) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(p) 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;

(q) Discussion with internal auditors of any significant findings and follow up there on;

(r) 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;

(s) Discussion with statutory auditors before the audit commences, about the nature and scope of audit, observation of auditors, review of financial statements of the Company as well as post-audit discussion to ascertain any area of concern;

(t) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(u) Reviewing the functioning of the whistle blower mechanism;

(v) Approval of the appointment of the Chief Financial Officer of the Company ("**CFO**") (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;

(w) Ensuring that an information system audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the Company;

(x) To formulate, review and make recommendations to the Board to amend the Audit Committee's terms of reference from time to time;

(y) Overseeing a vigil mechanism established by the Company, providing for adequate safeguards against victimisation of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee for directors and employees to report their genuine concerns or grievances; and

(z) Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments;

(aa) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;

(bb) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee under the provisions of the Companies Act, the SEBI Listing Regulations and other applicable laws, and to carry out such other functions as may be specifically referred to the Committee by the Board of Directors and/or other committees of the Directors of the Company;

(cc) Carrying out any other functions and roles as provided under the Companies Act, the SEBI Listing Regulations, each as amended and other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties; and

(dd) Reviewing compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as may be amended from time to time at least once in a financial year and verify that systems for internal control are adequate and are operating effectively.

(iii) The Audit Committee shall mandatorily review the following information:

(a) Management discussion and analysis of financial condition and results of operations;

(b) Management letters/letters of internal control weaknesses issued by the statutory auditors of the Company;

(c) Internal audit reports relating to internal control weaknesses;

(d) Any show cause, demand, prosecution and penalty notices against the Company or its Directors which are materially important including any correspondence with regulators or government agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies, any material default in financial obligations by the Company and any significant or important matters affecting the business of the Company;

(e) Review of financial statements, specifically, for investments made by any unlisted subsidiary;

(f) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;

(g) Statement of deviations:

(i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and

(ii) annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations;

(iv) To carry out such other functions as may be specifically referred to the Committee by the Board of Directors and/or other Committees of Directors of the Company; and

(v) To make available its terms of reference and review periodically those terms of reference and its own effectiveness and recommend any necessary changes to the Board.

2. *Nomination and Remuneration Committee ("NR Committee")*

The NR Committee was last reconstituted by a resolution of our Board dated February 4, 2025. The current constitution of the NR Committee is as follows:

Name of Director	Position in the Committee	Designation
Thandankorai Ganapathy Dhandapani	Chairman	Independent Director
Pamela Kumar	Member	Independent Director
Venkatesh Natarajan	Member	Independent Director

The scope and function of the NR Committee is in accordance with Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI Listing Regulations and its terms of reference as on the date of this Draft Red Herring Prospectus are as follows:

(a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

(i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;

(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

(b) For every appointment of an independent director, the NR 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;

(c) Formulation of criteria for evaluation of performance of independent directors, the Board and its committees. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

(d) Devising a policy on Board diversity;

(e) Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal and specify the manner for effective evaluation of performance of the 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;

(f) Analysing, monitoring and reviewing various human resource and compensation matters including the compensation strategy;

(g) 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;

(h) Recommending the remuneration, in whatever form, payable to the senior management personnel and other staff (as deemed necessary);

(i) Recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of the Company;

(j) Recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits

(k) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(l) 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;

(m) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(n) Administering, monitoring and formulating the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the applicable laws ("**ESOP Scheme**"):

  (i) Determining the eligibility of employees to participate under the ESOP Scheme;

  (ii) Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;

  (iii) Date of grant;

  (iv) Determining the exercise price of the option under the ESOP Scheme;

  (v) The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;

  (vi) The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;

  (vii) The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;

(viii) The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;

(ix) Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;

(x) The grant, vest and exercise of option in case of employees who are on long leave;

(xi) Allow exercise of unvested options on such terms and conditions as it may deem fit;

(xii) Formulate the procedure for funding the exercise of options;

(xiii) The procedure for cashless exercise of options;

(xiv) Forfeiture/ cancellation of options granted;

(xv) Formulate the procedure for buy-back of specified securities issued under the SBEBSE Regulations, if to be undertaken at any time by the Company, and the applicable terms and conditions, including:

- permissible sources of financing for buy-back;
- any minimum financial thresholds to be maintained by the Company as per its last financial statements; and
- limits upon quantum of specified securities that the Company may buy-back in a financial year.

(xvi) Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:

- the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;
- for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and
- the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.

(o) Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;

(p) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

(i) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended;

(ii) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended; and

(iii) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

by the Company and its employees, as applicable.

(q) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

(r) Engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy; and

(s) Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations and other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.

3. *Corporate Social Responsibility Committee ("CSR Committee")*

The CSR Committee was last reconstituted by a resolution of our Board dated February 4, 2025. The current constitution of the CSR Committee is as follows:

Name of Director	Position in the Committee	Designation
Piyush Prakashchandra Somani	Chairperson	Managing Director and Chairman
Pamela Kumar	Member	Independent Director
Komal Piyush Somani	Member	Whole-time Director

The terms of reference of the CSR Committee framed in accordance with Section 135 of the Companies Act, 2013, as of the date of this Draft Red Herring Prospectus are as follows:

(a) To 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 and the rules made thereunder, monitor the implementation of the same from time to time and make any revisions therein as and when decided by the Board;

(b) To identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

(c) To review and recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;

(d) To formulate and recommend to the Board, an annual action plan in pursuance to the Corporate Social Responsibility Policy, which shall include the following, namely:

(i) the list of Corporate Social Responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in the Schedule VII of the Companies Act, 2013;

(ii) the manner of execution of such projects or programmes as specified in Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014;

(iii) the modalities of utilization of funds and implementation schedules for the projects or programmes;

(iv) monitoring and reporting mechanism for the projects or programmes; and

(v) details of need and impact assessment, if any, for the projects undertaken by the Company.

Provided that the Board may alter such plan at any time during the financial year, as per the recommendations of the Corporate Social Responsibility Committee, based on the reasonable justification to that effect.

(e) To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

(f) To review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and

(g) To perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of

Section 135 of the Companies Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 or other applicable law.

4. ***Stakeholders Relationship Committee ("SR Committee")***

The SR Committee was last re-constituted by a resolution of our Board dated December 24, 2024. The current constitution of the SR Committee is as follows:

Name of Director	Position in the Committee	Designation
Venkatesh Natarajan	Chairman	Independent Director
Pamela Kumar	Member	Independent Director
Piyush Prakashchandra Somani	Member	Managing Director and Chairman

The scope and function of the SR committee is in accordance with Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations and its terms of reference as on the date of this Draft Red Herring Prospectus are as follows:

(a) Redressal of all security holders' and investors' grievances such as complaints related to transfer/transmission of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, general meetings, issue of new/duplicate certificates, etc., and assisting with quarterly reporting of such complaints;

(b) Reviewing of measures taken for effective exercise of voting rights by shareholders;

(c) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;

(d) Giving effect to all allotment, transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated/new share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

(e) To approve requests for transfer, transposition, deletion, consolidation, sub-division, change of name, dematerialization, rematerialisation etc. of shares, debentures and other securities;

(f) To monitor and expedite the status and process of dematerialization and rematerialisation of shares, debentures and other securities of the Company;

(g) Reviewing the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

(h) Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;

(i) Considering and specifically looking into various aspects of interest of shareholders, debenture holders or holders of any other securities;

(j) Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

(k) 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);

(l) To authorise affixation of common seal of the Company; and

(m) 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.

5. ***Risk Management Committee ("RM Committee")***

The RM Committee was last re-constituted by a resolution of our Board dated December 24, 2024. The current constitution of the RM Committee is as follows:

Name of Director	Position in the Committee	Designation
Pamela Kumar	Chairperson	Independent Director
Thandankorai Ganapathy Dhandapani	Member	Independent Director
Venkatesh Natarajan	Member	Independent Director
Piyush Prakashchandra Somani	Member	Managing Director and Chairman

The scope and function of the RM committee is in accordance with Regulation 21 of the SEBI Listing Regulations and its terms of reference as on the date of this Draft Red Herring Prospectus are as follows:

(a) To formulate a detailed risk management policy which shall include:

(i) framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;

(ii) measures for risk mitigation including systems and processes for internal control of identified risks; and

(iii) Business continuity plan.

(b) To approve major decisions affecting the risk profile or exposure and give appropriate directions;

(c) To consider the effectiveness of decision making process in crisis and emergency situations;

(d) To balance risks and opportunities;

(e) To generally, assist the Board in the execution of its responsibility for the governance of risk;

(f) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(g) To review and recommend potential risk involved in any new business plans and processes;

(h) To review the Company's risk-reward performance to align with the Company's overall policy objectives;

(i) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(j) To review the status of the compliance, regulatory reviews and business practice reviews;

(k) To decide on risk tolerance and appetite levels, recognizing contingent risks, inherent and residual risks including for cyber security;

(l) To monitor the Company's compliance with the risk structure. Assess whether current exposure to the risks it faces is acceptable and that there is an effective remediation of non-compliance on an on-going basis;

(m) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(n) To keep the board of directors informed about the nature and content of its discussions recommendations and actions to be taken;

(o) To advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy;

(p) The appointment, removal and terms of remuneration of the Chief Risk Officer shall be subject to review by the Risk Management Committee;

(q) Coordinating its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors;

(r) To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;

(s) Laying down risk assessment and minimization procedures and the procedures to inform Board of the same;

(t) Framing, implementing, reviewing and monitoring the risk management plan for the Company and such other functions, including cyber security; and

(u) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Risk Management Committee or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.

Management organization chart

In addition to our Executive Directors, whose details are provided in "*Our Management - Brief profiles of our Directors*" on page 257, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are as set forth below:

Brief Profiles of Key Managerial Personnel

Nadukuru Sita Ramaiah is the Chief Financial Officer of our Company. He joined our Company on October 31, 2022. He has passed the bachelor of commerce examination from the Sambalpur University and master of commerce examination from the Berhampur University. He has experience of more than 27 years in the field of finance. Prior to joining our Company, he was associated with RMSI Private Limited as an Assistant Manager (Accounts), R- Systems International Limited as Manager Finance, Open Solutions Software Services Pvt Ltd as Manager- Accounting, Microsemi India Private Limited as the India Financial Controller., ZF India Technology Center as the Finance Head and Advanced System in Package Technologies Private Limited as the Director-Finance. He was a director on the board of Microsemi India Private Limited. He is primarily responsible for overseeing the finance, domestic billing, and purchase functions of our Company. In Fiscal 2024, he received ₹ 6.37 million from our Company.

Prasad Deochand Deokar is the Company Secretary and Compliance Officer of our Company. He joined our Company on July 13, 2022. He is an associate member of the Institute of Company Secretaries of India and holds a bachelor's degree in law from the University of Pune. He has over nine years of experience in the field of secretarial compliance. Prior to joining our Company, he was associated with Ashoka Buildcon Limited as a Company Secretary (Asst. Manager) in Accounts & Finance department and with Voltaire Leasing & Finance Limited as Company Secretary and Compliance Officer. He is primarily responsible for legal and secretarial functions of our Company. In Fiscal 2024, he received ₹ 1.12 million from our Company.

Brief profiles of our Senior Management

In addition to our Key Managerial Personnel, whose details are provided above, the details of our other Senior Management as on the date of this Draft Red Herring Prospectus are as set forth below:

Rushikesh Jadhav is the Chief Technology Officer of our Company. He joined our Company on October 12, 2009. He holds a master's degree in engineering (computer engineering) from the Savitribai Phule Pune University. He has over 15 years of experience in the field of technology. He is primarily responsible for overseeing the technology strategy, innovation and product development functions of our Company. In Fiscal 2024, he received ₹ 4.22 million from our Company.

Sameer Redij is the Chief Business Officer of our Company. He joined our Company on August 4, 2021. He holds a bachelor's degree in engineering from the University of Mumbai and a post-graduate diploma in business management from the Indian Business Academy. He has over 13 years of experience in the field of IT and systems. Prior to joining our Company, he was associated with companies such as Twenty Twenty Media Private Limited, HCL Infinet Limited, IBM India Private Limited, Gartner India Research & Advisory Services Private Limited, and CtrlS Datacenters Limited. He is primarily responsible for overseeing the presales and sales functions of our Company. In Fiscal 2024, he received ₹ 7.10 million from our Company.

Ashok Pomnar is the Senior Vice President of our Company. He joined our Company on December 8, 2005. He holds a master's degree in computer engineering from Savitribai Phule Pune University. He has completed Ph.D. course work in computer science and engineering from Sandip University. Additionally, he is currently pursuing Ph.D. in Design a Systematic and Flexible IaaS Carbon Emission Index framework for a Cloud Data Center from Sandip University. He has over 18 years of experience in the information technology sector. He is primarily responsible for cloud operations, data centre infrastructure, data centre network, compliance, and corporate IT functions of our Company. In Fiscal 2024, he received a remuneration of ₹ 3.23 million from our Company.

Rajeev Barnwal is the Chief Autonomous Cloud Officer of our Company. He joined our Company on December 9, 2024. He holds a master's degree of science in chemistry from Babasaheb Bhimrao Ambedkar Bihar Vishwavidyalaya. He has an overall experience of over 16 years in the field of information technology. He was previously associated with Sapient Consulting Private Limited, ABInBev, Master Card Technologies Private Limited, Jet Airways (India) Limited, Genpact Headstrong Capital Markets, Wipro Limited, Rapipay Fintech Private Limited and Tapass Limited. He is primarily responsible for software division and internal digital transformation functions of our Company. Since he joined our Company on December 9, 2024, he has not received any remuneration in Fiscal 2024.

Status of the Key Managerial Personnel and Senior Management

As on the date of this Draft Red Herring Prospectus, all our Key Managerial Personnel and Senior Management are permanent employees of our Company.

Retirement and termination benefits

Except statutory benefits upon termination of their employment in our Company or superannuation, no Key Managerial personnel and Senior Management are entitled to any benefit upon termination of employment or superannuation.

Family relationships of Directors with Key Managerial Personnel and Senior Management

Except Komal Piyush Somani who is the spouse of Piyush Prakashchandra Somani and Rushikesh Jadhav who is the spouse of sister of Piyush Prakashchandra Somani, none of our Key Managerial Personnel or Senior Management are related to any of our Directors or other Key Managerial Personnel or Senior Management.

Arrangements and Understanding with major Shareholders, customers, suppliers or others

None of our Key Managerial Personnel or Senior Management have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

Shareholding of the Key Managerial Personnel and Senior Management

None of our Key Managerial Personnel (other than our Directors) or Senior Management hold any Equity Shares as on date of this Draft Red Herring Prospectus. For details of the shareholding of our Directors, see "*- Shareholding of Directors in our Company"* on page 262.

Service Contracts with Key Managerial Personnel and Senior Management

Our Key Managerial Personnel or Senior Management have not entered into any service contracts with our Company pursuant to which they are entitled to any benefits upon termination of employment.

Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management

There is no contingent or deferred compensation payable to Key Managerial Personnel and Senior Management, which does not form part of their remuneration.

Bonus or profit-sharing plan of the Key Managerial Personnel and Senior Management

Our Company does not have a performance linked bonus or profit sharing plan for our Executive Directors and our Executive Directors have not received any compensation in Fiscal 2024 pursuant to any bonus or profit sharing plan.

With respect to our Key Managerial Personnel (other than Executive Directors) and Senior Management, except for performance based discretionary incentives paid in accordance with their respective terms of appointment and any payments required under applicable law, none of our Key Managerial Personnel or Senior Management are a party to any bonus or profit-sharing plan or have received any compensation in Fiscal 2024 pursuant to any bonus or profit sharing plan.

Interest of Key Managerial Personnel and Senior Management

For details of the interest of our Executive Directors in our Company, see "*Our Management – Interest of Directors*" on page 262.

Our Key Managerial Personnel (other than our Managing Director and Chairman and Whole-time Director) and Senior Management are interested in our Company only to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of their service and to the extent of employee stock options that have been and/or may be granted to them from time to time under the ESOP 2021 and ESOP 2024 and any other employee stock option schemes formulated by the Company from time to time. Details with respect to the options held by our Key Managerial Personnel and Senior Management (other than Jitendra Pathak, our Additional Director (Executive) and Chief Operations Officer) as of the date of this Draft Red Herring Prospectus are set out below:

Name of person	**Number of options held**		**Number of vested options held**		**Number of unvested options held**	
	ESOP 2021	**ESOP 2024**	**ESOP 2021**	**ESOP 2024**	**ESOP 2021**	**ESOP 2024**
Key Managerial Personnel						
Prasad Deochand Deokar	Nil	30,000	Nil	Nil	Nil	30,000
Senior Management						
Rushikesh Jadhav	100,000	Nil	90,000	Nil	10,000	Nil
Ashok Pomnar	50,000	50,000	45,000	Nil	5,000	50,000
Rajeev Barnwal	Nil	50,000	Nil	Nil	Nil	50,000
Sameer Redij	50,000	25,000	45,000	Nil	5,000	25,000

For details of options held by Jitendra Pathak as of the date of this Draft Red Herring Prospectus, see "*Our Management - Interest of Directors*" on page 262.

There is no conflict of interests between the suppliers of raw materials of our Company, third party service providers of our Company or lessors of immovable properties of our Company (crucial for operations of the Company) and our Directors, Key Managerial Personnel and members of Senior Management.

Changes in the Key Managerial Personnel and Senior Management in last three years:

The changes in our Key Managerial Personnel and Senior Management (other than our Executive Directors) in the three years preceding the date of this Draft Red Herring Prospectus is as mentioned below:

Name	**Designation**	**Date of Change**	**Reason**
Rajeev Barnwal	Chief Autonomous Cloud Officer	December 9, 2024	Appointment
Ashok Pomnar	Senior Vice President	December 1, 2024	Redesignation
Jitendra Pathak	Chief Operations Officer	September 2, 2024	Appointment
Sameer Redij	Chief Business Officer	March 1, 2023	Redesignation
Nadukuru Sita Ramaiah	Chief Financial Officer	October 31, 2022	Appointment
Prasad Deochand Deokar	Company Secretary and Compliance Officer	July 13, 2022	Appointment
Aniket Khandelwal	Company Secretary and Compliance Officer	June 15, 2022	Resignation for pursuing other prospects
Sandeepkumar Mehta	Chief Financial Officer	May 19, 2022	Resignation for pursuing other prospects
Komal Piyush Somani	Chief Human Resource Officer	April 1, 2022	Appointment
Chandra Mauli Dwivedi	Chief Human Resource Officer	March 31, 2022	Resignation due to reaching retirement age as per Company's policy

Payment or Benefit to officers of our Company (non-salary related)

Except as disclosed above under "*– Interest of Directors*" and in "*Restated Consolidated Financial Information – Note 31 (a) – Related party names and Note 31 (b) (I) – Nature of transactions and amounts*" on pages 262 and 339 and remuneration paid to Key Managerial Personnel in the ordinary course of business, no amount or benefit has been paid or given within the two preceding years from the date of this Draft Red Herring Prospectus or intended to be paid or given to any officer of our Company, including our Directors and Key Managerial Personnel.

Employee Stock Option

For details of the ESOP 2021 and ESOP 2024, see "*Capital Structure – Employee stock option plans*" on page 113.

OUR PROMOTERS AND PROMOTER GROUP

Promoters

Piyush Prakashchandra Somani, Komal Piyush Somani and P.O. Somani Family Trust are the Promoters of our Company.

As on the date of this Draft Red Herring Prospectus, our Promoters, in aggregate, hold 46,056,731 Equity Shares in our Company, representing 45.86% of the issued, subscribed, and paid-up Equity Share capital of our Company on a fully diluted basis. For details, please see "*Capital Structure – Details of Shareholding of our Promoters and members of the Promoter Group in the Company – Build-up of the Promoters' shareholding in our Company*" on page 120.

Details of our Promoters are as follows:

<u>*Individual Promoters:*</u>

Piyush Prakashchandra Somani

<table>
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Piyush Prakashchandra Somani, aged 43 years, is our Promoter, and is also the Managing Director and Chairman of our Company.
Permanent Account Number: AVQPS7405L
For the complete profile of Piyush Prakashchandra Somani, along with details of his date of birth, personal address, educational qualifications, professional experience, position/posts held in the past, other directorships, special achievements and business and financial activities, as applicable, see "Our Management – Board of Directors" on page 256.
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</table>

Komal Piyush Somani

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Komal Piyush Somani, aged 38 years, is our Promoter, and is also the Whole-time Director of our Company.
Permanent Account Number: AAJPZ9704D
For the complete profile of Komal Piyush Somani, along with details of her date of birth, personal address, educational qualifications, professional experience, position/posts held in the past, other directorships, special achievements and business and financial activities, as applicable, see "Our Management – Board of Directors" on page 256.
</td>
</tr>
</table>

Our Company confirms that the permanent account number, bank account number(s), Aadhaar card number, passport number and driving license number of our Individual Promoters shall be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

Promoter Trust:

P.O. Somani Family Trust ("Somani Family Trust")

Trust information and history

The Somani Family Trust was constituted as a private trust in accordance with the provisions of the Indian Trust Act, 1882, pursuant to a deed of trust dated July 22, 2021 ("**Trust Deed**"). The Trust Deed was amended pursuant to an amendment trust deed dated October 1, 2024 and deed of amendment to deed of trust dated February 12, 2025. The office of the Somani Family Trust is situated at Plot No. B-24 & 25, NICE Area, M.I.D.C. Satpur, Nasik 422 007, Maharashtra, India.

The Somani Family Trust's permanent account number is AAETP7538A.

Trustee

As on the date of this Draft Red Herring Prospectus, the trustee of the Somani Family Trust is Komal Piyush Somani.

Beneficiaries

The beneficiaries of the Somani Family Trust are Komal Piyush Somani and the lineal descendants of Piyush Prakashchandra Somani.

Settlor

The settlor of the Somani Family Trust is Sarala Prakashchandra Somani.

Reason for formation

The objects and purpose of the Somani Family Trust include the following:

(a) To provide for the smooth transition of trust property; and

(b) To declare and decide the succession of trust properties in favour of the Beneficiaries.

Change in control of the Somani Family Trust

There has been no change in control of the Somani Family Trust in the three years immediately preceding the date of this Draft Red Herring Prospectus.

Our Company confirms that the permanent account number and bank account number(s) of Somani Family Trust shall be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

Change in control of our Company

There has been no change in control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

Pursuant to a resolution of our Board dated March 21, 2025, Piyush Prakashchandra Somani, Komal Piyush Somani and P.O. Somani Family Trust have been identified as the promoters of our Company.

Other ventures of our Promoters

Other than as disclosed below and at "*Our Management – Board of Directors*" on page 256, our Promoters are not involved in any other ventures:

<table>
<tr><th>Name of the Promoter</th><th>Name of venture</th><th>Nature of interest of Promoter</th></tr>
<tr><td rowspan="2">Piyush Prakashchandra Somani</td><td>Hyperslice Limited</td><td rowspan="2">Shareholder</td></tr>
<tr><td>Bod Host Limited</td></tr>
</table>

Name of the Promoter	Name of venture	Nature of interest of Promoter
	Eukhost Limited	Shareholder of Hyperslice Limited (the holding company of such ventures)
	Web Hosting UK Com Limited	
Komal Piyush Somani	Great Ideas in Action LLP	Partner and Designated Partner
	Resvera Wines Limited	Director and shareholder
P.O. Somani Family Trust	Nil	Nil

Interests of Promoters

Our Promoters are interested in our Company to the extent (i) they have promoted our Company; (ii) of their direct and indirect shareholding in our Company; and (iii) of the dividend payable upon such shareholding and any other distributions in respect of their equity shareholding in our Company or the shareholding of their relatives or such entities, if any. For further details, see "*Capital Structure – Details of Shareholding of our Promoters and members of the Promoter Group in the Company – Build-up of the Promoters' shareholding in our Company*" on page 120.

Our Promoters may be interested to the extent that our Company has undertaken any transactions or business arrangements with them, or their relatives or entities in which our Promoters hold equity shares or have an interest, if applicable. For further details, see "*Summary of the Issue Document –Summary of Related Party Transactions*" on page 28.

Further, our Promoters are also directors on the boards, or are shareholder, member, trustee or partner of certain entities forming part of the Promoter Group and/or Group Companies and may be deemed to be interested to the extent of the payments made, if any, by our Company to such entities forming part of the Promoter Group. For the payments that are made by our Company to certain entities forming part of the Promoter Group, see "*Summary of the Issue Document -–Summary of Related Party Transactions*" on page 28.

Our Promoters may also be deemed to be interested to the extent of their remuneration/ sitting fees and reimbursement of expenses, payable to them, if any in their capacity as Directors or employee of our Company. For further details, see "*Our Management*" beginning on page 256.

No sum has been paid or agreed to be paid to any of our Promoters or to the firms or companies in which our Promoters are interested as members in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as directors or promoters or otherwise for services rendered by our Promoters or by such firms or companies in connection with the promotion or formation of our Company.

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, as on the date of the Draft Red Herring Prospectus.

Payment or Benefits to Promoters or Promoter Group

Except as disclosed herein and as stated in "*Restated Consolidated Financial Information – Note 31 (a) – Related party names and Note 31 (b) (I) – Nature of transactions and amounts*" on page 339, 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

None of our other Promoters have disassociated themselves from any other company or firm 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.

Confirmations

Our Promoters and members of our Promoter Group have not been declared Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines issued by Reserve Bank of India and the SEBI ICDR Regulations.

Our Promoters and members of our Promoter Group are not prohibited or debarred from accessing the capital markets or from buying, selling or dealing in securities under any order or direction passed by SEBI or any other securities market regulator or any other authority, court or tribunal inside and outside India. Our Promoters are not promoters or directors of any other company which is debarred from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters have not been declared as Fugitive Economic Offenders under the Fugitive Economic Offenders Act, 2018.

There is no conflict of interest between the lessors of immovable properties of our Company and/ or our Subsidiaries (which are crucial for operations of our Company) and our Promoters and members of our Promoter Group.

There is no conflict of interest between the suppliers of raw materials or any third-party service providers of our Company (which are crucial for operations of our Company) and our Promoters and members of our Promoter Group.

Promoter Group

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations are set out below:

Natural persons who are part of the Promoter Group

The natural persons who are part of the Promoter Group, other than our Promoters, are as follows:

Name of the Promoter	Name of member of our Promoter Group	Relationship with our Promoter
Piyush Prakashchandra Somani	Sarla Prakashchandra Somani	Mother
	Komal Piyush Somani	Spouse
	Pooja Prakashchandra Somani	Sister
	Prajakta Rushikesh Jadhav	Sister
	Piyansh Somani	Son
	Prajit Somani	Son
	Shrikant Laxminarayan Zanwar	Spouse’s father
	Prabha Shrikant Zanwar	Spouse’s mother
	Sankalp Shrikant Zanwar	Spouse’s brother
Komal Piyush Somani	Shrikant Laxminarayan Zanwar	Father
	Prabha Shrikant Zanwar	Mother
	Sankalp Shrikant Zanwar	Brother
	Piyush Prakashchandra Somani	Spouse
	Piyansh Somani	Son
	Prajit Somani	Son
	Sarla Prakashchandra Somani	Spouse’s mother
	Pooja Prakashchandra Somani	Spouse’s sister
	Prajakta Rushikesh Jadhav	Spouse’s sister

Entities forming part of the Promoter Group

The entities forming part of the Promoter Group (other than our Promoter Trust) are as follows:

1. Bod Host Limited;
2. Eukhost Limited;
3. Great Ideas in Action LLP;
4. Hyperslice Limited;

5. Resvera Wines Limited;
6. Sankalp Constructions; and
7. Web Hosting UK Com Limited.

DIVIDEND POLICY

The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association and the applicable laws including the Companies Act, 2013 and rules made thereunder, to the extent applicable to our Company, and the SEBI Listing Regulations and the dividend policy of our Company, which may be reviewed and amended periodically by the Board.

According to the dividend distribution policy adopted by our Board on August 26, 2021, the Board shall, inter alia, consider the following financial, internal and external parameters before declaring dividend: (i) current year profits, existing reserves and future projections of profitability; (ii) interim dividend paid; (iii) dividend pay-out trends; (iv) operating cash flow; (v) provision for depreciation in accordance with applicable law; (vi) dividend to be paid after transferring to reserves, such amount as may be prescribed by the board; (vii) funds required towards working capital, servicing of outstanding loans and capital expenditure; (viii) funds required for merger/acquisitions and towards execution of the Company's strategy; (ix) investments in subsidiary/associates; (x) minimum cash required for contingencies or unforeseen events; (xi) maintaining of required liquidity and return ratios; (xii) state of the domestic and global economy, capital market conditions and dividend policy of competitors; (xiii) any significant change in the business or technological environment resulting in the Company making significant investments to effect the necessary changes to its business model; (xiv) restrictions and covenants contained in any agreement as may be entered with the lenders; (xv) competition or client related risks; (xvi) legislations impacting business or tax; (xvii) shareholder expectations; and/or (xviii) any other significant risk or external matter.

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividend in the foreseeable future. The dividend, if any, will depend on a number of factors, including but not limited to our Company's profits, capital requirements, overall financial condition, contractual restrictions and other factors considered relevant by our Board. Our Company may also, from time to time, pay interim dividends. For details in relation to risks involved in this regard, see "*Risk Factors – 50. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements*" on page 70.

Our Company has not declared any dividends on the Equity Shares from April 1, 2024 until the date of this Draft Red Herring Prospectus and during the Fiscals ended March 31, 2024, March 31, 2023 and March 31, 2022.

Provided that in Fiscal 2021, our Company had declared dividend for the period Fiscal 2018 to Fiscal 2021, on the Preference Shares (which were outstanding at the time and since converted into Equity Shares) aggregating to ₹ 0.07 million, which remains unpaid as on date of this Draft Red Herring Prospectus. Our Company has made a provision of ₹ 0.04 million towards such dividend. See "*Restated Consolidated Financial Information – Note 20 - Other Current Liabilities*" on page 323.

SECTION VII – FINANCIAL INFORMATION

RESTATED CONSOLIDATED FINANCIAL INFORMATION

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INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors
ESDS Software Solution Limited
B – 24 and B – 25, Nice Area
M.I.D.C, Satpur Nashik 422 007 Maharashtra, India

Dear Sir,

1. We have examined the attached Restated Consolidated Financial Information of ESDS Software Solution Limited (the "**Company**" or "**Issuer**"), and its subsidiaries (the Company and its subsidiaries collectively referred to as the "**Group**") which comprises of the restated consolidated statement of assets and liabilities as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the restated consolidated statement of profit and loss (including other comprehensive income), restated consolidated statement of changes in equity and the restated consolidated statement of cash flow for the six months ended September 30, 2024 and the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, and the summary statement of material accounting policies, and other explanatory information (collectively, the "**Restated Consolidated Financial Information**"), as approved by the Board of Directors of the Company ("**the Board**") at their meeting held on March 13, 2025, for the purpose of inclusion in the draft red herring prospects ("**DRHP**"), red herring prospectus ("**RHP**") and the prospectus ("**Prospectus**") prepared by the Company in connection with its proposed initial public offer of equity shares of face value of ₹1 each ("**IPO**") prepared in terms of the requirements of:

   a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("**the Act**") read with Companies (Prospectus and Allotment of Securities) Rules 2014;

   b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**ICDR Regulations**") and;

   c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("**ICAI**"), as amended from time to time (the "**Guidance Note**")

2. The Company's Board of Directors are responsible for the preparation of the Restated Consolidated Financial Information in accordance with the Indian Accounting Standards ("**Ind AS**") prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India for the purpose of inclusion in the DRHP, RHP and the Prospectus to be filed with Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited and Registrar of Companies, Maharashtra at Mumbai in connection with the proposed IPO. Restated Consolidated Financial Information has been prepared by the management of the Company on the basis of preparation stated in Note 2.2 to the Restated Consolidated Financial Information.

   The responsibility of the respective board of directors of the companies included in the Group includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations, and the Guidance Note.

3. We have examined this Restated Consolidated Financial Information taking into consideration:

   a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated October 03, 2024 in connection with the proposed IPO of equity shares of the Company;

   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 Consolidated Financial Information; 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.

4. The Company proposes to make an initial public offer which comprises of fresh issue of its equity shares of Re. 1 each at such premium arrived at by the book building process (referred to as the 'Issue'), as may be decided by the Company's Board of Directors.

5. These Restated Consolidated Financial Information have been compiled by the management from:

   a) Audited Interim consolidated financial statements of the Group as at and for the six months period ended September 30, 2024 which were prepared in accordance with Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on March 13, 2025;

   b) Audited Consolidated Financial Information of the Group as at and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 which were prepared in accordance with Indian Accounting Standards (Ind AS), as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended and the other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on September 06, 2024; September 05, 2023; and September 22, 2022, respectively.

6. For the purpose of our examination, we have relied on:

   a) Auditors' reports issued by us dated March 13, 2025 on the Audited Interim Consolidated financial Information of the Group as at and for the six months period ended September 30, 2024 as referred in Paragraph 5(a) above ; and

   b) Auditors' reports issued by us, dated September 06, 2024; September 05, 2023; and September 22, 2022 on the audited Consolidated Financial Information of the Group as at and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 respectively as referred in Paragraph 5(b) above.

7. As indicated in our audit report referred above, we did not audit the financial statements of four

subsidiaries (as mentioned in Annexure A) included in the Group for the six months period ended September 30, 2024 whose share of total assets, total revenues, net cash inflows/(outflows) included in the consolidated financial statements, for the relevant period is tabulated below:

(INR million)

Particulars	**As at and for the six months period ended September 30, 2024**
Total assets*	44.62
Total revenue	16.16
Net cash inflow / (outflow)	8.64

**Total assets consist of only three subsidiaries i.e. ESDS Global Software Solution Inc, USA; ESDS Cloud FZ LLC, UAE; Spochub Solutions Private limited, India as the Company sold one of its subsidiary ESDS Internet Services Private Limited as on August 29, 2024.*

The financial statements of two subsidiaries have been audited by other auditors (as mentioned in Annexure A) and whose reports have been furnished to us by the Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the two subsidiaries, are based solely on the report of the other auditors.

The financial statements / financial information of Erstwhile Subsidiary (ESDS Internet Services Private Limited) of the Company, is unaudited and is included in the Restated Consolidated Financial Information as at and for the period from April 1, 2024 to August 29, 2024, based on unaudited financial statements / financial information furnished to us by the management of the Company. Our opinion on the Restated Consolidated Financial Information, in so far relates as it relates to the amounts and disclosures included in respect of the Erstwhile Subsidiary are based solely on such unaudited financial statement / financial information.

In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group and we have relied on the same.

Also, the financial statements / financial information of one subsidiary (ESDS Global Software Solution Inc, USA) is unaudited and is included in the restated consolidated Ind AS financial Statements as at and for the period ended September 30, 2024, based on unaudited financial statements / financial information furnished to us by the management of the Company. Our opinion on the Restated Consolidated Ind AS Financial Statements, in so far relates as it relates to the amounts and disclosures included in respect of the subsidiary are based solely on such unaudited financial statement / financial information.

In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group and we have relied on the same.

Our opinion on the consolidated financial statements is not modified in respect of this matter. We have reviewed the conversion adjustments made by the Company in relation to the foreign subsidiaries. These financial statements and other financial information are not material to the group.

8. The Auditors' reports issued by us on the consolidated financial statements of the Group as at and for the financial years ended March 31, 2024, 2023 and 2022, respectively included following other matter:

   We have not audited the financial statements/financial information of four subsidiaries, whose financial statements reflect total assets, total revenue and Net cash inflow / (outflow) as mentioned below:

(INR million)

Year	Total assets	Total Revenue	Net cash inflow / (outflow)
FY 2023-24	442.50	120.38	(1.47)
FY 2022-23	522.49	103.71	4.82
FY 2021-22	577.13	94.46	4.71

Out of which financial statements of three subsidiaries have been audited by other Auditors (Refer annexure A) whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) & (11) of Section 143 of the Act, in so far it relates to the aforesaid subsidiaries, is solely based on the reports of the other auditors. Also, the financial statements/financial information of one subsidiary is unaudited and is included in the Consolidated Ind AS Financials Statements, based on such unaudited financial statements/financial information furnished to us by the management of the Company. Our opinion on the Restated Consolidated Ind AS financial statements, in so far relates as it relates to the amounts and disclosures included in respect of the subsidiary are based solely on such unaudited financial statements/financial information.

In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

9. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the examination reports/auditors' reports issued by the other auditors, we report that the Restated Consolidated Financial Information of the Group:

   i) have been prepared after incorporating adjustments for change in accounting policies, material errors and regrouping / reclassifications retrospectively in the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 to reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at and for the six months period ended on September 30, 2024;

   ii) does not contain any qualification requiring adjustments for the respective year; and

   iii) have been prepared in accordance with the Act, the ICDR Regulations and the Guidance Note.

10. We have not audited any financial information of the Group as of any date or for any period subsequent to September 30, 2024. Accordingly, we express no opinion on the financial position, reserves of operations, cash flows and statement of changes in equity of the Group as of any date or for any period subsequent to September 30, 2024.

11. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited consolidated financial statements mentioned in paragraph 5 above.

12. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or the other auditors, nor should this report be construed as a new opinion on any

of the financial statements referred to herein.

13. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

14. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP, RHP and the Prospectus to be filed with Securities and Exchange Board of India, the Registrar of Companies Maharashtra at Mumbai, and BSE Limited and National Stock Exchange of India Limited, as applicable, in connection with the proposed IPO. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **Shah Khandelwal Jain & Associates**
Chartered Accountants
ICAI Firm Registration No. 142740W

Sd/-

Ashish Khandelwal
Partner
Membership No.: 049278
Place: Pune
Date : March 13, 2025
UDIN : 25049278BMHYVE5576

Annexure 'A'

Details of subsidiaries audited by other auditors for the respective years/ period:

Sr. No.	Name of the Entity	Nature of relation	Name of Auditor	Audit Period	Status (Audited / Unaudited)
1	ESDS Internet Services Private Limited, India*	Subsidiary	S.S Dhoot and Co.	FY 2021-22	Audited
				FY 2022-23	Audited
				FY 2023-24	Audited
				April 1, 2024 to August 29, 2024	Unaudited
2	ESDS Global Software Solution Inc, USA	Wholly owned Subsidiary	NA**	FY 2021-22	Unaudited
				FY 2022-23	Unaudited
				FY 2023-24	Unaudited
				Six month period ended September 30, 2024	Unaudited
3	ESDS Cloud FZ LLC,UAE	Wholly owned Subsidiary	Synergy Auditing and Accounting	January 1, 2021 to December 31, 2021	Audited
				January 1, 2022 to December 31, 2022	Audited
				January 1, 2023 to December 31, 2023	Audited
				January 1, 2024 to September 30, 2024	Audited
4	Spochub Solutions Private limited, India	Wholly owned Subsidiary	S.S Dhoot and Co.	FY 2021-22	Audited
				FY 2022-23	Audited
				FY 2023-24	Audited
				Six month period ended September 30, 2024	Audited

**ESDS Internet Services Private Limited ceased to be a subsidiary of the Company from August 29, 2024. The data for the period April 2024 to August 29, 2024 has been considered on the basis of the unaudited financial information provided by the company.*

***Audit is not applicable as there is no audit requirement as per the laws & regulations of the United States of America.*

ESDS Software Solution Limited (CIN : U72200MH2005PLC155433)
Restated Consolidated Statement of Assets and Liabilities
(All amounts are in Rupees million, unless otherwise stated)

Particulars	Notes	As at September 30,2024	As at March 31,2024	As at March 31,2023	As at March 31,2022
ASSETS					
Non-current assets					
Property, plant and equipment	3	2,156.82	2,180.50	1,967.48	2,043.32
Right-of-use of assets	4	923.29	995.05	830.73	850.90
Capital work-in-progress	5	-	-	-	0.70
Intangible assets	6a	27.03	47.75	109.73	164.53
Financial Assets					
Non-current financial assets	7.a	99.64	102.27	274.94	207.86
Deferred-tax Assets (net)	22	-	-	16.49	-
Other non-current assets	8	78.93	24.81	-	2.13
Total non-current assets		**3,285.71**	**3,350.38**	**3,199.36**	**3,269.44**
Current assets					
Current financial assets					
Trade receivables	9a	842.00	690.03	571.34	638.53
Unbilled Receivable	9b	893.22	515.20	314.07	339.05
Cash and cash equivalents	10	17.04	22.47	168.86	350.60
Other bank balances	11	-	-	30.00	146.39
Other current financial assets	7.b	584.82	576.65	304.07	76.18
Income-tax assets	12	211.25	142.38	234.93	163.70
Other current assets	13	183.73	179.97	184.33	241.69
Total current assets		**2,732.05**	**2,126.71**	**1,807.60**	**1,956.14**
Total assets		**6,017.76**	**5,477.09**	**5,006.96**	**5,225.58**
EQUITY AND LIABILITIES					
Equity					
Equity share capital	14	92.89	92.89	92.89	91.57
Other equity					
Reserves and surplus	15	2,314.78	2,079.75	1,963.07	1,897.03
Other reserves	15	87.46	86.45	49.96	68.44
Equity attributable to owners of ESDS Software Solution Limited		**2,495.14**	**2,259.10**	**2,105.92**	**2,057.04**
Non-controlling interest	41	-	6.00	(4.38)	(4.31)
Total equity		**2,495.14**	**2,265.09**	**2,101.54**	**2,052.73**
LIABILITIES					
Non-current liabilities					
Non current financial liabilities					
Non-current borrowings	16.a	755.02	847.73	929.80	656.13
Lease liabilities	4	844.81	933.12	558.70	608.31
Employee benefit obligations	18	137.52	121.80	91.06	83.97
Deferred tax Liability (net)	22	85.37	56.47	-	36.14
Total non-current liabilities		**1,822.72**	**1,959.11**	**1,579.56**	**1,384.55**
Current liabilities					
Current financial liabilities					
Current borrowings	16.b	882.12	642.71	718.49	678.66
Lease liabilities	4	172.54	164.49	145.20	205.00
Trade payables					
Total outstanding dues of micro enterprises and small enterprises	19	121.37	5.72	59.78	10.71
Total outstanding dues of creditors other than micro enterprises and small enterprises	19	249.57	227.17	217.34	253.94
Other current financial liabilities	17.a	113.64	101.21	57.38	537.31
Employee benefit obligations	18	3.54	3.13	3.08	3.09
Income-tax liabilities	20	-	-	-	0.26
Other current liabilities	20	157.13	108.45	124.59	99.33
Total current liabilities		**1,699.91**	**1,252.89**	**1,325.87**	**1,788.30**
Total liabilities		**3,522.63**	**3,212.00**	**2,905.42**	**3,172.85**
Total equity and liabilities		**6,017.76**	**5,477.09**	**5,006.96**	**5,225.58**

The above restated consolidated statement of assets and liabilities should be read in conjunction with the material accounting policy information and notes forming part of the Restated Consolidated Financial Information.

In terms of our report of even date

For Shah Khandelwal Jain & Associates
ICAI Firm Registration Number: 142740W
Chartered Accountants

Sd/-

Ashish Khandelwal
Partner
Membership No.: 049278
Place : Pune
Date : 13/03/2025

For and on behalf of the Board of Directors
ESDS Software Solution Limited (CIN : U72200MH2005PLC155433)

Sd/-

Piyush Somani
Chairman and Managing Director
DIN :02357582
Place: Nashik
Date : 13/03/2025

Sd/-

Komal Somani
Whole Time Director
DIN: 08477154
Place: Nashik
Date : 13/03/2025

Sd/-

Prasad Deokar
Company Secretary and Compliance officer
Membership No.: A34350
Place: Nashik
Date : 13/03/2025

Sd/-

Nadukuru Sita Ramaiah
Chief Financial Officer

Place: Nashik
Date : 13/03/2025

ESDS Software Solution Limited (CIN : U72200MH2005PLC155433)
Restated Consolidated Statement of Profit and Loss
(All amounts are in Rupees million, unless otherwise stated)

Particulars	Notes	For the Six months ended September 30,2024	For the Year ended March 31,2024	For the Year ended March 31,2023	For the Year ended March 31,2022
Revenue from operations	23	1,721.50	2,865.18	2,075.66	1,953.58
Other income	24	12.23	56.18	46.76	33.17
Total income		**1,733.74**	**2,921.36**	**2,122.42**	**1,986.75**
Expenses					
Employee benefit expense	25	452.09	850.72	770.07	708.49
Finance costs	26	158.93	315.75	259.27	177.19
Depreciation and amortisation expense	27	301.96	525.52	491.48	429.47
Other expenses	28	530.89	995.65	830.80	658.07
Total expenses		**1,443.86**	**2,687.64**	**2,351.63**	**1,973.22**
Profit /(loss) before exceptional items		**289.88**	**233.72**	**(229.22)**	**13.53**
Exceptional Items (refer note no. 39)					
Rates and taxes		0.34	6.55	47.78	35.00
Penalties		-	4.18	-	-
Profit /(loss) before tax		**289.53**	**222.99**	**(276.99)**	**(21.47)**
Income tax expense					
Current tax	21	22.67	9.10	-	4.46
Less: MAT credit entitlement	21	(3.55)	-	-	(4.46)
Prior year taxes		-	4.35	-	-
Deferred tax	21	31.08	73.45	(52.39)	5.16
Total tax expense / (write-back of tax expense)		**50.19**	**86.89**	**(52.39)**	**5.16**
Profit/(loss) for the period / year [A]		**239.34**	**136.10**	**(224.60)**	**(26.63)**
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Revaluation surplus on land and buildings		-	38.97	-	-
Remeasurement of post-employment benefit obligations		(6.75)	(14.08)	(0.26)	3.24
Income tax / (write-back of income tax) relating to these items		1.88	3.92	0.07	(0.90)
Total other comprehensive income/(loss) for the period / year, net of tax		**(4.87)**	**28.80**	**(0.19)**	**2.34**
Items that will be reclassified to profit or loss					
Foreign exchange differences on translation of foreign operations		0.75	(6.54)	(22.79)	(1.42)
Total other comprehensive income /(loss) for the period / year, net of tax [B]		**(4.12)**	**22.27**	**(22.98)**	**0.92**
Total comprehensive income /(loss) for the period / year [A+B]		**235.22**	**158.37**	**(247.58)**	**(25.71)**
Profit is attributable to:					
Owners of ESDS Software Solution Limited		239.34	125.72	(224.53)	(27.24)
Non-controlling interest		-	10.38	(0.07)	0.61
		239.34	**136.10**	**(224.60)**	**(26.63)**
Other comprehensive income /(loss) is attributable to:					
Owners of ESDS Software Solution Limited		(4.12)	22.27	(22.98)	0.91
Non-controlling interest		-	-	-	-
		(4.12)	**22.27**	**(22.98)**	**0.91**
Total comprehensive income /(loss) is attributable to:					
Owners of ESDS Software Solution Limited		235.22	147.99	(247.51)	(26.32)
Non-controlling interest		-	10.38	-0.07	0.61
		235.22	**158.37**	**(247.58)**	**(25.71)**
Earnings per equity share for profit /(loss) attributable to owners of ESDS Software Solution Limited	29				
Basic (face value of equity shares : INR 1 per share)		2.58	1.35	(2.42)	(0.30)
Diluted (face value of equity shares : INR 1 per share)		2.58	1.35	(2.42)	(0.30)

The above restated consolidated statement of profit and loss should be read in conjunction with the material accounting policy information and notes forming part of the Restated Consolidated Financial Information.

In terms of our report of even date

For Shah Khandelwal Jain & Associates
ICAI Firm Registration Number: 142740W
Chartered Accountants

Sd/-

Ashish Khandelwal
Partner
Membership No.: 049278
Place : Pune
Date : 13/03/2025

For and on behalf of the Board of Directors
ESDS Software Solution Limited (CIN : U72200MH2005PLC155433)

Sd/-

Piyush Somani
Chairman and Managing Director
DIN :02357582
Place: Nashik
Date : 13/03/2025

Sd/-

Komal Somani
Whole Time Director
DIN: 08477154
Place: Nashik
Date : 13/03/2025

Sd/-
Prasad Deokar
Company Secretary and Compliance officer
Membership No.: A34350
Place: Nashik
Date : 13/03/2025

Sd/-
Nadukuru Sita Ramaiah
Chief Financial Officer

Place: Nashik
Date : 13/03/2025

ESDS Software Solution Limited (CIN : U72200MH2005PLC155433)
Restated Consolidated Statement of Cashflow
(All amounts are in Rupees million, unless otherwise stated)

Particulars	For the Six months Ended September 30,2024	For the Year Ended March 31,2024	For the Year Ended March 31,2023	For the Year Ended March 31,2022
A) Cash flows from operating activities				
Profit / (Loss) before tax	289.53	222.99	(276.99)	(21.47)
Adjustments for				
Depreciation and amortisation expense	301.96	525.52	491.48	429.47
(Gain)/Loss on disposal of property, plant and equipment	-	(0.09)	0.03	0.00
Expected Credit loss allowance	42.92	55.29	43.65	70.22
Balances Written off	1.00	-	-	-
Interest income classified as investing activities	(14.51)	(34.65)	(15.63)	(12.52)
Balance write back	(0.80)	-	-	-
Finance costs	158.93	315.75	259.27	177.19
Unrealised exchange (gain)/loss	0.23	0.69	(1.54)	2.51
Employee stock option expenses	0.82	5.18	5.44	5.45
Operating profit before working capital changes	**780.07**	**1,090.68**	**505.71**	**650.86**
Changes in working capital				
(Increase) / Decrease in trade receivables	(574.13)	(375.79)	50.05	(245.01)
(Increase) / Decrease in other current and non-current financial assets	(4.52)	(251.26)	15.45	(32.82)
(Increase) / Decrease in other current and non-current assets	(57.87)	(20.46)	59.49	(104.53)
Increase / (Decrease) in trade payables	137.33	(44.23)	12.47	(4.82)
Increase / (Decrease) in employee benefit obligations	9.39	16.71	6.82	10.41
Increase/ (decrease) of current borrowings	237.68	(80.49)	16.33	412.54
Increase/ (Decrease) in other current and non-current financial liabilities	11.70	57.66	(55.81)	(8.91)
Increase/ (Decrease) in other current and non-current liabilities	48.67	(16.14)	25.26	2.01
Cash generated from operations	**588.32**	**376.67**	**635.78**	**679.72**
Income taxes paid (net of refunds received)	(90.02)	79.10	(71.23)	(102.02)
Net cash inflows/ (outflows) from operating activities	**498.30**	**455.77**	**564.54**	**577.70**
B) Cash flows from investing activities				
Investments in property, plant and equipment and intangible assets	(185.39)	(230.45)	(361.75)	(605.58)
Bank balances not considered as cash and cash equivalents	(1.02)	181.34	(194.02)	(103.44)
Interest/ income on investment received	14.51	34.65	15.63	12.52
Net cash inflows/(outflows) from investing activities	**(171.90)**	**(14.46)**	**(540.14)**	**(696.50)**
C) Cash flows from financing activities				
Proceeds from issue of preference shares	-	-	-	199.99
Proceeds from Rights issue	-	-	-	7.00
Proceeds from issue of Non-convertible debentures	-	-	450.00	300.00
Share application money received allotment pending	-	-	-	300.00
Increase/ (decrease) of non-current borrowings	(92.71)	(82.07)	(176.33)	(83.42)
Principal elements of lease payments	(130.26)	(277.71)	(281.48)	(277.50)
Proceeds from issue of equity share capital (including securities premium and net of refund of share application money)	-	-	(9.05)	-
Interest paid on borrowings	(108.93)	(229.62)	(190.96)	(121.67)
Net cash inflows/ (outflows) from financing activities	**(331.90)**	**(589.39)**	**(207.83)**	**324.40**
Net increase / (decrease) in cash and cash equivalents	(5.51)	(148.08)	(183.43)	205.60
Foreign currency translation impact on cash and cash equivalents	0.08	1.70	1.69	1.18
Cash and cash equivalents at the beginning of the period / year	22.47	168.86	350.60	143.82
Cash and cash equivalents at the end of the period / year	**17.04**	**22.47**	**168.86**	**350.60**

Reconciliation of cash and cash equivalents as per the cash flow statement:

	As at September 30,2024	As at March 31,2024	As at March 31,2023	As at March 31,2022
Cash and cash equivalents (Note 10)	**17.04**	**22.47**	**168.86**	**350.60**
Balances as per statement of cash flows	**17.04**	**22.47**	**168.86**	**350.60**

The above restated consolidated statement of cash flow has been prepared under "Indirect method" as set out in Ind AS 7 - "Cash Flow Statement" and should be read in conjunction with material accounting policy information and notes forming part of the Restated Consolidated Financial Information.

For Shah Khandelwal Jain & Associates
ICAI Firm Registration Number: 142740W
Chartered Accountants

Sd/-
Ashish Khandelwal
Partner
Membership No.: 049278
Place : Pune
Date : 13/03/2025

For and on behalf of the Board of Directors
ESDS Software Solution Limited (CIN : U72200MH2005PLC155433)

Sd/-
Piyush Somani
Chairman and Managing Director
DIN :02357582
Place: Nashik
Date : 13/03/2025

Sd/-
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Whole Time Director
DIN: 08477154
Place: Nashik
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Company Secretary and Compliance officer
Membership No.: A34350
Place: Nashik
Date : 13/03/2025

Sd/-
Nadukuru Sita Ramaiah
Chief Financial Officer

Place: Nashik
Date : 13/03/2025

ESDS Software Solution Limited (CIN : U72200MH2005PLC155433)
Restated Consolidated Statement of Changes in Equity
(All amounts are in Rupees million, unless otherwise stated)

A. Equity share capital
Equity shares of Rs.1 each issued, subscribed and fully paid up (refer note no 14)

Particulars	Note	Total
As at March 31, 2021		**52.22**
Change in equity share capital		39.35
As at March 31, 2022		**91.57**
Change in equity share capital		1.32
As at March 31, 2023	**14**	**92.89**
Change in equity share capital		-
As at March 31, 2024		**92.89**
Change in equity share capital		-
As at September 30, 2024		**92.89**

B. Other equity

Particulars	Attributable to owners of ESDS Software Solution Limited									Non-controlling interest	Total other equity
	Equity component of compound financial instrument	Reserves and surplus					Other reserves				
		Securities premium account	General Reserve	Capital redemption reserve	Debenture Redemption Reserve	Retained earnings	Foreign currency translation reserve	Revalution reserve	Share Based Payment Reserve		
As at March 31, 2021	**1,239.85**	**6.85**	**0.01**	**3.59**	**-**	**502.77**	**0.25**	**65.29**	**-**	**(4.74)**	**1,813.86**
Profit for the year	-	-	-	-	-	(27.24)	-	-	-	0.61	**(26.63)**
Currency translation adjustments for subsidiaries	-	-	-	-	-	-	(1.42)				**(1.42)**
Previous year adjustment	-	-	-	-	-	-	-	-	-	(0.18)	**(0.18)**
Adjustment of additional depreciation on increase in carrying value due to fair valuation transferred to retained earnings	-	-	-	-	-	1.12	-	(1.12)	-	-	**-**
Deferred tax impact on above adjustments	-	-	-	-	-		-	-	-	-	**-**
Other comprehensive income not reclassified to profit and loss	-	-	-	-	-	2.34	-	-	-	-	**2.34**
Other comprehensive income that will be reclassified to profit and loss	-	-	-	-	-		-	-	-	-	**-**
Share Based Payment - Expense recognized for the year	-	-	-	-	-		-	-	5.45	-	**5.45**
Transferred from Retained Earnings	-	-	-	-	30.00	(30.00)	-	-	-	-	**-**
Security Premium on account of conversion of compulsory convertible shares and debentures	(1,439.84)	1,407.63	-	-	-	-	-	-	-	-	**(32.21)**
Equity component of compound financial instruments issued during the year	199.99	-	-	-	-	-	-	-	-	-	**199.99**
		-	-	-	-	-	-	-	-	-	**-**
Total	**(1,239.85)**	**1,407.63**	**-**	**-**	**30.00**	**(53.78)**	**(1.42)**	**(1.12)**	**5.45**	**0.43**	**147.34**
As at March 31,2022	**-**	**1,414.48**	**0.01**	**3.59**	**30.00**	**448.99**	**(1.17)**	**64.17**	**5.45**	**(4.31)**	**1,961.19**
Profit for the year	-	-	-	-	-	(224.53)	-	-	-	(0.07)	**(224.60)**
Currency translation adjustments for subsidiaries	-	-	-	-	-	-	(22.79)	-	-	-	**(22.79)**
Adjustment of additional depreciation on increase in carrying value due to fair valuation transferred to retained earnings	-	-	-	-	-	1.12	-	(1.12)	-	-	**-**
Deferred tax impact on above adjustments	-	-	-	-	-		-		-	-	**-**
Other comprehensive income	-	-	-	-	-	(0.19)	-	-	-	-	**(0.19)**
Share Based Payment - Expense recognized for the period	-	-	-	-	-		-	-	5.44	-	**5.44**
Transferred from Retained Earnings	-		-	-	45.00	(45.00)	-			-	**-**
Security Premium on account of fresh issue	-	289.63	-	-	-	-	-	-	-	-	**289.63**
Equity component of compound financial instruments issued during the year	-	-	-	-	-	-	-	-	-	-	**-**
			-								**-**
Total	**-**	**289.63**	**-**	**-**	**45.00**	**(268.60)**	**(22.79)**	**(1.12)**	**5.44**	**(0.07)**	**47.49**

As at March 31,2023	-	**1,704.11**	**0.01**	**3.59**	**75.00**	**180.39**	**(23.96)**	**63.05**	**10.89**	**(4.38)**	**2,008.68**
Profit for the year	-	-	-	-	-	125.72		-	-	10.38	**136.10**
Currency translation adjustments for subsidiaries	-	-	-	-	-	-	(6.54)	-	-	-	**(6.54)**
Revaluation of land and building	-	-	-	-	-	-	-	38.97	-	-	**38.97**
Adjustment of additional depreciation on increase in carrying value due to fair valuation transferred to retained earnings	-	-	-	-	-	1.12	-	(1.12)	-	-	**-**
Deferred tax impact on above adjustments	-	-	-	-	-		-	-	-	-	**-**
Other comprehensive income	-	-	-	-	-	(10.17)	-	-	-	-	**(10.17)**
Share Based Payment - Expense recognized for the period	-	-	-	-	-	-	-	-	5.18	-	**5.18**
Transferred from Retained Earnings	-	-	-	-	-	-	-	-	-	-	**-**
Security Premium on account of fresh issue	-	-	-	-	-	-	-	-	-	-	**-**
Equity component of compound financial instruments issued during the year	-	-	-	-	-	-	-	-	-	-	**-**
							-	-	-	-	**-**
Total	-	**-**	**-**	**-**	**-**	**116.67**	**(6.54)**	**37.85**	**5.18**	**10.38**	**163.55**
As at March 31,2024	-	**1,704.11**	**0.01**	**3.59**	**75.00**	**297.07**	**(30.50)**	**100.89**	**16.07**	**6.00**	**2,172.22**
Profit for the year	-	-	-	-	-	239.34		-	-	-	**239.34**
Currency translation adjustments for subsidiaries	-	-	-	-	-	-	0.75	-	-	-	**0.75**
Revaluation of land and building	-	-	-	-	-	-	-	-	-	-	**-**
Adjustment of additional depreciation on increase in carrying value due to fair valuation transferred to retained earnings	-	-	-	-	-	-	-	-	-	-	**-**
Deferred tax impact on above adjustments	-	-	-	-	-		-	-	-	-	**-**
Other comprehensive income	-	-	-	-	-	(4.87)	-	-	-	-	**(4.87)**
Share Based Payment - Expense recognized for the period	-	-	-	-	-	-	-	-	0.82		**0.82**
Loss of Control in Subsidiary	-	-		-	-	-	-	-	-	(6.00)	**(6.00)**
Transferred from Retained Earnings	-	-	-	-	-	-	-	-	-	-	**-**
Security Premium on account of fresh issue	-	-	-	-	-	-	-	-	-	-	**-**
Equity component of compound financial instruments issued during the year	-	-	-	-	-	-	-	-	-	-	**-**
							-	-	-	-	**-**
Total	-	**-**	**-**	**-**	**-**	**234.47**	**0.75**	**-**	**0.82**	**(6.00)**	**230.04**
As at September 30,2024	-	**1,704.11**	**0.01**	**3.59**	**75.00**	**531.54**	**(29.75)**	**100.89**	**16.89**	**-**	**2,402.27**

The above restated consolidated statement of changes in equity should be read in conjunction with the material accounting policy information and notes forming part of the Restated Consolidated Financial Information.

For Shah Khandelwal Jain & Associates
ICAI Firm Registration Number: 142740W
Chartered Accountants

For and on behalf of the Board of Directors
ESDS Software Solution Limited (CIN : U72200MH2005PLC155433)

Sd/-

Ashish Khandelwal
Partner
Membership No.: 049278
Place : Pune
Date : 13/03/2025

Sd/-

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Chairman and Managing Director
DIN :02357582
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Whole Time Director
DIN: 08477154
Place: Nashik
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Sd/-

Prasad Deokar
Company Secretary and Compliance officer
Membership No.: A34350
Place: Nashik
Date : 13/03/2025

Sd/-

Nadukuru Sita Ramaiah
Chief Financial Officer
Place: Nashik
Date : 13/03/2025

1. Corporate information

ESDS Software Solution Limited (‘the Holding Company” or “the Company”) was incorporated on August 18, 2005 under the Companies Act, 1956. The registered office and corporate office of the Company are situated at Plot No. B-24 & 25, Nice Area, M.I.D.C. Satpur., Nasik, Maharashtra, India, 422007.

The principal activities of the Group (i.e., the Holding Company and its subsidiaries) is primarily engaged in providing IT enabled services (web hosting services, technical support services, data centre setup and consulting services) and supply of IT enabled products closely connected with the rendering of the IT enabled services. The Company runs its business operations in four cities Nashik, Navi Mumbai, Bengaluru and Mohali.

2. Summary of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these Restated Consolidated Financial Information. These policies have been consistently applied to all the periods presented, unless otherwise stated. The financial statements are for the Group consisting of ESDS Software Solution Limited and its subsidiaries.
[Refer note 41]

2.1 Statement of compliance

The Restated Consolidated Financial Information of the Group comprises the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 and the Restated Consolidated Statement of Profit and Loss, the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Statement of Cash Flows for the six months ended September 30, 2024 and the years ended March 31, 2024, March 31, 2023 and March 31, 2022, the notes thereto and the Material Accounting policies (collectively, the ‘**Restated Consolidated Financial Information**’).

The Restated Consolidated Financial Information has been prepared by the management of the Company for the purpose of inclusion in the Draft Red Herring Prospectus(“DRHP”), Red Herring Prospectus (“RHP”) and Prospectus (referred to as “Issue Document”) prepared by the Company in connection with its proposed initial public offer (“IPO”) as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”) issued by the Securities and Exchange Board of India (“SEBI”).

The Restated Consolidated Financial Information, which has been approved by the Board of Directors of the Company, has been prepared in accordance with the requirements of:

a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014, as amended from time to time;

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date (the “SEBI ICDR Regulations”) issued by SEBI; and

c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).

For the Period / years ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the Group prepared its financial statements in accordance with the Ind As specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, to the extent applicable, and the presentation requirements of the Companies Act, 2013. Further,

- there were no changes in the accounting policies during the period / year of these Restated Consolidated Financial Information,
- there were no material amounts which have been adjusted, in arriving at profit/(loss) for the respective period / year; and
- there were no material adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited consolidated financial statements of the Group as at and for the period ended September 30, 2024.

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.

The Restated Consolidated Financial Information were authorised for issue in accordance with a resolution passed by Board of Directors on March 13, 2025.

The Restated Consolidated Financial Information:

a. have been prepared after incorporating adjustments in respect of changes in the accounting policies, material errors, if any, and regrouping/reclassifications retrospectively as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the six months ended September 30, 2024; and

b. do not require any adjustment for qualifications as there are no qualifications in the underlying auditor's reports which require any adjustments.

2.2 Basis of Preparation and Presentation

(i) Compliance with Ind AS

The restated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following:

· Certain financial assets and liabilities (including derivative instruments) and contingent consideration is measured at fair value;
· Assets held for sale ‑ measured at fair value less cost to sell; and
· Defined benefit plans ‑ plan assets measured at fair value;

(iii) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification.
An asset is current when it is:

· Expected to be realised or intended to be sold or consumed in the normal operating cycle;
· Held primarily for the purpose of trading;
· Expected to be realised within twelve months after the reporting period; or
· Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle of the Group is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the nature of products and the time between the acquisitions of assets for processing and their realization in cash and cash equivalents, the Group has ascertained operating cycle of 12 months for the purpose of current and non-current classification of assets and liabilities.

2.3 Principles of consolidation and equity accounting

i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity where the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the restated consolidated statement of profit and loss, restated consolidated statement of changes in equity and balance sheet respectively.

The audited financial statements of ESDS Cloud FZ LLC for the year ended December 31, 2021, 2022 and 2023 have been considered for the purpose of consolidation after making necessary adjustments for the effects of significant transactions or events, if any, that occur till the reporting date of the parent company, i.e. March 31, 2022, 2023 and 2024.

For the six months period ended September 30, 2024, the consolidation has been done on the basis of the audited financial statements of ESDS Cloud FZ LLC

The Restated Consolidated Financial Information include the financial information of ESDS Software Solution Limited and its Subsidiaries [refer note 41.a]

ii) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity [refer note 41.b]

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

iii) Foreign currency translation

a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Restated Consolidated Financial Information and notes are presented in Indian rupee (INR) which is the Group's functional and presentation currency and all values are rounded to the nearest million (INR 1,000,000), except when otherwise indicated.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the average exchange rates during the year. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at period end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Foreign exchange differences arising on foreign currency borrowings are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/ (losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as at FVOCI are recognised in other comprehensive income.

c) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the functional currency as follows:

· Assets and liabilities are translated at the closing rate at the date of that balance sheet
· income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
· All resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

iv) Segmented reporting:

Operating Segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (“CODM”). The Group is engaged in the business of "design, development, installation and servicing of information technology related resource which is a single business segment since these are subject to similar risk and returns. Accordingly, Information technology related resource service comprises the primary basis of segmental information as set out in these financial statement, which therefore reflects the information required by Ind AS 108 - Segment Reporting, with respect to primary segment.

Since the entire Group’s business is design, development, installation and servicing of information technology related resource, there are no other primary reportable segments. Thus, the segment revenue, segment results, total carrying value of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge of depreciation and amortization during the period are all as reflected in the Financial Statements as at and for the six months ended September 30, 2024 and year ended March 31, 2024; March 31, 2023; March 31, 2022.

v) Cash flow statement

The Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statements and presents cash flows by operating, investing and financing activities of the Group.

2.4 Property, plant and equipment

Initial recognition

All items of property, plant and equipment (including capital work-in-progress) are measured at its cost.
The cost of an item of property, plant and equipment comprises:

(a) Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

(b) Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(c) The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Measurement after recognition

The Group has elected revaluation model for measurement of land and building whose fair value can be measured reliably at each reporting period.

(a) Revaluation model for certain class of property, plant and equipment

Land and buildings are recognised at fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Increases in the carrying amounts arising on revaluation of land and buildings are recognised, net of tax, in other comprehensive income and accumulated in reserves in shareholders’ equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss. Each period, the difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset’s original cost, net of tax, is reclassified from the revaluation reserve to retained earnings.

(b) Cost model for other class of assets

All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate the cost of the assets, net of their residual values, over their estimated useful lives as follows:

Type of asset	Useful life w.e.f April 2021 (in years)*	Useful life till March 2020 (in years)
Office building	60	60
Computers and data centre equipment's	3/4/5/6/10/15	5/6
Office equipment	3/4/5/8/10/15/20	5
Furniture and fittings	10	10
Vehicles	8	8

**The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets.*

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The change in useful life is a change in estimate as per Ind AS 8, Ind AS 16 and the impact of the same on depreciation and resultant carrying amount has been applied prospectively.

2.5 Intangible assets (including intangible assets under development)
Software:

Intangible assets are recognized at cost. Intangible assets are amortised on a straight line basis over the estimated useful economic life so as to reflect the pattern in which the assets economic benefits are consumed.

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets where the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use
- Management intends to complete the software and use or sell it
- There is an ability to use or sell the software
- It can be demonstrated how the software will generate probable future economic benefits
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- The expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Following summarizes the nature of intangible and the estimated useful life:

Asset	Useful life (in years)
Software	10 and 3

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the profit or loss when the asset is derecognized.

2.6 Leases

As a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

· fixed payments (including in-substance fixed payments), less any lease incentives receivable
· Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
· Amounts expected to be payable by the Group under residual value guarantees
· The exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
· Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

· where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
· uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing, and
· makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Group entities use that rate as a starting point to determine the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs, and
- Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying assets useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

If a readily observable amortizing loan rate is available to the individual lessee (through recent financing or market data) who has a similar payment profile to the lease, then the Group entities use that rate as a starting point to determine the incremental borrowing rate.

2.7 Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are initially recognised at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

2.8 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.9 Unbilled revenue

Unbilled revenue are recognised when there is excess of revenue earned over billings on contracts. Unbilled revenue are classified as financial asset, when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Invoicing to the clients for other fixed price contracts is based on milestones as defined in the contract and therefore the timing of revenue recognition is different from the timing of invoicing to the customer. Therefore, unbilled revenue for other fixed price contracts are classified as non-financial asset because the right to consideration is dependent on completion of contractual milestones.

2.10 Contract Fulfilment Cost

The Group recognizes contract fulfilment cost as an asset if those cost specifically relate to a contract or to an anticipated contract, the cost generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognized is charged to profit and loss, whenever the performance obligation in relation to this asset is satisfied.

2.11 Other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:
· Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
· Those to be measured at amortised cost.

The classification depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Group commits to purchase or sale the financial asset.

(iii) Measurement
At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

· Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in Other Income using the effective interest rate method. Any gain or loss arising on de-recognition is recognised directly in profit or loss and presented in other gains/ (losses). Impairment losses are presented as separate line item in the statement of profit and loss.

· Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at FVOCI.
Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/ (losses) and impairment expenses are presented as separate line item in statement of profit and loss.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net within other gains/ (losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the de-recognition of the investment. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Refer Note 34 for details stating how the Group determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial assets

A financial asset is derecognised only when

· The Group has transferred the rights to receive cash flows from the financial asset or
· Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

2.12 Income tax

The income tax expense or credit for the period is the tax payable on the current period' s taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the restated consolidated financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax

Ind AS 12 defines deferred tax to include carry forward of unused tax credits. MAT credits are in the form of unused tax credits that are carried forward by the entity for a specified period of time. Accordingly, MAT credit entitlement should be grouped with deferred tax asset (net) in the Balance Sheet, and a separate note should be provided specifying the nature and amount of MAT credit included as part of deferred tax assets.

2.13 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

The fair value of the liability portion of a compulsorily convertible preference is determined using a market interest rate for an equivalent non-convertible bond. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the bonds. The remainder of the proceeds is attributable to the equity portion of the compound instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently re-measured.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

2.14 Employee benefit obligations

Post-employment obligations

The Group operates the following post-employment schemes:

(a) Defined benefit plans such as gratuity; and
(b) Defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, if any. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

2.15 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial period which are unpaid. The amounts are unsecured and are usually paid within the agreed credit days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2.16 Unearned revenue

Unearned revenue relates to billing done for services/ performance obligations which have not been performed as on the date of reporting. These billings are as per the terms of the contract with customers.

2.17 Revenue from contracts with Customers

Ind AS 115 Revenue from contracts with customers has been issued with effect from April 1, 2018. The new standard deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

A new five-step process must be applied before revenue can be recognised:
(i) Identify contracts with customers
(ii) Identify the separate performance obligation
(iii) Determine the transaction price of the contract
(iv) Allocate the transaction price to each of the separate performance obligations, and
(v) Recognise the revenue as each performance obligation is satisfied.

Revenue recognition policy

The Group has following streams of revenue:

(i) Revenue from sale of services

(ii) Revenue from sale of products

The Group accounts for a contract when it has approval and commitment from parties involved, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable.

Revenue from the sale of goods is recognized at the point in time when control is transferred to the customer - based on delivery terms, payment terms, customer acceptance and other indicators of control as mentioned above.

The Group recognizes revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Revenue from contract with customers is recognized when the Group satisfies performance obligations by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract. The "transaction price" as the mount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. Accumulated experience is used to estimate and provide for the discounts/right of the return, using the expected value method.

The Group assesses for the timing of revenue recognition in case of each distinct performance obligation. The Group first assesses whether the revenue can be recognized over time as it performs if any of the following criteria is met:

(a) The customer simultaneously consumes the benefits as the Group performs, or
(b) The customer controls the work-in-progress, or
(c) The Group' s performance does not create an asset with alternative use to the Group and the Group has right to payment for performance completed till date.

If none of the criteria above are met, the Group recognizes revenue at a point-in-time. The point-in-time is determined when the control of the goods or services is transferred which is generally determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Group also considers its present right to payment, the legal title to the goods, the physical possession and the customer acceptance in determining the point in time where control has been transferred.

Rendering of services (Turnkey revenue and Webhosting revenue)

The Group provides hosting services, design, and implementation and support services under fixed-price and variable-price contracts. Revenue from providing services is recognised in the accounting period in which the services are rendered based on usage. For fixed-price contracts, revenue is recognised based on the actual service provided to the customer till the end of the reporting period as a proportion of the total services to be provided. This is determined based on the actual man hours spent relative to the total expected man hours. Some contracts (Especially in case of Turnkey projects) include multiple deliverables, such as the sale of hardware and related installation services.

However, the installation is simple, does not include an integration service and could be performed by another party. It is therefore accounted for as a separate performance obligation.

Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand alone selling prices. Where these are not directly observable, they are estimated based on expected cost plus margin. If contracts include the installation of hardware, revenue for the hardware is recognised at a point in time when the hardware is delivered, the legal title has passed and the customer has accepted the hardware.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

In the case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the Group exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised. If the contract includes a usage based fee, revenue is recognised in the amount to which Group has right to invoice. Customers are invoiced on a monthly basis and consideration is payable when invoiced.

(ii) Sale of products

Revenue from the sale of goods in the course of ordinary activities is recognised when property in the goods or significant risks and rewards of their ownership are transferred to the customer and significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection. The amount recognised as revenue is exclusive of Goods and service tax and is net of discounts.

2.18 Interest income

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

2.19 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

2.20 Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. Further details are given in Note 35.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

2.21 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

· The profit attributable to owners of the Group
· by the weighted average number of equity shares outstanding during the period, adjusted for bonus elements in equity shares issued during the period and excluding treasury shares [refer note 29]

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

· The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
· The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(All amounts are in Rupees million, unless otherwise stated)

3 Property, plant and equipment

Particulars	Land	Leasehold land improvements	Buildings	Computer and data center equipment	Office equipments	Furniture & fixture	Vehicles	Total
Opening gross carrying amount as at April 1, 2021	**65.67**	**53.19**	**110.51**	**1,804.77**	**440.21**	**67.61**	**32.46**	**2,574.42**
Additions during the year	-	-	0.13	223.49	9.21	1.57	-	**234.38**
Disposals during the year	-	-	-	-	-	-	-	**-**
Gross carrying amount as at March 31, 2022	**65.67**	**53.19**	**110.64**	**2,028.25**	**449.41**	**69.18**	**32.46**	**2,808.80**
Accumulated depreciation till April 1,2021	**1.11**	**1.86**	**3.38**	**386.77**	**90.00**	**12.30**	**8.72**	**504.14**
Charge for the year	0.73	0.93	2.14	164.79	53.88	7.10	4.15	**233.73**
Impairment of assets*	-	-	-	13.62	13.99	-	-	**27.61**
Accumulated depreciation on disposals during the year	-	-	-	-	-	-	-	-
Closing accumulated depreciation as at March 31, 2022	**1.84**	**2.79**	**5.52**	**565.18**	**157.87**	**19.40**	**12.87**	**765.48**
Net carrying amount as at March 31, 2022	**63.83**	**50.40**	**105.12**	**1,463.07**	**291.55**	**49.78**	**19.59**	**2,043.32**

Particulars	Land	Leasehold land improvements	Buildings	Computer and data center equipment	Office equipments	Furniture & fixture	Vehicles	Total
Opening gross carrying amount as at April 1, 2022	**65.67**	**53.19**	**110.64**	**2,028.25**	**449.41**	**69.18**	**32.46**	**2,808.80**
Additions during the year	-	-	-	224.39	3.19	0.98	2.27	**230.83**
Reclassified from ROU	-	-	-	-	-	-	-	**-**
Revaluation of assets	-	-	-	-	-	-	-	**-**
Disposals during the year	-	-	-	-	-	-	(0.74)	**(0.74)**
Gross carrying amount as at March 31, 2023	**65.67**	**53.19**	**110.64**	**2,252.64**	**452.61**	**70.15**	**33.99**	**3,038.89**
Accumulated depreciation till April 1,2022	**1.84**	**2.79**	**5.52**	**565.18**	**157.87**	**19.40**	**12.87**	**765.47**
Charge for the year	0.73	0.93	2.14	191.56	61.36	7.21	4.15	**268.10**
Impairment of assets*	-	-	-	20.05	18.15	-		**38.21**
Accumulated depreciation on disposals during the year	-	-	-	-	-	-	(0.35)	(0.35)
Closing accumulated depreciation as at March 31, 2023	**2.57**	**3.72**	**7.66**	**776.80**	**237.39**	**26.61**	**16.67**	**1,071.42**
Net carrying amount as at March 31, 2023	**63.10**	**49.46**	**102.98**	**1,475.85**	**215.22**	**43.54**	**17.32**	**1,967.48**

(All amounts are in Rupees million, unless otherwise stated)

Particulars	Land	Leasehold land improvements	Buildings	Computer and data center equipment	Office equipments	Furniture & fixture	Vehicles	Total
Opening gross carrying amount as at April 1, 2023	**65.67**	**53.19**	**110.64**	**2,252.64**	**452.61**	**70.15**	**33.99**	**3,038.89**
Additions during the period	-	-	-	196.81	4.79	3.05	11.97	**216.62**
Reclassified from ROU	-	-	-	287.06	-	-	-	**287.06**
Revaluation of assets	20.04	-	21.88	-	-	-	-	**41.91**
Disposals during the period	-	-	-	-	-	-	(0.74)	**(0.74)**
Gross carrying amount as at March 31, 2024	**85.70**	**53.19**	**132.52**	**2,736.51**	**457.40**	**73.21**	**45.23**	**3,583.76**
Accumulated depreciation till April 1,2023	**2.57**	**3.72**	**7.66**	**776.80**	**237.39**	**26.61**	**16.67**	**1,071.42**
Charge for the period	0.73	0.93	2.14	256.72	57.04	7.35	4.51	**329.42**
Revaluation of assets	1.01	-	1.94	-	-	-	-	**2.94**
Impairment of assets	-	-	-	-	-	-	-	**-**
Accumulated depreciation on disposals during the period	-	-	-	-	-	-	(0.53)	(0.53)
Closing accumulated depreciation as at March 31, 2024	**4.30**	**4.65**	**11.74**	**1,033.51**	**294.43**	**33.96**	**20.65**	**1,403.26**
Net carrying amount as at March 31, 2024	**81.40**	**48.53**	**120.78**	**1,703.00**	**162.97**	**39.24**	**24.58**	**2,180.50**

Particulars	Land	Leasehold land improvements	Buildings	Computer and data center equipment	Office equipments	Furniture & fixture	Vehicles	Total
Opening gross carrying amount as at April 1, 2024	**85.70**	**53.19**	**132.52**	**2,736.51**	**457.40**	**73.21**	**45.23**	**3,583.76**
Additions during the period	-	-	-	166.71	12.81	6.61	-	**186.12**
Reclassified from ROU	-	-	-	-	-	-	-	-
Revaluation of assets	-	-	-	-	-	-	-	-
Disposals during the period	-	-	-	-	-	-	-	-
Gross carrying amount as at September 30, 2024	**85.70**	**53.19**	**132.52**	**2,903.22**	**470.20**	**79.81**	**45.23**	**3,769.87**
Accumulated depreciation till April 1,2024	**4.30**	**4.65**	**11.74**	**1,033.51**	**294.43**	**33.96**	**20.65**	**1,403.26**
Charge for the period	0.87	0.47	1.07	154.88	45.12	4.35	2.57	**209.32**
Revaluation of assets	0.26	-	0.21	-	-	-	-	**0.48**
Impairment of assets	-	-	-	-	-	-	-	**-**
Accumulated depreciation on disposals during the period	-	-	-	-	-	-	-	-
Closing accumulated depreciation as at September 30, 2024	**5.43**	**5.12**	**13.02**	**1,188.39**	**339.55**	**38.31**	**23.22**	**1,613.06**
Net carrying amount as at September 30, 2024	**80.27**	**48.07**	**119.50**	**1,714.83**	**130.65**	**41.50**	**22.01**	**2,156.82**

*As per IND AS 36-Impairment of assets, Impairment testing for the assets pertaining to locations outside India have been done by the management. As management believes that there were significant changes which had an adverse effect due to political environment in that foreign country to which the assets are dedicated. Management estimated in FY 2022-23 that none of this assets will be recoverable. Hence, decided to impair the assets. (Impairment for March 2023 is 65% ; March 2022 is 35%)

Additional Disclosures:

The Group has elected to apply the revaluation model to its specified class of assets i.e. Land and Building of Property, Plant, and Equipment (PPE) as permitted by Ind AS 16 - Property, Plant and Equipment. Under this model, certain classes of PPE are carried at revalued amounts, reflecting fair values determined by market-based evidence at the date of revaluation. The revaluation of Land and Building was conducted as of 12/04/2024, in accordance with the requirements of Indian Accounting Standard (IND AS) 16, "Property, Plant, and Equipment. The revaluation was conducted by "Sunil Bhor and Associates" Govt. Registered Valuer, a reputable and independent valuation firm, appointed based on their expertise and in compliance with the guidelines outlined in IND AS 16.

In the absence of revaluation, the carrying amount of Land and Building would be Rs. 62.37 million and Rs. 100.84 million respectively, recognized at historical cost less accumulated depreciation and impairment losses. The revaluation surplus resulting from the revaluation of PPE has been recognized in Other Comprehensive Income. For FY 2023-24, revaluation surplus amounting to Rs. 38.96 million reflecting the difference between the fair value and the carrying amount of the revalued assets.

(All amounts are in Rupees million, unless otherwise stated)

4 Right to use Asset

Following are the changes in the carrying value of right of use assets

Particulars	Premises	Server	Amount
Balance as at April 1, 2021	**570.12**	**424.90**	**995.01**
Addition	1.30	-	1.30
Amortisation	(94.17)	(51.24)	(145.41)
Balance as at March 31, 2022	**477.25**	**373.66**	**850.90**
Addition	92.88	-	92.88
Modification/Rectification	6.37	4.50	10.87
Amortisation	(70.97)	(52.95)	(123.93)
Balance as at March 31, 2023	**505.52**	**325.21**	**830.73**
Addition	348.40	237.10	585.50
ROU transferred to PPE on buyout option*	-	(287.06)	(287.06)
Amortisation	(72.50)	(61.61)	(134.12)
Balance as at March 31, 2024	**781.42**	**213.63**	**995.05**
Addition			-
ROU transferred to PPE on buyout option*	(0.32)	-	(0.32)
Amortisation	(58.14)	(13.30)	(71.44)
Balance at on September 30,2024	**722.97**	**200.33**	**923.29**

* During the year ended March 31, 2024 the holding company exercised its purchase option on a Right-of-Use (ROU) asset as per the terms outlined in the relevant lease agreements. This exercise of the purchase option resulted in a reclassification of the ROU asset to Property, Plant, and Equipment (PPE), in accordance with Indian accounting standards 16 & 116. The carrying amount of the ROU asset transferred to Property, Plant, and Equipment (PPE) as on the date of exercise of purchase option in the relevant lease agreements is Rs. 287.06 million. This exercise of the purchase option has been accounted for in accordance with the company's accounting policies and applicable Indian accounting standards.

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities:
Lease liabilities

Particulars	As at September 30,2024	As at March 31,2024	As at March 31,2023	As at March 31,2022
Non-current	844.81	933.12	558.70	608.31
Current	172.54	164.49	145.20	205.00
Total	**1,017.35**	**1,097.61**	**703.90**	**813.31**

Details Regarding contractual maturities of lease liabilities on an undiscounted basis are as follows:

Particulars	As at September 30,2024	As at March 31,2024	As at March 31,2023	As at March 31,2022
Less than One year	260.65	260.59	201.77	271.51
One to Five years	952.51	1,022.98	461.53	484.76
More than Five years	107.18	167.04	292.03	334.35
Total	**1,320.34**	**1,450.60**	**955.33**	**1,090.61**

The following is the movement in lease liabilities:

Particulars	As at September 30,2024	As at March 31,2024	As at March 31,2023	As at March 31,2022
Balance as at beginning of the reporting period	1,097.61	703.90	813.31	1,034.00
Additions during the year	-	585.28	92.88	1.30
Modification/Rectification	-	-	10.89	**-**
Finance cost accrued during the period	50.00	86.13	68.31	55.51
Payment of lease liabilities	(130.26)	(277.71)	(281.48)	(277.50)
Balance as at end of the reporting period	**1,017.35**	**1,097.61**	**703.90**	**813.31**

Payment of lease liabilities

Particulars	Premises	Equipments	Amount
For the six months ended September 30,2024	84.50	45.76	**130.26**
For the Year ended March 31,2024	141.27	136.43	**277.71**
For the Year ended March 31,2023	101.09	180.39	**281.48**
For the Year ended March 31,2022	92.13	185.37	**277.50**

The lessee’s range of weighted average incremental borrowing rate applied to the lease liabilities was 9.50%.
The leases mainly comprises of DC premises,office premises, equipements and servers

ESDS Software Solution Limited (CIN : U72200MH2005PLC155433)
Notes Forming Part of Restated Consolidated Financial Information
(All amounts are in Rupees million, unless otherwise stated)

5 Capital Work in Progress

Particulars	Capital work-in-progress
Opening gross carrying amount as at April 1, 2021	**3.70**
Additions	0.70
Disposals	3.70
Gross carrying amount as at March 31, 2022	**0.70**
Opening gross carrying amount as at April 1, 2022	0.70
Additions	-
Disposals	0.70
Gross carrying amount as at March 31, 2023	**-**
Opening gross carrying amount as at April 1, 2023	-
Additions	-
Disposals	-
Gross carrying amount as at March 31, 2024	**-**
Opening gross carrying amount as at April 1, 2024	-
Additions	-
Disposals	-
Gross carrying amount as at September 30, 2024	**-**

Notes:

Refer Note 43 for ageing schedule of capital work in progress.

Refer to note 30 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

ESDS Software Solution Limited (CIN : U72200MH2005PLC155433)
Notes Forming Part of Restated Consolidated Financial Information
(All amounts are in Rupees million, unless otherwise stated)

6a Intangible assets

Particulars	Software
Opening gross carrying amount as at April 1, 2021	**59.54**
Additions during the year	62.05
Add: Transfer from Intangible assets under development	83.20
Gross carrying amount as at March 31, 2022	**204.79**
Accumulated Amortization	
Balance as at April 1, 2021	17.48
Amortization charge for the year	22.78
Accumulated amortisation on disposals during the year	-
Closing accumulated depreciation as at March 31, 2022	**40.26**
Net carrying value as at March 31, 2022	**164.53**

Particulars	Software
Opening gross carrying amount as at April 1, 2022	**204.79**
Additions during the period	6.45
Add:Transfer from Intangible assets under development	-
Gross carrying amount as at March 31, 2023	**211.24**
Accumulated Amortisation	
Balance as at April 1, 2022	40.26
Amortisation charge for the year	61.26
Accumulated amortisation on disposals during the year	-
Closing accumulated depreciation as at March 31, 2023	**101.51**
Net carrying value as at March 31, 2023	**109.73**

Particulars	Software
Opening gross carrying amount as at April 1, 2023	**211.24**
Additions during the period	
Add: Change due to foreign currency transalation	-
Add:Transfer from Intangible assets under development	-
Gross carrying amount as at March 31, 2024	**211.24**
Accumulated Amortisation	
Balance as at April 1, 2023	101.51
Amortisation charge for the year	61.98
Accumulated amortisation on disposals during the year	-
Closing accumulated depreciation as at March 31, 2024	**163.50**
Net carrying value as at March 31, 2024	**47.75**

Particulars	Software
Opening gross carrying amount as at April 1, 2024	**211.24**
Additions during the period	
Add: Change due to foregin currency transalation	-
Add:Transfer from Intangible assets under development	-
Gross carrying amount as at September 30, 2024	**211.24**
Accumulated Amortisation	
Balance as at April 1, 2024	163.50
Amortisation charge for the period	20.72
Accumulated amortisation on disposals during the period	-
Closing accumulated depreciation as at September 30, 2024	**184.21**
Net carrying value as at September 30, 2024	**27.03**

(All amounts are in Rupees million, unless otherwise stated)

	Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
7.a	**Non-current financial assets**				
*	Term deposits with maturity more than 12 months from reporting date	59.95	58.93	210.28	151.23
	Accrued interest on above deposits	-	-	-	-
	Other receivables (TDS reimbursements)	3.19	5.75	1.94	1.82
	Security deposits	36.50	37.59	62.72	54.80
	Total non-current financial assets	**99.64**	**102.27**	**274.94**	**207.86**
7.b	**Other current financial assets**				
*	Term deposits with maturity of less than 12 months from reporting date	487.94	499.51	249.91	-
	Accrued interest on above term deposits	12.54	6.93	1.45	-
	Security deposit	58.52	41.40	23.44	33.79
	Other loans and advances	0.20	4.29	17.14	21.86
	Less: Loss allowance	-	(4.09)	(16.94)	(21.65)
**	Other receivables	25.62	28.60	29.06	42.19
	Total other current financial assets	**584.82**	**576.65**	**304.07**	**76.18**

* Term deposits amounting to Rs. 59.95 million (Rs. 58.93 million as on March 31, 2024, Rs. 210.28 million as on March 31, 2023) in Non current financial assets out of which Rs. 47.93 million (Rs. 49.79 million as on March 31, 2024, Rs. 202.45 million as on March 31, 2023) and Rs. 487.94 million (Rs. 499.51 million as on March 31, 2024, Rs. 249.91 million as on March 31, 2023) in Other current financial assets out of which Rs. 455.85 million (Rs. 472.86 million as on March 31, 2024, Rs. 237.56 million as on March 31, 2023) have been liened against Bank guarantee and loans taken from bank. This lien serves as a collateral to secure the repayment of borrowed funds.The liened term deposits classified as a restricted assets, reflecting their encumbrance and limited availability for other purposes.

** The Group has incurred share issue expenses of INR 74.39 million as at December 03, 2022 (DRHP Expiry date) in connection with proposed public offer of equity shares. In relation to the expenses incurred for the proposed Initial Public Offer (offer for sale from existing shareholders) of equity shares of the Company during the period , the selling shareholders had agreed that the expenses incurred by the Group till date (including any tax reimbursements) will be reimbursed by each of them on a proportionate basis (i.e. in proportion to the equity shares offered by such selling shareholders in such initial public offering) amounting to Rs.25.62 million, which have been kept in Other receivables in financial statements. These expenses had been approved by the shareholders in accordance with the agreements for services entered into by the Company for the purpose of proposed IPO. In the event that the offer is postponed or withdrawn or abandoned for any reason or in the event the Offer is not successfully completed, all the expenses in relation to such initial public offering was required to be borne by company and selling shareholders in accordance to the proportionate basis as above. The public offering of equity shares was not successfully completed and hence the company's share of expenses have been written off to the profit and loss account and selling shareholders proportionate share have been kept in Other receivables.

8 Other non-current assets

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Capital advances	78.93	24.81	-	11.48
Less: Loss allowance	-	-	-	(9.35)
Total other non-current assets	**78.93**	**24.81**	**-**	**2.13**

9a Trade receivables

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Trade receivables from others	1,113.02	918.06	736.67	778.63
Less: Loss allowance	(255.37)	(212.38)	(149.68)	(124.45)
Less: credit impaired	(15.65)	(15.65)	(15.65)	(15.65)
Total trade receivables	**842.00**	**690.03**	**571.34**	**638.53**
Break-up of security details				
Trade receivables (unsecured)				
Considered good	1,097.37	902.41	721.02	762.98
Significant increase in credit risk	15.65	15.65	15.65	15.65
Less: Loss allowance	(255.37)	(212.38)	(149.68)	(124.45)
Less: credit impaired	(15.65)	(15.65)	(15.65)	(15.65)
Total trade receivables	**842.00**	**690.03**	**571.34**	**638.53**

*For ageing schedule refer note no: 43

9b Unbilled Receivable

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31,2022
Unbilled Revenue	893.22	515.20	314.07	339.05
Total Unbilled Revenue	**893.22**	**515.20**	**314.07**	**339.05**

10 Cash and cash equivalents

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Balances with banks	16.75	22.17	98.47	350.32
Cash on hand	0.29	0.30	0.29	0.28
Term deposits with maturity with less than 3 months #	-	-	100.09	-
Lien marked Term deposits with maturity less than 3 months	-	-	(30.00)	-
Total cash and cash equivalents	**17.04**	**22.47**	**168.86**	**350.60**

(All amounts are in Rupees million, unless otherwise stated)

11 Other bank balances

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Term deposits with original maturity with more than 3 months but due within 12 months from the date of reporting*	-	-	-	146.39
Accrued Interest on above term deposits	-	-	-	-
Earmarked balances with bank #				
Lien marked Term deposits with maturity less than 3 months	-	-	30.00	-
Total other bank balances	-	-	**30.00**	**146.39**

 # Earmarked balances with bank
- Term deposits having original maturity of less than 3 months amounting to Rs. 100.09 million out of which Rs. 30.00 million have been liened against loans taken from bank as at March 31, 2023. These fixed deposits are not readily convertible into cash hence classified under other bank balances instead of cash and cash equivalents.

12 Income-tax assets

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Advance tax and tax deducted at source (net of provision)	211.25	142.38	234.93	163.70
Total income-tax assets	**211.25**	**142.38**	**234.93**	**163.70**

12.a Movement in income-tax assets

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Opening balance	142.38	234.93	163.70	63.79
Tax charge during the year	(22.67)	(9.10)	-	(4.46)
Tax charge in respect to earlier years	-	(4.35)	-	5.80
Demand adjustment against refund	-	(23.60)	-	-
Refund of taxes	-	(223.96)	(62.89)	-
Payment of advance tax/tax deducted at source during the year	91.53	168.45	134.12	98.57
Closing balance	**211.25**	**142.38**	**234.93**	**163.70**

13 Other current assets

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Prepayments	115.59	118.48	135.78	175.63
Advances to creditors	17.80	9.12	5.04	14.16
Advances to employees	2.93	1.19	0.96	1.83
Balances with statutory / government authorities	47.41	51.18	9.32	33.59
Share issue expenses (to the extent of not written off or adjusted)**	-	-	-	16.48
Prepaid Contract fulfillment costs*	-	-	33.23	-
Total other current assets	**183.73**	**179.97**	**184.33**	**241.69**

*Group have procured liscenses and softwares from the vendor and delivered the same to its customer.However the installation of the same was pending as at March 31, 2023. As per para no 22 of IND AS 115, the revenue related to such software/liscenses can only be recognised when the installation is completed. Company have conformed with IND AS 115 and have parked it as "Unearned revenue" of INR 47.83 million in financial statements. The cost incurred on procurement of such liscense/softwares is shown under current asset as " Contract Fulfillment costs" of INR 33.23 million as revenue against the liscenses/softwares will be recognised only when the installation is complete.

**The Group has incurred share issue expenses of INR 74.39 million for a proposed Initial Public Offer of the shares of the Company through December 03, 2022 [one year anniversary after the regulatory approval of the DRHP] (March 31, 2022: 53.28 million) in connection with proposed public offer of equity shares. In relation to the expenses incurred for the proposed Initial Public Offer , the selling shareholders had agreed that the expenses incurred by the Company till date (including any tax reimbursements) will be reimbursed to the extent of INR 25.62 million. The proposed public offer of equity shares is not completed and the company share of expenses have been written off to the profit and loss account (refer note no :28) and the amount to be borne by the selling shareholders has been reflected in Other receivables.

(All amounts are in Rupees million, unless otherwise stated)

14 Equity share capital

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Authorised share capital:				
115,000,000 (FY 2024, FY 2023, FY 2022 : 115,000,000) equity shares of Rs 1 each	115.00	115.00	115.00	115.00
3,150,000 (FY 2024,FY2023,FY 2022: 3,150,000) 0.01% compulsory convertible preference shares of Rs 100 each	315.00	315.00	315.00	315.00
200,000 (FY 2024,FY 2023,FY 2022: 200,000) 16% compulsory convertible preference shares of Rs 100 each	20.00	20.00	20.00	20.00
1,000,000 (FY 2024,FY 2023,FY 2022 : 1,000,000) 0.01% compulsory convertible preference shares of Rs 10 each	10.00	10.00	10.00	10.00
Total	**460.00**	**460.00**	**460.00**	**460.00**
Issued, subscribed and paid up :				
Equity share capital				
92,894,185 (FY 2024,FY 2023 : 92,894,185;FY 2022: 91,571,685) equity shares of Rs 1 each fully paid up	92.89	92.89	92.89	91.57
Total	**92.89**	**92.89**	**92.89**	**91.57**

(i) Reconciliation of number of equity shares issued, subscribed and paid up

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Shares outstanding at the beginning of the period	92,894,185	92,894,185	91,571,685	5,222,100
Add: Fresh issue*	-	-	1,322,500	-
Split of shares from face value Rs.10 to Re.1 **				52,221,000
Add: Conversion of 0.01% compulsory convertible preference shares of Rs 100 each #	-	-	-	23,514,770
:Conversion of 16% compulsory convertible preference shares of Rs 100 each #	-	-	-	7,018,077
:Conversion of 0.01% compulsory convertible preference shares of Rs 10 each #	-	-	-	677,930
:Conversion of Compulsory Convertible Debentures #	-	-	-	1,139,908
:Right Issues of Equity Shares $	-	-	-	7,000,000
Shares outstanding at the end of the period	**92,894,185**	**92,894,185**	**92,894,185**	**91,571,685**

* The holding Company have opened a Pre-IPO placement for its 2,681,818 equity shares out of which shares application money for 1,363,637 equity shares have been received as at March 31, 2022 having face value of Rs.1 and premium of Rs.219. However on May 06, 2022 company have decided to withdraw the pre-ipo placement and refund the money to the subscribers. On May 12, 2022 company have opened a new pre-Ipo placement offer and completed the offer by issuing 1,322,500 equity shares to the shareholders having face value of Rs 1 and premium of Rs 219.

** Pursuant to a resolution of the Shareholders passed in the extraordinary general meeting held on July 26, 2021, each fully paid up equity share of the Company of face value ₹10 was sub-divided into 10 Equity Shares of face value of ₹ 1 each. Accordingly, the cumulative number of equity shares of the Company was changed from 5,222,100 equity shares of ₹ 10 each to 52,221,000 Equity Shares of ₹ 1 each.

Pursuant to a resolution of the Board of Directors passed in the Board Meeeting held on December 03,2021 following class of compulsory convertible preference shares and compulsory convertible debtenures are converted into equity shares of the company.

Securities held prior to conversion			Equity shares allotted on conversion		
Security Name	**Number of Securities**	**Face Value**	**Security Name**	**Number of Securities**	**Face Value**
CCCPS	2,351,477	100.00	Equity Shares	23,514,770	1.00
Class A CCPS	567,866	100.00	Equity Shares	6,692,157	1.00
CCD	461,934	479.00	Equity Shares	1,139,908	1.00
Class B1 CCPS	162,842	100.00	Equity Shares	325,920	1.00
Class C CCPS	677,930	10.00	Equity Shares	677,930	1.00

Details of shareholders holding Preference shares (CCCPS)

Name of the shareholder	Number of Securities
South Asia Growth Fund II, L.P. (SAGF)	1,721,281
GEF ESDS Partners, L.L.C. (GEPL)	630,196
Total	**2,351,477**

Details of shareholders holding Preference shares (Class B1)

Name of the shareholder	Number of Securities
South Asia Growth Fund II Holdings, LLC	161,800
Orbis Capital Limited Being The Trustee Of South Asia	1,042
Total	**162,842**

Details of shareholders holding Preference shares (Class A)

Name of the	Number of Securities
South Asia Growth Fund II Holdings, LLC	564,232
Orbis Capital Limited Being The Trustee Of South Asia EBT Trust	3,634
Total	**567,866**

Details of shareholders holding Preference shares (Class C)

Name of the shareholder	Number of Securities
South Asia Growth Fund II Holdings, LLC	673,591
Orbis Capital Limited Being The Trustee Of South Asia EBT Trust	4,339
Total	**677,930**

Details of shareholders holding Convertible debentures

Name of the	Number of Securities
South Asia Growth Fund II Holdings, LLC	458,977
Orbis Capital Limited Being The Trustee Of South Asia EBT Trust	2,957
Total	**461,934**

$ Pursuant to a resolution of the Board of Directors passed in the Board Meeeting held on December 03,2021 ,the board of directors of the company accorded to offer,issue and allot 70,00,000 equity shares of the company by way of right issue having face value of Rs 1 each to its existing equity shareholders as on record date i.e December 03,2021

Sr No	Share Holders	Equity shares offered
1	Piyush Somani	2,052,696
2	Sarla Somani	153,122
3	PO Somani Family Trust	1,717,478
4	Prajakta Jadhav	1
5	Komal Somani	1
6	Pooja Somani	1
7	ESDS Employee Benefit Trust	182,094
8	South Asia Growth Fund II LP	1,583,506
9	South Asia Growth Fund II Holdings LLC	726,668
10	GEF ESDS Partners LLC	579,753
11	South Asia EBT Trust	4,680
	Total	7,000,000

(ii) Reconciliation of equity share capital issued, subscribed and paid up

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Equtiy share capital outstanding at the beginning of the period	92.89	92.89	91.57	52.22
Add : Fresh issue	-	-	1.32	
Add: Conversion of 0.01% compulsory convertible preference shares of Rs 100 each	-	-	-	23.51
:Conversion of 16% compulsory convertible preference shares of Rs 100 each	-	-	-	7.02
:Conversion of 0.01% compulsory convertible preference shares of Rs 10 each	-	-	-	0.68
:Conversion of Compulsory Convertible Debentures	-	-	-	1.14
:Right Issues of Equity Shares	-	-	-	7.00
Equity share capital outstanding at the end of the period	**92.89**	**92.89**	**92.89**	**91.57**

(iii) Terms/ rights attached to equity shares
The equity shares referred to as 'Ordinary equity shares' have a par value of Rs. 1 each. All Ordinary equity shares rank equally with regard to dividend and share in the Company's residual assets. Equity shares are entitled to receive dividend declared from time to time subject to payment of dividend to preference shareholders. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(iv) Details of shareholders holding more than 5% equity shares is set out below

Name of the shareholder	As at September 30, 2024		As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	% holding	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding	No. of shares
Piyush Somani	28.91%	26,852,696	28.91%	26,852,696	28.91%	26,852,696	29.32%	26,852,696
PO Somani Family Trust	24.19%	22,467,478	24.19%	22,467,478	24.19%	22,467,478	24.54%	22,467,478
Sarla Somani	0.11%	100,531	2.02%	1,874,910	2.02%	1,874,910	2.07%	1,897,637
SAGF II Holdings LLC	10.23%	9,506,036	10.23%	9,506,036	10.23%	9,506,036	10.38%	9,506,036
South Asia Growth Fund II, L.P. (SAGF)	8.04%	7,471,260	22.30%	20,714,896	22.30%	20,714,896	22.62%	20,714,896
GEF ESDS Partners, L.L.C. (GEPL)	4.55%	4,228,289	8.16%	7,584,133	8.16%	7,584,133	8.28%	7,584,133
Esds Employee Benfit Trust	2.56%	2,382,094	2.56%	2,382,094	2.56%	2,382,094	2.60%	2,382,094
Total number of shares		**73,008,384**		**91,382,243**		**91,382,243**		**91,404,970**

(All amounts are in Rupees million, unless otherwise stated)

(v) Details of shareholding of promoters is set out below

Shares held by promoters at the end of the period September 30,2024	As at September 30, 2024		As at March 31, 2024		Change during the period	% Change during the period
Promoter Name	No. of shares	% of total shares	No. of shares	% of total shares		
Piyush Somani	26,852,696	28.91%	26,852,696	28.91%	-	0.00%
Komal Somani	11	0.00%	11	0.00%	-	0.00%
P.O Somani Family Trust	22,467,478	24.19%	22,467,478	24.19%	-	0.00%

Shares held by promoters at the end of the year March 31,2024	As at March 31, 2024		As at March 31, 2023		Change during the period	% Change during the period
Promoter Name	No. of shares	% of total shares	No. of shares	% of total shares		
Piyush Somani	26,852,696	28.91%	26,852,696	28.91%	-	0.00%
Komal Somani	11	0.00%	11	0.00%	-	0.00%
P.O Somani Family Trust	22,467,478	24.19%	22,467,478	24.19%	-	0.00%

Shares held by promoters at the end of the year March 31,2023	As at March 31, 2023		As at March 31, 2022		Change during the period	% Change during the period
Promoter Name	No. of shares	% of total shares	No. of shares	% of total shares		
Piyush Somani	26,852,696	28.91%	26,852,696	29.32%	-	-1.42%
Komal Somani	11	0.00%	11	0.00%	-	0.00%
P.O Somani Family Trust	22,467,478	24.19%	22,467,478	24.54%	-	-1.42%

Shares held by promoters at the end of the year March 31,2022	As at March 31, 2022		As at March 31, 2021		Change during the period	% Change during the period
Promoter Name	No. of shares	% of total shares	No. of shares	% of total shares		
Piyush Somani	26,852,696	29.32%	2,480,000	47.49%	24,372,696	-38.25%
Komal Somani	11	0.00%	0	0.00%	0	0.00%
P.O Somani Family Trust	22,467,478	24.54%	0	0.00%	22,467,478	24.54%

(vi) Aggregate number of bonus shares issued during the Year of five years immediately preceding the reporting date: Nil

15 Other equity

		Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
I.		**Reserves and surplus**				
		Retained earnings	532.10	297.06	180.39	448.98
		Securities premium	1,704.10	1,704.10	1,704.10	1,414.48
		Capital redemption reserve	3.58	3.58	3.58	3.58
		Debenture redemption reserve	75.00	75.00	75.00	30.00
		Total reserves and surplus	**2,314.78**	**2,079.75**	**1,963.07**	**1,897.03**
	(i)	**Retained earnings**				
		Opening balance	297.06	180.39	448.98	502.76
		Profit for the Year attributable to shareholders of the company	239.34	125.72	(224.53)	(27.24)
		Other comprehensive income attributable to shareholders of the company	(4.87)	(10.17)	(0.19)	2.34
		Add/Less:				
		Transfer to debetnure redemption reserve	-	-	(45.00)	(30.00)
		Adjustment of additional depreciation on increase in carrying value due to fair valuation	0.56	1.12	1.12	1.12
		Total retained earnings	**532.10**	**297.06**	**180.39**	**448.98**
	(ii)	**Securities premium**				
		Opening balance	1,704.10	1,704.10	1,414.48	6.85
		Add: Premium on issue of equity shares	-	-	289.63	
		Add: on account of conversion of preference shares	-	-		1,407.63
		Total securities premium	**1,704.10**	**1,704.10**	**1,704.10**	**1,414.48**
	(iii)	**Capital redemption reserve**				
		Opening balance	3.58	3.58	3.58	3.58
		Add: Transfer from retained earnings	-	-	-	-
		Total capital redemption reserve	**3.58**	**3.58**	**3.58**	**3.58**
	(iv)	**Debenture redemption reserve**				
		Opening balance	75.00	75.00	**30.00**	**-**
		Add: Transfer from retained earnings	-	-	45.00	30.00
		Total debenture redemption reserve	**75.00**	**75.00**	**75.00**	**30.00**
II.		**Other reserves**				
	i)	**Foreign currency translation reserve**				
		Opening balance	(30.50)	(23.97)	(1.17)	0.25
		Add : Currency translation adjustments for subsidiaries	0.75	(6.54)	(22.79)	(1.42)
		Total foreign currency translation reserve	**(29.75)**	**(30.50)**	**(23.97)**	**(1.17)**
	ii)	**Revaluation reserve**				
		Opening balance	100.89	63.04	64.16	65.28
		Add: revaluation of land and building	-	38.97		
		Less: adjustment of additional depreciation on increase in carrying value due to fair valuation transferred to retained earnings	(0.56)	(1.12)	(1.12)	(1.12)
		Total revaluation reserve	**100.33**	**100.89**	**63.04**	**64.16**
	iii)	**Share based payment reserve**				
		Opening balance	16.07	10.89	**5.45**	**-**
		Expense recognized for the year	0.82	5.18	5.44	**5.45**
		Total share based payment reserve	**16.89**	**16.07**	**10.89**	**5.45**
		Total other reserves	**87.46**	**86.45**	**49.96**	**68.44**
		Total equity	**2,402.24**	**2,166.20**	**2,013.04**	**1,965.47**

III) Nature and purpose of reserves

a) Securities premium
Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

b) Capital Redemption Reserve
Capital Redemption reserve is created on account of redemption of shares. These reserve is utilized in accordance with the provisions of the Companies Act, 2013

c)Debenture Redemption Reserve
Debenture redemption reserve have been created at 10% of the value of the outstanding non-convertible debentures. The Group needs to invest/deposit into Debenture Redemption Fund Investment account at 15% of the amount to be redeemed if any in next financial year.

d) Foreign currency translation reserve
Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

e) Revaluation Reserve
Revaluation reserve have been created on account of revaluation of land and building, adjusted with additional depreciaiton and taxes on the same.

f) Share based payment reserve
The share options-based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee stock option .

(All amounts are in Rupees million, unless otherwise stated)

16.a Non-current borrowings

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Secured Non-Convertible Debentures				
300 Non Convertible Debentures (FV=1,000,000 each)*	-	-	-	300.00
750 Non Convertible Debentures (FV=1,000,000 each)**	731.25	750.00	750.00	-
Add:Accrued amount	73.93	56.61	17.88	-
Secured:				
Term loans				
From banks	131.73	192.00	307.57	464.74
From financial institutions	-	17.16	70.55	148.80
Vehicle loans from banks	13.70	16.67	9.32	10.25
Unsecured:				
Term loans				
From financial institutions	-	-	-	3.65
Total	**950.61**	**1,032.44**	**1,155.33**	**927.43**
Less : Current maturities of long term debts	(195.60)	(184.72)	(225.53)	(271.30)
Total non - current borrowings	**755.02**	**847.73**	**929.80**	**656.13**

*On January 05, 2022,Company issued 300 Non-Convertible Debtenures of Face Value of Rs.1,000,000 each for Rs.300 million at 12% p.a redemable within 13 months from the date of issue.However, the Company has fully repaid the Non-Convertible debtenures on May 21, 2022.

**Company have issued 750 Unlisted,secured,reedmable, Non-Convertible Debentures having face value of Rs.1,000,000 each to Piramal Structred Credit Opportunites Fund in October 2022 till the final redemption date i.e the date which is 84 months from the effective date or the date on which all the debenture secured obligation are fully paid. Coupon shall be 10% per annum compounded and payable monthly on and from the closing date untill the debenture final settlement date.The company have agreed to meet the investor return which shall be equivalent to 15.5% p.a for the first two years and 15% thereafter untill the debenture final settlement date. (refer footnote for security details)
Accured amount shall mean the difference between Investor return and coupon paid for initial period of 24 months from the closing date.

16.b Current borrowings

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Secured:				
Demand loans from banks	324.47	121.95	204.81	178.00
Current maturities of long-term debts	195.60	184.72	225.53	271.30
Unsecured:				
From Others	362.06	336.04	288.16	229.36
Total current borrowings	**882.12**	**642.71**	**718.49**	**678.66**

17.a Other current financial liabilities

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Capital creditors**	13.90	14.63	28.46	152.58
Accrued employee liabilities				
Related parties [refer note 31]	-	-	-	-
Others	87.88	74.65	16.76	69.63
Interest accrued but not due on borrowings	0.06	0.22	0.60	4.08
Other payables	11.80	11.71	11.56	11.03
Application money received for allotment of securities to the extent refundable and interest accrued thereon $	-	-	-	300.00
Total other current financial liabilities	**113.64**	**101.21**	**57.38**	**537.31**

** Capital creditors are generally of current nature, but are considered to be non current wherever the group has unconditional right to defer the payment beyond 12 months from the

$ Company have opened a Pre-IPO placement for its 2,681,818 equity shares out of which shares application money for 1,363,637 equity shares have been received as at March 31, 2022 having face value of Rs.1 and premium of Rs.219.

(All amounts are in Rupees million, unless otherwise stated)

18 Employee benefit obligations

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Non-current				
Gratuity [refer note:34]	87.59	76.81	51.61	44.40
Compensated absences	49.93	44.99	39.45	39.55
Total non-current obligations	**137.52**	**121.80**	**91.06**	**83.97**
Current				
Gratuity [refer note 34]	1.91	1.64	1.59	1.45
Compensated absences	1.63	1.49	1.49	1.64
Total current obligations	**3.54**	**3.13**	**3.08**	**3.09**

Gratuity
The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a non-funded plan and the Group makes gratuity payments to employees.

19 Trade payables

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Trade payables				
Micro and small enterprises (refer note 38)	121.37	5.72	59.78	10.71
Related parties [refer note 33]	-	-	-	-
Others**	184.66	198.28	188.24	232.02
Provision for expenses	64.91	28.89	29.10	21.92
Total trade payables	**370.95**	**232.89**	**277.12**	**264.65**

*Refer note no 43 for ageing schedule
** Out of Rs.184.60 million(Rs.198.28 million as on March 31, 2024) ,Rs. 35.68 million (Rs. 40.68 million as on March 31, 2024) are disputed.

Disclosure persuant to Micro, Small & Medium Enterprises Development Act, 2006 for dues to micro, small & medium enterprises is as under

Sr.No.	Details of dues to micro and small enterprises as defined under the MSMED Act, 2006	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
1	Principal amount due to suppliers registered per the MSMED Act and remaining unpaid as at year end	121.37	5.72	59.78	10.71
2	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	1.52	0.55	2.64	-
3	Amount of interest paid in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during during the year	-	-	-	-
4	Amount of interest due and payable for the period of delay in making payments but without adding interest specified under MSMED Act, 2006	-	-	-	-
5	The amount of interest accrued and remaining unpaid at the end of year	1.52	0.05	2.64	
6	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006	-	0.50	-	-

20 Other current liabilities

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Statutory liabilities	42.21	61.89	21.52	9.40
Advance from customers	17.84	4.36	6.12	7.43
Unearned revenue	97.03	42.17	96.91	82.45
Unpaid dividend on Preferences Shares	0.04	0.04	0.04	0.04
Total other current liabilities	**157.13**	**108.45**	**124.59**	**99.33**

ESDS Software Solution Limited (CIN : U72200MH2005PLC155433)
Notes Forming Part of Restated Consolidated Financial Information
(All amounts are in Rupees million, unless otherwise stated)

Footnotes to note 16.
As at September 30, 2024

Sr. No	Name of the bank	Type of Facility	O/s amount as period ended	Residual repayment term	Interest Rate (per annum)	Security
1	Axis Bank Ltd.	Term Loans	105.48	2 years 6 months	Ranging from 8.75% to 8.80%	Primary – First pari pasu charge on entire current Asset of the company both present and future excluded charged to SIDBI Collateral – 1.First pari pasu charge with Indusind on land and building of the company, situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 2.First pari pasu charged with Indusind INR 113.00 million 3.Exclusive charge on FD of Rs. 10 million Common Collateral (for all the facilities) - Pari Pasu charge with Indusind on – Industrial land & building situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 4.PG Piyush Somani & Sarla Somani
2	Axis Bank Ltd.	Open Cash Credit	184.26	On demand	8.75%	Primary – First pari pasu charge on entire current Asset of the company both present and future excluded charged to SIDBI Collateral – 1. First pari pasu charge with Indusind on land and building of the company, situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 2. First pari pasu charged with Indusind INR 113.00 million 3. Exclusive charge on FD of Rs. 10million Common Collateral (for all the facilities) - Pari Pasu charge with Indusind on – Industrial land & building situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 4. Personal Guarantee of the Piyush Somani & Sarla Somani
3	Axis Bank Ltd.	Overdraft against fixed deposit	49.96	On demand	7.50%	Primary: First and exclusive charge on the fixed deposit. Lien on Fixed Deposits of Rs 50 million
4	State Bank of India	Overdraft against fixed deposit	72.92	On demand	7.70%	Primary: First and exclusive charge on the fixed deposit. Lien on Fixed Deposits of Rs 75 million
5	SIDBI*	RLOC (Long Term Loans)	-		10.60%	Primary – 1st charge by way of hypothecation on all the movables of the borrower including P&M, equipment, machinery spares, tools & accessories, office equipment, computers, furniture & fixtures, misc. fixed assets etc. Collateral – 1st charge in favours of SIDBI on cash flows generated from orders to be routed through designated escrow account. 1st charge in favours of SIDBI on Debt Service Reserve in form of FD to the extent of 5% of the assistance disbursed may be generally kept for meeting debt service during temporary instances of liquidity tightness. Extension of 1st charge by way hypothecation in favour of SIDBI on all movables including movable machinery, machinery spares, tools and accessories required under the previous financial assistance sanctioned to the company by SIDBI. 1st charge on escrow account with minimum balance of at least 3 month's debt servicing obligations to be retained. The amount will be used as first loss guarantee and SIDBI at its discretion, would set off over dues (if any) in respect of Interest/principal/FI/PI remaining unpaid. POA in favour of SIDBI for creation of residual charge in favour of SIDBI by way of mortgage on its office land & building situated at Plot No. B-24/25, Nice Industrial Area, MIDC, Satpur, Nashik – 422007.

(All amounts are in Rupees million, unless otherwise stated)

6	Tata Capital Financial Services	Equipment Loan	-		Ranging from 10.25% to 12.55%	Primary: Plant and Machinery purchased out of Term Loan Lien on Fixed Deposits of Rs 7.01 million
7	Piramal Structured Credit Opportunities Fund	Non-Convertible Debtenures (including accrued amount for IRR thereof)	805.18	5 years 3 months	Coupon rate 10% p.a , IRR equivalent to 15.5% p.a for first 2 years and 15% there after	The Debenture Secured Obligations, in respect of the Debentures and the performance by the Issuer of its obligations in relation thereto, shall be secured by creation and perfection of the Security Interest in favour of the Debenture Trustee for the benefit of the Debenture Holders, in the following manner: 1. Second charge over all the immovable assets (present & future) of the Issuer 2. Second charge over all movable fixed assets (present & future) of the Issuer; 3. Second charge over all present and future movable assets of the Issuer (present and future); 4. Second charge over all current assets (present & future) of the Issuer; 5. Second charge on the cash flows of the Issuer, both present and future; and 6. Second charge over all the patented technology and patented products of the Issuer; and 7. Personal Guarantee of the Piyush Somani & Sarla Somani
8	Kotak Mahindra Prime Limited	Vehicle Loan	2.01	1Year 2 months	9.19%	Primary: Vehicle Purchased out of Loan
9	ICICI Bank Limited	Vehicle Loan	0.14	2 months	8.25%	Primary: Vehicle Purchased out of Loan
10	Indusind Bank Limited	Term Loans	26.25	2 years	9.60%	Primary: 1. DSRA for Term Loan equivalent to 5.5 million 2. Movable Fixed Asset- Exclusive charge on entire movable fixed asset financed by Indusind bank 3. First pari-pasu charge on entire movable fixed asset excluding those financed by Axis Bank 4. Current Assets - First hypothecation charge on entire current assets of the company both present and future on pari pasu basis with Axis Bank excluding receivables charged to SIDBI Collateral: 1. Land & building First pari-pasu charge on Industrial Land & Building at Plot No. B 24, 25, NICE Industrial Area, Satpur MIDC, 2. First pari pasu charged with Indusind INR 113.00 million 3. Exclusive charge on FD of Rs. 25 million 4. Exclusive charge on Key man Insurance of Mr. Piyush Somani to be obtained and assigned in favour of Indusind Bank. 5. Personal Guarantee of the Piyush Somani & Sarla Somani
11	Indusind Bank Limited	Open Cash Credit	17.33	On demand	8.60%	Primary: 1. DSRA for Term Loan equivalent to 5.5 million 2. Movable Fixed Asset- Exclusive charge on entire movable fixed asset financed by Indusind bank 3. First pari-pasu charge on entire movable fixed asset excluding those financed by Axis Bank 4. Current Assets - First hypothecation charge on entire current assets of the company both present and future on pari pasu basis with Axis Bank excluding receivables charged to SIDBI. Collateral: 1. Land & building First pari-pasu charge on Industrial Land & Building at Plot No. B 24, 25, NICE Industrial Area, Satpur MIDC, 2. First pari pasu charged with Indusind INR 113.00 million 3. Exclusive charge on FD of Rs. 25 million 4. Exclusive charge on Key man Insurance of Mr. Piyush Somani to be obtained and assigned in favour of Indusind Bank. 5. Personal Guarantee of the Piyush Somani & Sarla Somani
12	HDFC Bank Ltd	Vehicle Loan	1.61	2 Years 6 months	8.30%	Primary: Vehicle Purchased out of Loan
13	ICICI Bank Limited	Vehicle Loan	9.94	Upto 54 months	9.10 to 9.15%	Primary: Vehicle Purchased out of Loan
14	South Asia Growth Fund II Holdings	Unsecured Loan	362.06	On demand	0.14	Corporate gurantee of holding company
	Total		**1,637.14**			

(All amounts are in Rupees million, unless otherwise stated)

As at March 31, 2024

Sr. No	Name of the bank	Type of Facility	O/s amount as period ended	Residual repayment term	Interest Rate	Security
1	Axis Bank Ltd.	Term Loans	158.25	upto 3 years	Ranging from 8.75% to 8.80%	Primary – First pari pasu charge on entire current Asset of the company both present and future excluded charged to SIDBI Collateral – 1.First pari pasu charge with Indusind on land and building of the company, situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 2.First pari pasu charged with Indusind INR 113.00 million 3.Exclusive charge on FD of Rs. 10 million Common Collateral (for all the facilities) - Pari Pasu charge with Indusind on – Industrial land & building situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 4.PG Piyush Somani & Sarla Somani
2	Axis Bank Ltd.	Open Cash Credit	-	On demand	8.75%	Primary – First pari pasu charge on entire current Asset of the company both present and future excluded charged to SIDBI Collateral – 1. First pari pasu charge with Indusind on land and building of the company, situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 2. First pari pasu charged with Indusind INR 113.00 million 3. Exclusive charge on FD of Rs. 10 million Common Collateral (for all the facilities) - Pari Pasu charge with Indusind on – Industrial land & building situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 4. Personal Guarantee of the Piyush Somani & Sarla Somani
3	Axis Bank Ltd.	Overdraft against fixed deposit	50.31	On demand	7.50%	Primary: First and exclusive charge on the fixed deposit . Lien on Fixed Deposits of Rs 50 million
4	State Bank of India	Overdraft against fixed deposit	66.03	On demand	7.70%	Primary: First and exclusive charge on the fixed deposit . Lien on Fixed Deposits of Rs 75 million
5	Clix Finance India Private Limited	Equipment Loan	-		12.50%	Primary: First and exclusive charge on the equipment financed by the lender. Lien on Fixed Deposits of Rs 2.97 million

(All amounts are in Rupees million, unless otherwise stated)

6	SIDBI*	RLOC (Long Term Loans)	1.98	upto 8 months	10.60%	**Primary** – 1st charge by way of hypothecation on all the movables of the borrower including P&M, equipment, machinery spares, tools & accessories, office equipment, computers, furniture & fixtures, misc. fixed assets etc. **Collateral** – 1st charge in favours of SIDBI on cash flows generated from orders to be routed through designated escrow account 1st charge in favours of SIDBI on Debt Service Reserve in form of FD to the extent of 5% of the assistance disbursed may be generally kept for meeting debt service during temporary instances of liquidity tightness. Extension of 1st charge by way hypothecation in favour of SIDBI on all movables including movable machinery, machinery spares, tools and accessories required under the previous financial assistance sanctioned to the company by SIDBI 1st charge on escrow account with minimum balance of at least 3 month's debt servicing obligations to be retained. The amount will be used as first loss guarantee and SIDBI at its discretion, would set off over dues (if any) in respect of Interest/principal/FI/PI remaining unpaid POA in favour of SIDBI for creation of residual charge in favour of SIDBI by way of mortgage on its office land & building situated at Plot No. B-24/25, Nice Industrial Area, MIDC, Satpur, Nashik – 422007.
7	Tata Capital Financial Services	Equipment Loan	15.18	upto 8 months	Ranging from 10.25% to 12.55%	Primary: Plant and Machinery purchased out of Term Loan Lien on Fixed Deposits of Rs 7.01 million
8	Piramal Structured Credit Opportunities Fund	Non-Convertible Debtenures (including accured amount for IRR thereof)	806.61	5 years 9 months	Coupoun rate 10% p.a , IRR equivalent to 15.5% p.a for first 2 years and 15% there after	The Debenture Secured Obligations, in respect of the Debentures and the performance by the Issuer of its obligations in relation thereto, shall be secured by creation and perfection of the Security Interest in favour of the Debenture Trustee for the benefit of the Debenture Holders, in the following manner: 1. Second charge over all the immovable assets (present & future) of the Issuer 2. Second charge over all movable fixed assets (present & future) of the Issuer; 3. Second charge over all present and future movable assets of the Issuer (present and future); 4. Second charge over all current assets (present & future) of the Issuer; 5. Second charge on the cash flows of the Issuer, both present and future; and 6. Second charge over all the patented technology and patented products of the Issuer; and 7. Personal Guarantee of the Piyush Somani & Sarla Somani
9	Kotak Mahindra Prime Limited	Vehicle Loan	2.82	upto 2 months	9.19%	Primary: Vehicle Purchased out of Loan
10	ICICI Bank Limited	Vehicle Loan	1.03	8 months	8.25%	Primary: Vehicle Purchased out of Loan
11	Indusind Bank Limited	Term Loans	33.75	2 years 6 months	9.60%	Primary: 1. DSRA for Term Loan equivalent to 5.5 million 2. Movable Fixed Asset- Exclusive charge on entire movable fixed asset financed by Indusind bank 3. First pari-pasu charge on entire movable fixed asset excluding those financed by Axis Bank 4. Current Assets - First hypothecation charge on entire current assets of the company both present and future on pari pasu basis with Axis Bank excluding receivables charged to SIDBI Collateral: 1. Land & building First pari-pasu charge on Industrial Land & Building at Plot No. B 24, 25, NICE Industrial Area, Satpur MIDC, 2. First pari pasu charged with Indusind INR 113.00 million 3. Exclusive charge on FD of Rs. 25 million 4. Exclusive charge on Key man Insurance of Mr. Piyush Somani to be obtained and assigned in favour of Indusind Bank. 5. Personal Guarantee of the Piyush Somani & Sarla Somani

(All amounts are in Rupees million, unless otherwise stated)

10	Indusind Bank Limited	Cash Credit	5.61	On demand	8.60%	Primary: 1. DSRA for Term Loan equivalent to 5.5 million 2. Movable Fixed Asset- Exclusive charge on entire movable fixed asset financed by Indusind bank 3. First pari-pasu charge on entire movable fixed asset excluding those financed by Axis Bank 4. Current Assets - First hypothecation charge on entire current assets of the company both present and future on pari pasu basis with Axis Bank excluding receivables charged to SIDBI Collateral: 1. Land & building First pari-pasu charge on Industrial Land & Building at Plot No. B 24, 25, NICE Industrial Area, Satpur MIDC, 2. First pari pasu charged with Indusind INR 113.00 million 3. Exclusive charge on FD of Rs. 25 million 4. Exclusive charge on Key man Insurance of Mr. Piyush Somani to be obtained and assigned in favour of Indusind Bank. 5. Personal Guarantee of the Piyush Somani & Sarla Somani
12	HDFC Bank Ltd	Vehicle Loan	1.84	36 months	8.30%	Primary: Vehicle Purchased out of Loan
13	ICICI Bank Limited	Vehicle Loan	10.97	Upto 60 months	9.10 to 9.15%	Primary: Vehicle Purchased out of Loan
14	South Asia Growth Fund II Holdings	Unsecured Loan	336.04	On demand	14.00%	Corporate gurantee of holding company
	Total		**1,490.44**			

(All amounts are in Rupees million, unless otherwise stated)

As at March 31, 2023

Sr. No	Name of the bank	Type of Facility	O/s amount	Residual repayment term	Interest Rate	Security
1	Axis Bank Ltd.	Term Loans	258.82	upto 3 years 9 months	Ranging from 8.75% to 8.80%	Primary – First pari pasu charge on entire current Asset of the company both present and future excluded charged to SIDBI Collateral – 1.First pari pasu charge with Indusind on land and building of the company, situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 2.First pari pasu charged with Indusind INR 113.00 million 3.Exclusive charge on FD of Rs. 10million Common Collateral (for all the facilities) - Pari Pasu charge with Indusind on – Industrial land & building situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 4.PG Piyush Somani & Sarla Somani
2	Axis Bank Ltd.	Open Cash Credit	157.36	On demand	8.75%	Primary – First pari pasu charge on entire current Asset of the company both present and future excluded charged to SIDBI Collateral – 1. First pari pasu charge with Indusind on land and building of the company, situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 2. First pari pasu charged with Indusind INR 113.00 million 3. Exclusive charge on FD of Rs. 10million Common Collateral (for all the facilities) - Pari Pasu charge with Indusind on – Industrial land & building situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 4. Personal Guarantee of the Piyush Somani & Sarla Somani
3	Clix Finance India Private Limited	Equipment Loan	6.26	8 months	12.50%	Primary: First and exclusive charge on the equipment financed by the lender. Lien on Security Deposits of Rs 2.97 million
4	SIDBI*	RLOC (Long Term Loans)	7.86	upto 1.5 years	10.60%	**Primary** – 1st charge by way of hypothecation on all the movables of the borrower including P&M, equipment, machinery spares, tools & accessories, office equipment, computers, furniture & fixtures, misc. fixed assets etc. **Collateral** – 1st charge in favours of SIDBI on cash flows generated from orders to be routed through designated escrow account 1st charge in favours of SIDBI on Debt Service Reserve in form of FD to the extent of 5% of the assistance disbursed may be generally kept for meeting debt service during temporary instances of liquidity tightness. Extension of 1st charge by way hypothecation in favour of SIDBI on all movables including movable machinery, machinery spares, tools and accessories required under the previous financial assistance sanctioned to the company by SIDBI 1st charge on escrow account with minimum balance of at least 3 month's debt servicing obligations to be retained. The amount will be used as first loss guarantee and SIDBI at its discretion, would set off over dues (if any) in respect of Interest/principal/FI/PI remaining unpaid POA in favour of SIDBI for creation of residual charge in favour of SIDBI by way of mortgage on its office land & building situated at Plot No. B-24/25, Nice Industrial Area, MIDC, Satpur, Nashik – 422007.
5	Tata Capital Financial Services	Equipment Loan	56.44	upto 1.5 years	Ranging from 10.25% to 12.00%	Primary: Plant and Machinery purchased out of Term Loan Lien on Fixed Deposits of Rs 7.01 million

(All amounts are in Rupees million, unless otherwise stated)

6	Piramal Structured Credit Opportunities Fund	Non-Convertible Debtenures (including accured amount for IRR thereof)	767.88	6 years 3 months	Coupoun rate 10% p.a , IRR equivalent to 15.5% p.a for first 2 years and 15% there after	The Debenture Secured Obligations, in respect of the Debentures and the performance by the Issuer of its obligations in relation thereto, shall be secured by creation and perfection of the Security Interest in favour of the Debenture Trustee for the benefit of the Debenture Holders, in the following manner: 1. Second charge over all the immovable assets (present & future) of the Issuer 2. Second charge over all movable fixed assets (present & future) of the Issuer; 3. Second charge over all present and future movable assets of the Issuer (present and future); 4. Second charge over all current assets (present & future) of the Issuer; 5. Second charge on the cash flows of the Issuer, both present and future; and 6. Second charge over all the patented technology and patented products of the Issuer; and 7. Personal Guarantee of the Piyush Somani & Sarla Somani
7	Kotak Mahindra Prime Limited	Vehicle Loan	4.35	upto 8 months	9.19%	Primary: Vehicle Purchased out of Loan
8	ICICI Bank Limited	Vehicle Loan	2.69	17 months	8.25%	Primary: Vehicle Purchased out of Loan
9	Indusind Bank Limited	Term Loans	48.75	3 years 3 months	9.60%	Primary: 1. DSRA for Term Loan equivalent to 5.5 million 2. Movable Fixed Asset- Exclusive charge on entire movable fixed asset financed by Indusind bank 3. First pari-pasu charge on entire movable fixed asset excluding those financed by Axis Bank 4. Current Assets - First hypothecation charge on entire current assets of the company both present and future on pari pasu basis with Axis Bank excluding receivables charged to SIDBI Collateral: 1. Land & building First pari-pasu charge on Industrial Land & Building at Plot No. B 24, 25, NICE Industrial Area, Satpur MIDC, 2. First pari pasu charged with Indusind INR 113.00 million 3. Exclusive charge on FD of Rs. 25 million 4. Exclusive charge on Key man Insurance of Mr. Piyush Somani to be obtained and assigned in favour of Indusind Bank. 5. Personal Guarantee of the Piyush Somani & Sarla Somani
10	Indusind Bank Limited	Cash Credit	47.45	On demand	8.60%	Primary: 1. DSRA for Term Loan equivalent to 5.5 million 2. Movable Fixed Asset- Exclusive charge on entire movable fixed asset financed by Indusind bank 3. First pari-pasu charge on entire movable fixed asset excluding those financed by Axis Bank 4. Current Assets - First hypothecation charge on entire current assets of the company both present and future on pari pasu basis with Axis Bank excluding receivables charged to SIDBI Collateral: 1. Land & building First pari-pasu charge on Industrial Land & Building at Plot No. B 24, 25, NICE Industrial Area, Satpur MIDC, 2. First pari pasu charged with Indusind INR 113.00 million 3. Exclusive charge on FD of Rs. 25 million 4. Exclusive charge on Key man Insurance of Mr. Piyush Somani to be obtained and assigned in favour of Indusind Bank. 5. Personal Guarantee of the Piyush Somani & Sarla Somani
10	HDFC Bank Ltd	Vehicle Loan	2.28	42 months	8.30%	Primary: Vehicle Purchased out of Loan
11	South Asia Growth Fund II Holdings	Unsecured Loan	288.16		14.00%	Corporate gurantee of holding company
			1,648.29			

ESDS Software Solution Limited (CIN : U72200MH2005PLC155433)
Notes Forming Part of Restated Consolidated Financial Information
(All amounts are in Rupees million, unless otherwise stated)
As at March 31, 2022

Sr. No	Name of the bank	Type of Facility	O/s amount as at FY End	Residual repayment term	Interest Rate	Security
1	Axis Bank Ltd.	Term Loans	327.38	upto 4 years 9 months	Ranging from 8.75% to 8.80%	**Primary** – First hypothecation charge on entire movable fixed assets financed by Axis Bank Ltd. (both Present & Future) **Collateral** – Extension of First hypothecation charge on entire current assets of the company (both present & future) on pari pasu basis with SBI, excluding receivables charged to SIDBI. **Common Collateral (for all the facilities)** - Pari Pasu charge with SBI on – Industrial land & building situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 **Additional Collateral (for all the facilities)** – DSRA of Rs. 4.71 million RD of Rs. 0.5 million per month FD of Rs. 25.00 million with bank's lien, interest accrued on FD not to be released (value as on 31.03.2021 is Rs. 29.12 million) FD of Rs. 50.00 million with bank's lien (value as on 31.03.2021 along with DSRA is Rs. 68.29 million) Charge on patented technology and patented products of the company
2	Axis Bank Ltd.	Short Term Loans	91.75	On demand	8.75%	**Primary -** First hypothecation charge on entire current assets of the company (both present & future) on pari pasu basis with SBI, excluding receivables charged to SIDBI. **Collateral** – Extension of first hypothecation charge on entire movable fixed assets of the company financed by Axis Bank Ltd. **Common Collateral (for all the facilities)** - Pari Pasu charge with SBI on – Industrial land & building situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 **Additional Collateral (for all the facilities) –** DSRA of Rs. 4.71 million RD of Rs. 0.5 million per month FD of Rs. 25.00 million with bank's lien, interest accrued on FD not to be released (value as on 31.03.2021 is Rs. 29.12 million) FD of Rs. 50.00 million with bank's lien (value as on 31.03.2021 along with DSRA is Rs. 68.29 million) Charge on patented technology and patented products of the company
3	State Bank of India	Term Loans	73.42	upto 3 years 2 months	10.20%	**Primary** - Exclusive charge by hypothecation of P&M purchased out of SBI TL **Collateral** - Extension of charge on hypothecation of all current assets of the company 1st pari pasu charge with Axis Bank Ltd. excluding receivables charged to SIDBI. **Common Collateral** - Pari Pasu charge with Axis Bank Ltd. on – Industrial land & building situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 1st pari pasu RD of Rs. 0.5 million per month 1st pari pasu on FD of Rs. 25.00 million with bank's lien, interest accrued on FD not to be released (value as on 31.03.2021 is Rs. 29.12 million) 1st pari pasu on FD of Rs. 50.00 million with bank's lien (value as on 31.03.2021 along with DSRA is Rs. 68.29 million) Exclusive charge on FD of 0.25 Cr.
4	State Bank of India	Short Term Loans	36.25	On demand	7.40%	**Primary** - Hypothecation charge on entire current assets of the company (both present & future) on pari pasu basis with Axis Bank Ltd, excluding receivables charged to SIDBI. **Collateral** - Extension of exclusive charge by hypothecation of plant & machinery purchased out of SBI TL, for Bengaluru Data Centre and extension of 1st pari pasu charge by hypothecation of P&M purchased out of the project financed from consortium TLs. **Common Collateral** - Pari Pasu charge with Axis Bank Ltd. on – Industrial land & building situated at Plot No. B-24 & 25, NICE Industrial Area, Satpur, MIDC, Nashik, Maharashtra – 422007 1st pari pasu RD of Rs. 0.5 million per month 1st pari pasu on FD of Rs. 25.00 million with bank's lien, interest accrued on FD not to be released (value as on 31.03.2021 is Rs. 29.12 million) 1st pari pasu on FD of Rs. 50.00 million with bank's lien (value as on 31.03.2021 along with DSRA is Rs. 68.29 million) Exclusive charge on FD of Rs. 2.5 million

(All amounts are in Rupees million, unless otherwise stated)

5	Clix Finance India Private Limited	Equipment Loan	13.96	20 months	12.50%	Primary: First and exclusive charge on the equipment financed by the lender. Lien on Security Deposits of Rs 2.97 million
6	Hero Fincorp Ltd	Equipment Loan	11.32	upto 9 months	12.00%	Primary: Hypothication lien marked on the assets being funded by Hero Fincorp Limited PG of Piyush Somani & Sarla Somani
7	SIDBI*	RLOC (Long Term Loans)	18.85	upto 2 years 6 months	10.60%	**Primary** – 1st charge by way of hypothecation on all the movables of the borrower including P&M, equipment, machinery spares, tools & accessories, office equipment, computers, furniture & fixtures, misc. fixed assets etc. **Collateral** – 1st charge in favors of SIDBI on cash flows generated from orders to be routed through designated escrow account 1st charge in favors of SIDBI on Debt Service Reserve in form of FD to the extent of 5% of the assistance disbursed may be generally kept for meeting debt service during temporary instances of liquidity tightness. Extension of 1st charge by way hypothecation in favor of SIDBI on all movables including movable machinery, machinery spares, tools and accessories required under the previous financial assistance sanctioned to the company by SIDBI 1st charge on escrow account with minimum balance of at least 3 month's debt servicing obligations to be retained. The amount will be used as first loss guarantee and SIDBI at its discretion, would set off over dues (if any) in respect of Interest/principal/FI/PI remaining unpaid POA in favor of SIDBI for creation of residual charge in favor of SIDBI by way of mortgage on its office land & building situated at Plot No. B-24/25, Nice Industrial Area, MIDC, Satpur, Nashik – 422007.
8	Tata Capital Financial Services	Equipment Loan	104.67	upto 2 years 6 months	12.65%	Primary: Plant and Machinery purchased out of Term Loan Lien on Fixed Deposits of Rs 7.01 million
9	IDFC First Bank	Equipment Loan	3.65	12 months	16.00%	Unsecured
10	Axis Bank Ltd.	Auto Loan	0.27	8 months	8.90%	Primary: Vehicle Purchased out of Loan
11	Kotak Mahindra Prime Limited	Auto Loan	5.77	upto 3 years 8 months	9.19%	Primary: Vehicle Purchased out of Loan
12	ICICI Bank Limited	Auto Loan	4.21	31 months	8.25%	Primary: Vehicle Purchased out of Loan
13	Indusind Bank Limited	Term Loan	63.94	4 years 3 months	9.60%	**Primary:** Current Assets - First hypothication charge on entire current assets of the company both present and future on pari pasu basis with SBI and Axis Bank excluding receivables charged to SIDBI **Collateral: 1)** Movable Fixed Assets - First hypothication charge on entire movable fixed assets financed or reimbursed by Indusind Bank Ltd. **2)** Immovable Assets - First pari-pasu charge on Industrial Land & Building at Plot No. B 24, 25, NICE Industrial Area, Satpur MIDC, Nashik, Maharashtra - 422007 with Axis Bank Limited & SBI **3)** FDR/Cash Deposit - First pari-pasu charge on FD of Rs. 5.00 Cr. with Axis Bank & SBI **4)** Exclusive charge on Keyman Insurance of Mr. Piyush Somani to be obtained and assigned in favour of Indusind Bank.
14	Indusind Bank Limited	Short Term Loan	50.00	On demand	9.60%	**Primary:** Current Assets - First hypothication charge on entire current assets of the company both present and future on pari pasu basis with SBI and Axis Bank excluding receivables charged to SIDBI **Collateral: 1)** Movable Fixed Assets - First hypothication charge on entire movable fixed assets financed or reimbursed by Indusind Bank Ltd. **2)** Immovable Assets - First pari-pasu charge on Industrial Land & Building at Plot No. B 24, 25, NICE Industrial Area, Satpur MIDC, Nashik, Maharashtra - 422007 with Axis Bank Limited & SBI **3)** FDR/Cash Deposit - First pari-pasu charge on FD of Rs. 5.00 Cr. with Axis Bank & SBI **4)** Exclusive charge on Keyman Insurance of Mr. Piyush Somani to be obtained and assigned in favour of Indusind Bank.

(All amounts are in Rupees million, unless otherwise stated)

15	Axis AIF	Non-Convertible Debentures	300.00	13 months	12%	1.First and exclusive charge over Identified Assets such that minimum 1.6 x cover over the outstanding NCD amount is maintained at all times. The company will provide copy of complete contract and schedule of expected cashflows. In case of delay in receipt of cashflows (lesser receipts by 20% in two consecutive months) investor has right to ask for security of addition receivables with counter party rating above A. Provided, if an identified Liquidity Event has already occurred, this condition/or additional security shall not apply. 2.Personal Guarantee from the Promoter 3.First and exclusive charge through pledge of 4,575,000 equity shares constituting to 5% holding in ESDS (on fully diluted basis) by Promoter or Promoter Group incluing P.O. Somani Family Trust ("Pledged Shares"),which shall be released one day prior to the RHP. However, in case IPO does not materialise in 15 calendar clays from the date of release of shares the company must re-pledge shares in maximum 2 business days. 4.First charge by way of hypothecation over all the proceeds to the extent of the outstanding amount of NCD's on such date received by the Issuer from the Identified Liquidity Events. 5.First and exclusive charge over Escrow Account.
16	South Asia Growth Fund II Holdings	Unsecured Loan	229.36	On demand	10.00%	Corporate gurantee of holding company
			1,334.80			

(All amounts are in Rupees million, unless otherwise stated)

21 Income tax expense

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Current tax	22.67	9.10	-	4.46
Prior year taxes	-	4.35	-	-
MAT Credit entitlement	(3.55)	-	-	(4.46)
Deferred tax expense/(credit)	31.08	73.45	(52.39)	5.16
Income tax expense	**50.19**	**86.89**	**(52.39)**	**5.16**
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:				
Profit before income tax expenses	289.53	222.99	(276.99)	(21.47)
Tax at the Indian tax rate of 27.82% (FY 2023-24, 2022-23,2021-22 - 27.82%)	80.55	62.04	(77.06)	(5.97)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income				
Corporate social responsibility expenditure not allowed under taxation and Donation	1.57	0.32	2.21	3.80
Other comprehensive income	1.88	3.92	0.07	(0.90)
Loss from foreign subsidiaries	-	13.46	19.34	14.21
Others	(33.80)	7.16	3.04	(5.98)
Total	**(30.36)**	**24.85**	**24.67**	**11.13**
Net current tax expenses recognised in Statement of Profit & Loss	**50.19**	**86.89**	**(52.39)**	**5.16**

22 Deferred tax (net)

(a) Income tax expense

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Net Deferred tax (assets)/liabilities**	**85.37**	**56.47**	**(16.49)**	**36.14**
Deferred tax assets/liabilities arise from the following:				
Tax credits available:				
MAT credit receivable	**58.49**	**62.04**	**62.04**	**62.04**
Mat credit receivable ESDS Internet Services Private Limited	-	1.10	3.21	3.00
Deferred tax assets- ESDS Internet Services Private Limited	-	1.06	4.71	-
Provision for doubtful debts, doubtful loans and advances	-	-	-	4.71
Deferred tax assets				
Gratuity & compensated absences	40.71	37.76	24.74	24.02
Provision for doubtful debts, doubtful deposits and capital advance	75.40	63.35	45.95	47.60
Lease liabilities	283.03	305.36	195.83	226.26
Income tax business loss setoff	-	53.01	154.45	91.14
Impairment of assets	-	-	10.63	7.68
	457.63	**523.68**	**501.56**	**466.46**
Deferred tax liability				
PP&E depreciation and intangible amortization	286.14	304.64	253.96	265.88
Right use of assets	256.86	275.51	231.11	236.72
	543.00	**580.15**	**485.07**	**502.60**

**Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

Movement in deferred tax (assets)/ liabilities:	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Opening deferred tax (assets) / liabilities	**56.47**	**(16.49)**	**36.15**	**32.68**
Charged to profit or loss				
Mat credit entitlement	4.65	2.11	(0.21)	(3.45)
Gratuity and compensated absences	(1.89)	(9.38)	(0.71)	(2.69)
Provision for doubtful debts, doubtful deposits and capital advance	(12.05)	(17.40)	1.65	(14.77)
Disallowances under Sec 40(a) of the Income Tax Act 1961	-	-	-	1.01
IND AS				
Lease liabilities	22.33	(109.53)	30.44	61.39
Right use of assets	(18.65)	44.40	(5.61)	(35.77)
Income tax business loss setoff	53.01	101.44	(63.31)	(34.52)
PP&E depreciation and intangible amortization	(18.50)	50.68	(11.92)	47.14
Impairment of assets	-	10.63	(2.95)	(7.68)
Others	-	-	-	(7.20)
Closing deferred tax liability after set off	**85.37**	**56.47**	**(16.49)**	**36.14**

(All amounts are in Rupees million, unless otherwise stated)

23 Revenue from operations

Particulars	For the Six months ended September 30, 2024	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Sale of services				
Cloud hosting and managed services	1,721.50	2,865.18	2,075.66	1,953.58
Total revenue from operations	**1,721.50**	**2,865.18**	**2,075.66**	**1953.58**

A. Reconciliation of revenue recognised with contract price

Particulars	For the Six months ended September 30, 2024	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Contract price	925.31	2,392.15	1,858.51	1,696.98
Adjustments for:				
Unbilled revenue	893.22	515.20	314.07	339.05
Unearned revenue	(97.03)	(42.17)	(96.91)	(82.45)
Revenue from operations	**1,721.50**	**2,865.18**	**2,075.66**	**1,953.58**

24 Other income

Particulars	For the Six months ended September 30, 2024	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Interest:				
Deposits with banks	14.51	34.65	15.26	12.29
Income tax refund	-	12.11	5.63	1.27
Others	-	-	0.37	0.23
Profit on sale of assets	-	0.09	-	-
Non Controlling Interest - Loss in control*	(5.69)	-	-	-
Unwinding of discount on security deposits	0.42	2.25	3.63	3.82
Amount Written Back^	0.80	2.00	6.15	3.94
Other non-operating income	2.20	5.08	15.72	11.62
Total other income	**12.23**	**56.18**	**46.76**	**33.17**

^Amount Written Back pertains to the liabilities which are no longer payable by the group.
*Group has sold its investment in Subsidiary resulting in Loss in control over subsidiary and thus has derecognised the Non - Controlling Interest in equity portion.

25 Employee benefit expense

Particulars	For the Six months ended September 30, 2024	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Salaries, wages and bonus	404.65	770.64	690.84	636.92
Contribution to provident and other funds	13.22	26.22	23.05	23.23
Gratuity [refer note:32]	11.42	15.75	13.95	12.46
Compensated absences	11.09	12.66	14.18	14.70
Employee stock option scheme	0.82	5.18	5.44	5.45
Other employee related costs	10.90	20.27	22.62	15.72
Total employee benefit expense	**452.09**	**850.72**	**770.07**	**708.49**

26 Finance costs

Particulars	For the Six months ended September 30, 2024	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Interest expense:				
Borrowings	103.16	219.66	181.59	95.40
Lease liabilities	50.00	86.13	68.31	55.51
Others	-	-	-	8.51
MSME	1.52	0.55	-	-
Other borrowing costs	1.63	3.63	5.76	14.83
Bank charges	2.62	5.77	3.61	2.94
Total finance costs	**158.93**	**315.75**	**259.27**	**177.19**

(All amounts are in Rupees million, unless otherwise stated)

27 Depreciation and amortization expense

Particulars	For the Six months ended September 30, 2024	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Depreciation of property, plant and equipment	209.80	329.42	268.10	233.73
Amortisation of intangible assets	20.72	61.98	61.26	22.72
Amortisation of right-of-use asset	71.44	134.12	123.93	145.41
Impairment of assets	-	-	38.21	27.61
Total depreciation and amortisation expense	**301.96**	**525.52**	**491.48**	**429.47**

28 Other expenses

Particulars	For the Six months ended September 30, 2024	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Contract fulfillment costs	-	123.79	-	-
Project servicing cost	85.29	159.97	146.71	95.04
Rental charges	3.82	10.35	4.07	4.81
Office expenses	3.08	4.61	3.49	3.09
Travel and conveyance	17.45	32.21	27.34	17.76
Communication expenses	40.97	86.47	116.73	109.00
Contract labour charges	17.30	56.55	60.61	51.29
Corporate social responsibility expenditure	1.57	0.32	2.21	3.80
Donations	-	-	0.25	0.20
Rates and taxes	0.90	7.77	4.65	16.13
Directors sitting fees	1.22	2.24	2.00	1.10
Legal and professional charges	56.39	73.89	85.51	51.17
Loss on sale of asset (net)	-	-	0.03	0.00
Commission/Brokerage	13.23	20.33	17.46	24.31
Insurance	5.60	13.84	10.27	9.27
Advertisement and sales promotion	12.71	21.55	13.93	19.65
Power and fuel charges	101.22	137.69	91.68	69.96
Repairs and maintenance:				
Computers	0.22	0.95	1.80	3.98
Others	6.90	12.30	11.23	3.79
Membership and subscription charges	110.22	164.25	127.44	83.64
Expected credit loss allowance [refer note no : 34(a)]	42.92	55.29	43.65	70.22
Foreign exchange fluctuation loss (net)	0.23	0.69	(1.54)	2.51
Payment to auditors [refer note below]	2.17	2.52	2.43	4.21
IPO Expenses Written Off*	-	-	48.77	-
Balances Written off	1.00	-	-	1.09
Miscellaneous expenses	6.49	8.09	10.06	12.04
Total other expenses	**530.89**	**995.65**	**830.80**	**658.07**

*The Company has incurred share issue expenses of INR 74.39 million for a proposed Initial Public Offer of the shares of the Company through Decemeber 03, 2022 [one year anniversary after the regulatory approval of the DRHP] (March 31, 2022: 53.28) in connection with proposed public offer of equity shares.In relation to the expenses incurred for the proposed Initial Public Offer , the selling shareholders had agreed that the expenses incurred by the Company till date (including any tax reimbursements) will be reimbursed to the extent of INR 25.62 million. The proposed public offer of equity shares is not completed and the company share of expenses have been written off to the profit and loss account amounting to INR 48.77 million in FY 2022 -2023 and the amount to be borne by the selling shareholders has been reflected in Other receivables.

Payment to auditors

Particulars	For the Six months ended September 30, 2024	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
As auditor				
Statutory audit fee	1.80	1.80	1.80	3.00
Tax audit fee	0.15	0.30	0.15	0.60
Transfer pricing audit fees	0.13	0.25	0.15	0.60
In other capacity				
Fees for other services	0.09	0.17	0.33	0.01
Total payment to auditors	**2.17**	**2.52**	**2.43**	**4.21**

29 Earnings per share

a) Earnings per share

Particulars	For the Six months ended September 30, 2024	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
(i) Basic earnings per share				
Profit attributable to equity shareholders of the Company (in million)	239.34	125.72	(224.53)	(27.24)
Weighted average number of equity shares	92,894,185	92,894,185	92,894,185	91,571,685
Basic earnings per share	**2.58**	**1.35**	**(2.42)**	**(0.30)**
(ii) Diluted earnings per share				
Profit attributable to equity shareholders of the Company (in million)	239.34	125.72	(224.53)	(27.24)
Weighted average number of equity shares (including potential shares)	92,894,185	92,894,185	92,894,185	91,571,685
Diluted earnings per share	**2.58**	**1.35**	**(2.42)**	**(0.30)**

b) Profit reconciliation

Particulars	For the Six months ended September 30, 2024	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
(i) Basic earnings per share				
Profit attributable to equity shareholders of the Company used in calculating basic earnings per share	239.34	125.72	(224.53)	(27.24)
(ii) Diluted earnings per share				
Profit attributable to equity shareholders of the Company used in calculating basic earnings per share:	239.34	125.72	(224.53)	(27.24)
Profit attributable to equity shareholders of the Company used in calculating diluted earnings per share	**239.34**	**125.72**	**(224.53)**	**(27.24)**

(c) Weighted average number of shares used as denominator

Particulars	For the Six months ended September 30, 2024	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	**92,894,185**	**92,894,185**	**92,894,185**	**91,571,685**
Adjustments for calculation of diluted earnings per share* :				
Weighted average number of equity shares and potential shares used as the denominator in calculating diluted earnings per share	**92,894,185**	**92,894,185**	**92,894,185**	**91,571,685**

(All amounts are in Rupees million, unless otherwise stated)

30 Contingencies and commitments

i) Capital commitments

Particulars	As at September 30,2024	As at March 31,2024	As at March 31,2023	As at March 31,2022
Estimated amount of contracts remaining to be executed on capital account (net of advances)	290.69	6.38	29.59	36.76

*Capital commitments are on account of Purchase order for capital goods (IT and Non-IT assets) executed but delivery of the goods pending.

ii) Contingent liabilities (to the extent not provided for)

Particulars	As at September 30,2024	As at March 31,2024	As at March 31,2023	As at March 31,2022
Claims against the group not acknowledged as debts				
Indirect tax matters [Refer ii (c)]	2.26	19.36	10.84	43.00
Other matters [Refer iii (c)]	2.62	2.62	2.62	7.51
Department of telecommunication	-	60.07	43.93	40.62
Guarantees excluding financial guarantees				
Performance Bank guarantees given to customers	388.33	420.21	396.30	296.24
Other money for which the group is contingently liable				
Direct tax matters [Refer i (a)]	-	-	96.34	-
Indirect tax matters [Refer ii (b),(d),(i)]	127.23	127.23	130.00	-
Total	**520.44**	**629.49**	**680.03**	**387.38**

i) **Direct Tax Related Matters**

a) The Company has received show cause notice for late payment/ short payment of TDS for Assessment Year (AY) 2017-18 to AY 2022-23. Also, being principal officer of The Company at the time of default, prosecution proceedings u/s 276B of Income Tax Act, 1961 initiated against the directors of the Company. The Company has filed for compounding application, Since the final demand order is pending, the specific liability related to this contingent matter has not been recognized or disclosed in the financial statements at this time. The Company will continue to monitor the progress of the compounding application and will make appropriate disclosures and provisions once the final demand order is received.

ii) **Indirect Tax Related Matters**

a) Company has received demand notice under section 32 of MVAT Act,2002 for FY 2013-14, FY 2014-15, FY 2016-17 and FY 2017-18 amounting to Rs.1.91 million, Rs 4.35 million, Rs.7.00 million and Rs. 3.84 million respectively, for which company had filed an appeal. The liability for FY 2014-15, FY 2016-17 and FY 2017-18 were settled for Rs. 0.44 million, Rs. 4.15 million and Rs. 2.74 million respectively and an appeal for FY 2013-14 was settled for Nil dues.

b) In September 2022,Company has received an intimation of liability under section 73(5) in Form GST DRC-01A of Rs. 72.56 million for FY 2017-18 pursuant to investigation carried by JCST(Nashik Division) on 19.01.2020.Company has received the final order for Rs. 32.76 million on July 07,2023. An appeal has been filed to Joint Commissioner of state GST and submission is in process.

c) The Company has received notices under section 73(9) of SGST Act, 2017 dated 10.11.2022, where The Company has wrongly availed Input Tax Credit is excess of the tax charged and paid to the Government on inward supplies effected, as reflected in auto-populated FORM-GSTR-2A for FY-17-18 amounting to total demand of Rs. 2.26 million (Basic Tax liability of Rs. 1.11 million, Interest of Rs. 1.02 million and Penalty of Rs. 0.13 million). An appeal has been filed to Deputy Commissioner of State Tax and submission is in process.

d) Report of Investigation visit paid at POB of M/s. ESDS Software Solution Private Limited on 19.01.2020 communicated by JCST (Nashik Division, Nashik). GST department have visited the place of business of ESDS on 19.01.2020 have taken many records and statements along with them, basis there finding they have issued a notice for various different tax concerns. On 25/01/2024 company has received the final demand notice of Rs.11.56 million for FY 2018-2019. An appeal has been filed to Joint Commissioner of State Tax on 05.05.2024.

e) Report of Investigation visit paid at POB of M/s. ESDS Software Solution Private Limited on 19.01.2021 Interest Rs. 14.89 million and Penalty of Rs, 3.72 million total Demand of Rs, 18.61 million in the matter of purchases made from Infotech Systems & Technologies for FY-2019-20 for incorrect availment of input tax credit. Process of dropping proceeding is under process as submission already given to Deputy Commissioner of State Tax for the similar cases.

f) Report of Investigation visit paid at POB of M/s. ESDS Software Solution Private Limited on 19.01.2021 Interest Rs. 1.27 million and Penalty Rs, 0.53 million , Total Demand of Rs, 1.80 million in the matter of purchases made from Infotech Systems & Technologies for FY-2020-21.Process of dropping proceeding is under process as submission already given to Deputy Commissioner of State Tax for the similar cases.

g) Report of Investigation visit paid at POB of M/s. ESDS Software Solution Private Limited on 19.01.2021 GST Tax Rs. 0.55 million, Interest Rs. 1.10 million and Penalty Rs, 0.91 million ,total Demand of Rs, 2.56 million- in the matter of purchases made from Neptune Traders for FY-2020-21.Process of dropping proceeding is under process as submission already given to Deputy Commissioner of State Tax for the similar cases.

h) Report of Investigation visit paid at POB of M/s. ESDS Software Solution Private Limited on 19.01.2021 GST Tax Rs. 11.66 million/-, Interest Rs. 8.57 million /- and Penalty Rs, 11.66 million /- total Demand of Rs, 31.89 million /- in the matter of purchases made from Netvista Venture Ltd for FY-2019-20.Process of dropping proceeding is under process as submission already given to Deputy Commissioner of State Tax.

i) The audit proceedings u/s 65 (6) of MGST act were initiated. Notice in form GST ADT-01 dated 13.01.2023 were received to furnish the required books of account and records for the period of FY-2019-20. The Company has received Demand Notice in form GST ADT-02 dated 09/05/2024 for Rs.230.89 million. Company has received the final demand order on 08/08/2024 amounting to Rs. 82.91 million. However, The Company is assessing the final demand order and is in the process of filling appeal with Joint Commissioner of State Tax.

iii) **Other Matters**

a) In 2022, Mr. Rajeev Papneja an ex-employee of The Company has filed the petition in Bombay high court alleging that an oral contract was agreed with The Company for issuance of certain number of shares under ESOP owing to services rendered by him to The Company, claim amounting to Rs. 184.80 million. The Company has filed an application before the Bombay high court challenging its jurisdiction to adjudicate the matter.
The Company does not foresee any probable outflow in the matter and accordingly has not specifically disclosed the quantum under contingent liability.

b) In Feb 2022, Company has received a legal notice from Sara Infoway ITES India for non-payment of outstanding dues of Rs. 15.38 million (including interest @ 18% p.a. of Rs 2.34 million/-). Additionally, an amount of Rs. 0.30 million /- is being sought as advocate fee for serving the legal notice.
As per books of accounts of The Company, outstanding dues of Rs. 13.06 million are being reflected. As of now, The Company is carefully reviewing the vendor's claims and assessing its legal obligations in this matter. The Company is actively exploring options for resolving the dispute, which may include negotiations, seeking legal advice, or pursuing a settlement to mitigate any financial impact.

(All amounts are in Rupees million, unless otherwise stated)

31 (a) Related party names

Related Party	Relation
Para 9(a)(ii): Individuals having Significant influence over Reporting Entity(RE)	
Piyush Somani	Chairman and Managing Director
Relatives of such individuals:	
Pooja Somani	Sister of Chairman and Managing Director
Prajakta Somani Jadhav	Sister of Chairman and Managing Director
Para 9(a)(iii): Individuals who are KMP of RE or KMP of Parent of RE	
Piyush Somani	Chairman and Managing Director
Sarla Somani	Director (till July 28,2021)
Komal Somani	Whole Time Director (w.e.f July 28, 2021)
Alipt Sharma (on behalf of GECC)	Nominee Director (from June 4, 2018)
Sandeep Mehta	Chief Financial Officer (from April 6,2020; till May 19, 2022)
Nadukuru Sita Ramiah	Chief Financial Officer (from October 31, 2022)
Aniket Khandelwal	Compliance Officer and Company Secretary (from August 6, 2021 till June 15, 2022)
T.G. Dhandapani	Independent Director (from July 28,2021)
A. V. Ramesh Kumar	Independent Director (from July 28,2021 ; till January 18, 2023)
Pamela Kumar	Independent Director (from July 28,2021)
Uma Mandavgane	Independent Director (from July 28,2021 ; till May 20, 2022)
Venkatesh Natrajan	Independent Director (from July 01,2023)
Prasad Deokar	Compliance Officer and Company Secretary (from July 13, 2022)
Para 9(b)(i): Entities that are parent, subsidiary, fellow subsidiary of RE	
ESDS Internet Services Private Limited	Subsidiary Company (50% holding of ESDS Software Solution Ltd) (Ceased to be subsidiary from August 29, 2024)
ESDS Global Software Solution Inc.	Wholly owned Subsidiary Company
ESDS Cloud FZ LLC	Wholly owned Subsidiary Company
Spochub Solutions Private limited	Wholly owned Subsidiary Company
Para 9(b)(vi):Individual RP as per Para 9a has control/JC over another entity	
Great Ideas in Action LLP	Komal Somani: Designated partner
Resvera Wines Limited	Komal Somani: Director
Para 9(b)(vii): Individual RP as per Para 9a has significant influence over other entity	
Hyperslice Limited	Piyush Somani - Shareholder
Bod Host Limited	Piyush Somani - Shareholder

(All amounts are in Rupees million, unless otherwise stated)

31(b)(I) Nature of transactions and amounts

Nature of transactions	Transaction For the period			
	For the Six months ended September 30, 2024	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
A) Salaries and allowances				
i) KMP				
Sandeep Mehta	-	-	1.05	10.47
Aniket Khandelwal	-	-	-	0.77
Sarla Somani	-	-	-	0.50
Prasad Deokar	0.62	1.12	0.76	-
Nadukuru Sita Ramiah	3.05	6.37	2.68	-
ii) Relatives of KMP				
Prajakta Somani Jadhav	1.10	2.33	2.11	1.84
Pooja Somani	0.56	0.15	-	-
B) Director remuneration to KMP				
Komal Somani	2.93	4.57	3.89	3.89
Piyush Somani	6.08	8.38	6.81	6.81
C) Loan given/(recovered)-net				
i)KMP				
Piyush Somani	-	-	-	(2.16)
ii) Relatives of KMP				
Komal Somani	-	-	-	(8.30)
Prajakta Somani Jadhav	-	-	(0.08)	(0.11)
iii) Subsidiary				
ESDS Cloud FZ LLC	-	-	-	(141.05)
ESDS Internet Services Private Limited	-	-	0.44	10.47
D) Operating and other expenses				
i) KMP				
Piyush Somani	-	-	0.02	-
ii) Subsidiary				
ESDS Internet Services Private Limited	43.31	109.10	111.79	122.81
iii) Individuals having control over another entity				
Great Ideas in Action LLP	-	-	-	0.34
E) Sales of services				
i) Subsidiary				
ESDS Cloud FZ LLC	-	-	-	60.20
ii) Individuals having control over another entity				
Great Ideas in Action LLP	-	-	-	0.07
F) Director sitting fees				
T.G. Dhandapani	0.42	0.76	0.80	0.42
A. V. Ramesh Kumar	-	-	0.50	0.20
Pamela Kumar	0.42	0.74	0.59	-
Uma Mandavgane	-	-	0.14	0.48
Venkatesh Natrajan	0.38	0.51	-	-
G) Interest income				
i) Subsidiary				
ESDS Global Software Solution Inc.	-	-	-	0.16
ESDS Cloud FZ LLC	-	-	-	14.45
H) Rental income				
i) Subsidiary				
ESDS Internet Services Private Limited	0.03	0.13	0.14	0.14
I) Security deposit paid				
i) Subsidiary				
ESDS Internet Services Private Limited	-	1.05	-	-
Total	**58.89**	**135.21**	**131.62**	**82.39**

II Outstanding receivable/(payable) balances

Nature of transactions	Outstanding Balances for period ended			
	As at September 30,2024	As at March 31,2024	As at March 31,2023	As at March 31,2022
A) Payables towards salary / managerial remuneration				
i) KMP				
Sarla Somani	-	-	-	-
Piyush Somani	2.90	0.64	-	0.57
Sandeep Mehta	-	-	-	1.32
Komal Somani	1.23	0.34	-	0.37
Aniket Khandelwal	-	-	-	0.07
Prasad Deokar	0.17	0.11	-	-
Nadukuru Sita Ramiah	0.56	0.73	-	-
ii) Relatives of KMP				
Prajakta Somani Jadhav	0.28	0.35	-	-
Pooja Somani	0.10	0.10	-	-
B) Loans and advances				
i) Relatives of KMP				
Prajakta Somani Jadhav	-	-	-	0.09
ii) Subsidiary				
ESDS Internet Services Private Limited	NA*	-	31.75	31.31
ESDS Global Software Solution Inc	2.89	2.89	2.89	2.89
ESDS Cloud FZ LLC	-	-	-	-
C) Trade Payables				
i) Individuals having control over another entity				
Great Ideas in Action LLP	-	-	-	0.64
D) Accounts due from				
i) Subsidiary				
ESDS Internet Services Private Limited	NA*	-	1.64	(24.84)
E) Security deposits	-	-	-	
i) Subsidiary				
ESDS Internet Services Private Limited	NA*	16.14	15.09	14.00
Total	**8.14**	**21.30**	**51.37**	**26.42**

*ESDS Internet Services Private Limited ceased to be subsidiary as on August 29, 2024.

III Compensation to KMP

Particulars	Transaction For the period			
	For the Six months ended September 30, 2024	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Short term employee benefits	12.68	20.44	15.18	22.44
Retirement benefits*	-	-	-	

*Represents contribution to provident and superannuation funds. As Gratuity expense is based on actuarial valuations, the same cannot be computed for individual employees and hence not included.

IV Terms and conditions for outstanding balances - All outstanding balances are unsecured and payable in cash.

(All amounts are in Rupees million, unless otherwise stated)

32 Employee benefit obligations

A. Defined contribution plans :

The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is defined contribution plan. The Group has no obligation other than to make the specified contribution. The contribution is charged to Statement of Profit and Loss as it accrues. The amount recognised as an expense towards contribution to Provident Fund for the six months ended September 30, 2024 aggregated to Rs.13.10 (FY 2024: Rs. 25.98 million; FY 2023: Rs. 22.34 million; FY 2022: Rs. 22.12 million) and other funds to Rs.0.12 million (FY 2024: Rs. 0.24 million; FY 2023: Rs. 0.71 million; FY 2022: Rs. 1.11 million)

Contribution to Defined Contribution Plans recognised as expense for the period and years are as under:

Particulars	For the Six months ended September 30,2024	For the Year ended March 31,2024	For the Year ended March 31,2023	For the Year ended March 31,2022
Employers contribution to provident and other funds	13.22	26.22	23.05	23.23
Total	**13.22**	**26.22**	**23.05**	**23.23**

B Defined benefit plan

The Group provides for gratuity to employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The Group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

(a) Movements in the present value of the defined obligation are as follows:

Particulars	For the Six months ended September 30,2024	For the Year ended March 31,2024	For the Year ended March 31,2023	For the Year ended March 31,2022
Obligation at the beginning of the period / year	**77.03**	**53.20**	**46.04**	**39.45**
Transfer In / (out)				
Past Service Cost				
Current service cost	8.75	16.35	10.59	10.09
Interest expense	2.67	3.78	3.36	2.68
Curtailment Cost/(Credit)				
Settlement Cost/(Credit)				
Actuarial losses (gains) arising from change in financial assumptions	3.11	2.19	(4.02)	-
Benefits paid	(5.69)	(6.00)	(7.05)	(2.63)
Actuarial losses (gains) arising from experience adjustments	3.64	7.52	4.27	(3.56)
Liability at the end of the period / year	**89.51**	**77.03**	**53.20**	**46.04**

(b) Change in fair value of plan assets

Particulars	For the Six months ended September 30,2024	For the Year ended March 31,2024	For the Year ended March 31,2023	For the Year ended March 31,2022
Fair value of plan assets at the beginning of the period / year	-	-	0.18	0.47
Interest income	-	-	-	0.03
Transfer in / (out)	-	-	-	-
Benefits paid	-	-	(0.18)	-
Expected return on plan assets	-	-	-	-
Contributions	-	-	-	-
Morality charges and taxes	-	-	-	-
Actuarial gain / (loss) on plan assets	-	-		(0.32)
Fair value of plan assets at the end of the period / year	**-**	**-**	**-**	**0.18**

(c) The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	As at September 30,2024	As at March 31,2024	As at March 31,2023	As at March 31,2022
Present value of funded obligations	89.51	77.03	53.20	46.04
Fair value of plan assets		-	-	0.18
Deficit of funded plans	**89.51**	**77.03**	**53.20**	**45.86**
Unfunded plans	-	-	-	
Deficit of gratuity plan	**89.51**	**77.03**	**53.20**	**45.86**

(d) Expenses recognized in the Statement of Profit and Loss under employee benefit expenses.

Particulars	For the Six months ended September 30,2024	For the Year ended March 31,2024	For the Year ended March 31,2023	For the Year ended March 31,2022
Service cost	8.75	16.35	10.59	10.09
Net interest (income)/expense	2.67	3.78	3.36	2.65
Past service cost	-	-	-	-
assets	-	-	-	-
Settlement cost/(credit)	-	-	-	-
Transfer In/(Out)	-	-	-	-
Net actuarial (gain)/loss recognised in the year	-	-	-	-
Net gratuity cost	**11.42**	**20.13**	**13.94**	**12.74**

(All amounts are in Rupees million, unless otherwise stated)

(e) Expenses recognized in statement of other comprehensive income:

Remeasurement	For the Six months ended September 30,2024	For the Year ended March 31,2024	For the Year ended March 31,2023	For the Year ended March 31,2022
Remeasurement for the year - obligation (Gain)/Loss	6.75	9.71	0.26	(3.56)
Return on plan assets excluding amount included in net interest on net defined liability/(asset) above	-	-	-	0.32
(Return) / loss on plan assets excluding amounts recognised in interest (income)/expenses	-	-	-	-
(Gain)/loss from change in demographic assumptions	-	-	-	-
Total Remeasurement Cost/(Credit) for the year recognised in OCI	**6.75**	**9.71**	**0.26**	**(3.24)**

(f) Significant estimates: actuarial assumptions and sensitivity
The significant actuarial assumptions were as follows:

Particulars	For the Six months ended September 30,2024	For the Year ended March 31,2024	For the Year ended March 31,2023	For the Year ended March 31,2022
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
Discount Rate	6.85%	7.30%	6.80%	6.80%
Rate of growth in compensation level	7.00%	7.00%	7.00%	7.00%
Expected average remaining working lives of employees (in years)	60 years	60 years	58 years	58 years
Attrition Rate	5% to 1%	5% to 1%	5% to 1%	5% to 1%

* It is actuarially calculated term of the liability using probabilities of death, withdrawal and retirement.

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Change in Assumption	Defined benefit obligation			
	As at September 30,2024	As at March 31,2024	As at March 31,2023	As at March 31,2022
(i) 1% increase in discount rate	77.66	63.47	46.24	40.21
(ii) 1% decrease in discount rate	103.92	85.03	61.64	53.07
(iii) 1% increase in rate of salary escalation	103.75	84.93	61.58	52.98
(iv) 1% decrease in rate of salary escalation	77.58	63.37	46.16	40.17
(v) 1% increase in rate of withdrawal	89.33	73.44	53.29	40.35
(vi) 1% decrease in rate of withdrawal	89.71	72.90	53.09	40.35

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by 1%, keeping all other actuarial assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method(present value of defined benefit obligation calculated with the projected unit credit method at the end of reporting period) has been applied while calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The following payments are expected contributions to the defined benefits plan in future year:

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Year 1	1.91	1.54	1.59	1.45
Year 2	2.96	2.57	2.00	1.50
Year 3	2.85	2.48	1.79	1.44
Year 4	3.21	2.39	1.73	1.39
Year 5	2.69	2.51	1.67	1.35
Year 6 to 10	10.35	7.05	4.85	5.21

Liability Risks

Asset-Liability Mismatch Risk-

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the company is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

Discount Rate Risk-

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice can have a significant impact on the defined benefit liabilities.

Future Salary Escalation and Inflation Risk -

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

Asset Risks

The Group does not have any investment in plan assets, as the gratuity plan is a non funded plan. In case of any liability arises on account of gratuity, the group will pay off the amount from the available sources of funds.

The company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also interest rate and inflation risk are taken care of.

(g) The major categories of plans assets are as follows:

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Fund Managed by Insurance Company	0%	0%	100%	100%

(All amounts are in Rupees million, unless otherwise stated)

33 Fair value measurements

Financial instruments by category

Particulars	September 30, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	FVOCI	Amortised cost	FVOCI	Amortised cost	FVOCI	Amortised cost	FVOCI	Amortised cost
Financial assets								
Non-current financial assets								
Term deposits with maturity more than 12 months from reporting date	-	59.95	-	58.93	-	210.28	-	151.23
Accrued Interest	-	-	-	-	-	-	-	-
Security deposits	-	36.50	-	37.59	-	62.72	-	54.80
Other receivables (TDS reimbursements)	-	3.19	-	5.75	-	1.94	-	1.82
Current financial assets								
Trade receivables	-	842.00	-	690.03	-	571.34	-	638.53
Term deposits with maturity of less than 12 months from reporting date including interest	-	500.48	-	506.44	-	251.36	-	-
Cash and cash equivalents	-	17.04	-	22.47	-	168.86	-	350.60
Other bank balances	-	-	-	-	-	30.00	-	146.39
Unbilled Receivable	-	893.22	-	515.20	-	314.07	-	339.05
Other current financial assets	-		-					
Security deposit	-	58.52	-	41.40	-	23.44	-	33.79
Other loans and advance	-	0.20	-	0.20	-	0.20	-	0.21
Other receivables	-	25.62	-	28.60		29.06		42.19
Total financial assets		**2,436.72**	-	**1,906.62**	-	**1,663.28**		**1,758.61**
Financial liabilities								
Non current financial liabilities								
Non-current borrowings	-	755.02	-	847.73	-	929.80	-	656.13
Lease liabilities	-	844.81	-	933.12	-	558.70	-	608.31
Current financial liabilities								
Current borrowings	-	882.12	-	642.71	-	718.49	-	678.66
Lease liabilities	-	172.54	-	164.49	-	145.20	-	205.00
Trade payables	-	370.95	-	232.89	-	277.12	-	264.65
Other current financial liabilities								
Capital creditors	-	13.90	-	14.63	-	28.46	-	152.58
Interest accrued but not due on borrowings	-	0.06	-	0.22	-	0.60	-	4.08
Accrued employee liabilities	-	87.88	-	74.65	-	16.76	-	69.63
Other Payables	-	11.80	-	11.71	-	11.56	-	11.03
Total financial liabilities	-	**3,139.08**	-	**2,922.15**		**2,686.70**		**2,650.06**

The management assessed that the fair value of cash and cash equivalents, trade receivables, trade payables and other current financial assets and liabilities approximate their carrying amounts, largely due to the short term nature of these balances.

The fair value of the financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
The management assessed that the carrying amounts of its financial instruments are reasonable approximations of fair values.

i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at amortised cost	Level 1	Level 2	Level 3	Total
As at September 30, 2024				
Financial assets				
Non-current financial assets				
Term deposits with maturity more than 12 months from reporting date	-	-	59.95	59.95
Accrued Interest	-	-	-	-
Security deposits	-	-	36.50	36.50
Other receivables (TDS reimbursements)	-	-	3.19	3.19
Current financial assets			-	-
Trade receivables	-	-	842.00	842.00
Term deposits with maturity of less than 12 months from reporting date including interest	-	-	500.48	500.48
Cash and cash equivalents	-	-	17.04	17.04
Other bank balances	-	-	-	-
Unbilled revenue	-	-	893.22	893.22
Other current financial assets			-	-
Security deposit	-	-	58.52	58.52
Other loans and advance			0.20	0.20
Other receivables	-	-	25.62	25.62
Total financial assets	-	-	**2,436.72**	**2,436.72**
Financial liabilities				-
Non current financial liabilities				-
Non-current borrowings	-	-	755.02	755.02
Lease liabilities	-	-	844.81	844.81
Other non-current financial liabilities				
Capital creditors	-	-	-	-
Current financial liabilities				-
Current borrowings	-	-	882.12	882.12
Lease liabilities	-	-	172.54	172.54
Trade payables	-	-	370.95	370.95
Other current financial liabilities				
Capital creditors	-	-	13.90	13.90
Interest accrued but not due on borrowings	-	-	0.06	0.06
Accrued employee liabilities	-	-	87.88	87.88
Other Payables	-	-	11.80	11.80
Total financial liabilities	-	-	**3,139.08**	**3,139.08**

(All amounts are in Rupees million, unless otherwise stated)

Financial assets and liabilities measured at amortised cost	Level 1	Level 2	Level 3	Total
As at March 31, 2024				
Financial assets				
Non-current financial assets				
Term deposits with maturity more than 12 months from reporting date	-	-	58.93	58.93
Accrued Interest	-	-	-	-
Security deposits	-	-	37.59	37.59
Other receivables (TDS reimbursements)	-	-	5.75	5.75
Current financial assets				-
Trade receivables	-	-	690.03	690.03
Term deposits with maturity of less than 12 months from reporting date including interest	-	-	506.44	506.44
Cash and cash equivalents	-	-	22.47	22.47
Other bank balances	-	-	-	-
Unbilled revenue	-	-	515.20	515.20
Other current financial assets				-
Security deposit	-	-	41.40	41.40
Other loans and advance			0.20	0.20
Other receivables	-	-	28.60	28.60
Total financial assets	**-**	**-**	**1,906.62**	**1,906.62**
Financial liabilities				
Non current financial liabilities				
Non-current borrowings	-	-	847.73	847.73
Lease liabilities	-	-	933.12	933.12
Other non-current financial liabilities			-	-
Capital creditors	-	-		-
Current financial liabilities				-
Current borrowings	-	-	642.71	642.71
Lease liabilities	-	-	164.49	164.49
Trade payables	-	-	232.89	232.89
Other current financial liabilities			-	-
Capital creditors	-	-	14.63	14.63
Interest accrued but not due on borrowings	-	-	0.22	0.22
Accrued employee liabilities	-	-	74.65	74.65
Other Payables	-	-	11.71	11.71
Total financial liabilities	**-**	**-**	**2,922.15**	**2,922.15**

Financial assets and liabilities measured at amortised cost	Level 1	Level 2	Level 3	Total
As at March 31, 2023				
Financial assets				
Non-current financial assets				
Term deposits with maturity more than 12 months from reporting date	-	-	210.28	210.28
Security deposits	-	-	62.72	62.72
Other receivables (TDS reimbursements)	-	-	1.94	1.94
Current financial assets				-
Trade receivables	-	-	571.34	571.34
Term deposits with maturity of less than 12 months from reporting date including interest	-	-	251.36	251.36
Cash and cash equivalents	-	-	168.86	168.86
Other bank balances	-	-	30.00	30.00
Other current financial assets				-
Security deposit	-	-	23.44	23.44
Other loans and advance	-	-	0.20	0.20
Unbilled revenue	-	-	314.07	314.07
Other receivables	-	-	29.06	29.06
Total financial assets	**-**	**-**	**1,663.27**	**1,663.27**
Financial liabilities				
Non current financial liabilities				
Non-current borrowings	-	-	929.80	929.80
Lease liabilities	-	-	558.70	558.70
Current financial liabilities			-	-
Current borrowings	-	-	718.49	718.49
Lease liabilities	-	-	145.20	145.20
Trade payables	-	-	277.12	277.12
Other current financial liabilities			-	-
Capital creditors	-	-	28.46	28.46
Interest accrued but not due on borrowings	-	-	0.60	0.60
Accrued employee liabilities	-	-	16.76	16.76
Other Payables	-	-	11.56	11.56
Total financial liabilities	**-**	**-**	**2,686.70**	**2,686.70**

(All amounts are in Rupees million, unless otherwise stated)

Financial assets and liabilities measured at amortised cost	Level 1	Level 2	Level 3	Total
As at March 31, 2022				
Financial assets				
Investments in subsidiary				
Non-current financial assets				
Term deposits with maturity more than 12 months from reporting date	-	-	151.23	151.23
Accrued Interest	-	-	-	-
Security deposits	-	-	54.80	54.80
Other receivables (TDS reimbursements)	-	-	1.82	1.82
Current financial assets				
Trade receivables	-	-	638.53	638.53
Term deposits with maturity of less than 12 months from reporting date including interest	-	-	-	-
Cash and cash equivalents	-	-	350.60	350.60
Other bank balances	-	-	146.39	146.39
Unbilled Receivable	-	-	339.05	339.05
Other current financial assets				
Security deposit	-	-	33.79	33.79
Other loans and advance	-	-	0.21	0.21
Other receivables	-	-	42.19	42.19
Total financial assets	**-**	**-**	**1,758.61**	**1,758.61**
Financial liabilities			-	-
Non current financial liabilities			-	-
Non-current borrowings	-	-	656.13	656.13
Lease liabilities	-	-	608.31	608.31
Current financial liabilities				
Current borrowings	-	-	678.66	678.66
Lease liabilities	-	-	205.00	205.00
Trade payables	-	-	264.65	264.65
Other current financial liabilities				
Capital creditors	-	-	152.58	152.58
Interest accrued but not due on borrowings	-	-	4.08	4.08
Accrued employee liabilities	-	-	69.63	69.63
Other Payables	-	-	11.03	11.03
Total financial liabilities	**-**	**-**	**2,650.06**	**2,650.06**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. However the group does not have any financial instruments that are measured using Level 1 inputs.

Level 2: The fair value of derivatives is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:
All of the resulting fair value estimates are included in Level 2 except for unlisted preference shares where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

iii) Fair value of financial assets and liabilities measured at amortised cost

The fair value of all financial instruments carried at amortised cost are not materially different from their carrying amounts, since they are either short-term in nature or the interest rate applicable are equal to the current market rate of interest.

(All amounts are in Rupees million, unless otherwise stated)

34 Financial risk management

The group’s principal financial liabilities comprises of borrowings, lease liabilities, trade and other payables (including capital creditors). The main purpose of these financial liabilities is to finance the group’s operations. The group’s principal financial assets trade and other receivables, and cash and cash equivalents that are derived directly from its operations.

The group is exposed to the following risk from its use of financial instruments:
a) Credit risk,
b) Liquidity risk
c) Market risk
i) Foreign currency exchange rate risk
ii) Interest rate risk
The group’s senior management oversees the management of these risks. The group’s financial risk activities are governed by appropriate policies and procedures and financial risks are identified, measured and managed in accordance with the group’s policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

(a) Credit Risk

The group is exposed to credit risk as a result of risk of counterparties defaulting on their obligations. The group's exposure to credit risk primarily relates to trade receivables. The group monitors and limits it's exposure to credit risks on a reasonable basis. The group's credit risk associated with trade receivables is primarily related to customers not able to settle their obligations as agreed upon. To manage this, tthe group periodically reviews the financial reliability of it's customers, taken into account their financial condition, current economic trends, analysis of historical bad debts and ageing of trade receivables.
Financial instruments that are subject to such risks, principally consist of trade receivables, contract assets such as unbilled revenue, security deposits and cash and bank balances. None of the financial instruments of the group results in material concentration of credit risk.

• Trade receivables/contract assets

Customer credit risk is managed by the group subject to the established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.
An impairment analysis is performed at each reporting date on an individual basis for major clients. The group applies the simplified approach to provide for expected credit losses prescribed by Ind AS 109," Financial Instruments" which permits the use of the lifetime expected loss provision for all trade receivables. The group has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the group.
To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets have substantially the same risk characteristics as the trade receivables for the same types of contracts. The group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.
The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

i) Reconciliation of loss allowance provisions

Particulars	Amount
Loss allowance as at March 31, 2021	**150.60**
Add/(less): Changes in Loss Allowance	
Bad debts written off during the year	(49.73)
Provision for the year	70.22
Loss allowance as at March 31, 2022	**171.09**
Add/(less): Changes in Loss Allowance	
Bad debts written off during the year	(32.49)
Provision for the period	43.65
Loss allowance as at March 31, 2023	**182.25**
Add/(less): Changes in Loss Allowance	
Bad debts written off during the year	(18.95)
Provision for the period	55.29
:Recovery of Bad Debts	13.52
Loss allowance as at March 31, 2024	**232.11**
Add/(less): Changes in Loss Allowance	
Bad debts written off during the year	(4.00)
Provision for the period	42.92
:Recovery of Bad Debts	-
Loss allowance as at September 30, 2024	**271.02**

Loss allowance matrix	
Ageing Bucket	**% of ECL**
<= 60 days	0%
61 to 90 days	25%
91 to 180 days	30%
181 to 365 days	50%
Above 365 days	100%

b) Liquidity risk

The group is exposed to liquidity risk related to its ability to fund its obligations as and when they become due. The group monitors and manages the liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The group has access to credit facilities and monitors cash and bank balances on a regular basis. In relation to the group's liquidity risk, the group's policy is to ensure that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses.
The table below analyzes the group's financial liabilities into relevant maturity groupings based on their contractual maturities.

Particulars	Current	1 year to 3 years	More than 3 years	Total
September 30, 2024				
Non current financial liabilities				
Non-current borrowings	-	255.11	499.90	755.02
Lease liabilities	-	323.30	521.51	844.81
Current financial liabilities				-
Current borrowings	882.12	-	-	882.12
Lease liabilities	172.54	-	-	172.54
Trade payables	370.95	-	-	370.95
Other current financial liabilities				-
Capital creditors	13.90	-	-	13.90
Interest accrued but not due on borrowings	0.06	-	-	0.06
Accrued employee liabilities	87.88	-	-	87.88
Other Payables	11.80	-	-	11.80
Total financial liabilities	**1,539.25**	**578.41**	**1,021.41**	**3,139.08**

(All amounts are in Rupees million, unless otherwise stated)

Particulars	Current	1 year to 3 years	More than 3 years	Total
March 31, 2024				
Non current financial liabilities				
Non-current borrowings	-	160.50	687.23	847.73
Lease liabilities	-	191.26	741.86	933.12
Current financial liabilities				
Current borrowings	642.71	-	-	642.71
Lease liabilities	164.49	-	-	164.49
Trade payables	232.89	-	-	232.89
Other current financial liabilities				
Capital creditors	14.63	-	-	14.63
Interest accrued but not due on borrowings	0.22	-	-	0.22
Accrued employee liabilities	74.65	-	-	74.65
Other Payables	11.71	-	-	11.71
Total financial liabilities	**1,141.31**	**351.76**	**1,429.09**	**2,922.15**

Particulars	Current	1 year to 3 years	More than 3 years	Total
March 31,2023				
Non current financial liabilities				
Non-current borrowings	-	160.50	769.30	929.80
Lease liabilities	-	191.26	367.44	558.70
Current financial liabilities				
Current borrowings	718.49	-	-	718.49
Lease liabilities	145.20	-	-	145.20
Trade payables	277.12	-	-	277.12
Other current financial liabilities				
Capital creditors	28.46	-	-	28.46
Interest accrued but not due on borrowings	0.60	-	-	0.60
Accrued employee liabilities	16.76	-	-	16.76
Other Payables	11.56	-	-	11.56
Total financial liabilities	**1,198.20**	**351.76**	**1,136.74**	**2,686.70**

Particulars	Current	1 year to 3 years	More than 3 years	Total
March 31,2022				
Non current financial liabilities				
Non-current borrowings	-	646.48	9.65	656.13
Lease liabilities	-	220.35	387.96	608.31
Current financial liabilities				
Current borrowings	678.66	-	-	678.66
Lease liabilities	205.00	-	-	205.00
Trade payables	264.65	-	-	264.65
Other current financial liabilities				
Capital creditors	152.58	-	-	152.58
Interest accrued but not due on borrowings	4.08	-	-	4.08
Accrued employee liabilities	69.63	-	-	69.63
Other Payables	11.03	-	-	11.03
Total financial liabilities	**1,385.62**	**866.83**	**397.61**	**2,650.06**

(c) Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

(i) Foreign currency exchange rate risk
The group deals with receivables from customers and payables to vendors. It is therefore exposed to foreign exchange risk associated with exchange rate movements. The foreign exchange rate fluctuations do not have any material impact on the profitability of the group as such exports and foreign currency expenditure is negligible
in totality. There are no forward exchange contracts which have been entered into by the group as on the reporting dates.

Details of foreign currency exposures that are not hedged by a derivatives instrument or otherwise:

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Receivables (asset)				
USD	0.02	0.02	0.01	0.02
GBP	0.07	0.07	0.07	0.07
EUR	-	-	-	0.00
Payables (liability)				
USD	0.02	0.02	0.01	0.59
AED	-	-	-	-
GBP	-	-	0.00	0.00
Loan (asset)				
USD	0.04	0.04	0.04	-
AED	-	-	-	-
GBP	-	-	-	-

(All amounts are in Rupees million, unless otherwise stated)

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group's exposure to the risk of changes in market interest rates relates primarily to the group's debt obligations with floating interest rates.

Interest rate exposure: The exposure of the group's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	For the Six months ended September 30,2024	For the Year ended March 31,2024	For the Year ended March 31,2023	For the Year ended March 31,2022
Interest on variable rate borrowings	103.16	219.66	181.59	95.40

Sensitivity analysis
Profit or loss to higher/lower interest rate expense from borrowings as a result of changes in interest rates

Particulars	For the Six months ended September 30,2024	For the Year ended March 31,2024	For the Year ended March 31,2023	For the Year ended March 31,2022
If interest rates:				
Increase by 1%	1.03	2.20	1.82	0.95
Decrease by 1%	(1.03)	(2.20)	(1.82)	(0.95)

(All amounts are in Rupees million, unless otherwise stated)

35 Share based payments
(a) Description of share based payment arrangements

On August 9, 2021, the Board of Directors and shareholders approved the ESDS Employees Stock Ownership Plan 2021. These options are granted to eligible employees of The Company determined by the nomination and remuneration committee and are convertible into equivalent number of equity shares of Rs. 1 each as per the terms of the plan. Upon vesting, the employees can acquire one common equity share of The Company for every option. Options will be available for vesting upon successful completion of service during the vesting Year. The options were granted on August 30, 2021.

Vesting conditions
Options can be exercised within 4 years from the vesting date. The vesting pattern is set out below

Vesting	Vesting of grant
30 August 2022	50%
30 August 2023	20%
30 August 2024	20%
30 August 2025	10%

(b) Measurement of fair values

Vesting	Exercise price	Expected volatility	Risk free rate	Expected life	Weighted average fair value as on grant date	Method of valuation
30 August 2022	65	20.33%	5.65%	3 to 6 years	10.60	Black – Scholes Model
30 August 2023	65	20.33%	5.65%	3 to 6 years	13.38	Black – Scholes Model
30 August 2024	65	20.33%	5.65%	3 to 6 years	15.96	Black – Scholes Model
30 August 2025	65	20.33%	5.65%	3 to 6 years	18.35	Black – Scholes Model

(c) Effect of employee stock ownership plan on the Statement of Profit and Loss

Particulars	For the Six months ended September 30, 2024	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Employee stock ownership plan expense	0.82	5.18	5.44	5.45

The carrying amount of the liability relating to the Employee Stock Ownership Plan as at September 30, 2024 was Rs.16.89 million(March 31, 2024: Rs.16.07 million; March 31, 2023: Rs.10.89 million; March 31, 2022: Rs.5.45 million)

(d) Reconciliation of outstanding share options
The number share options under the share option scheme are as follows

Particulars	For the Six months ended September 30, 2024	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Options outstanding as at the beginning of the period / year	1,277,000	1,375,000	1,763,000	-
Add: Options granted during the period / year	-	-	-	2,045,000
Less: Options forfeited and expired during the period / year	30,000	98,000	388,000	282,000
Less: Options exercised during the period / year	-	-	-	-
Options outstanding as at the period / year end	**1,247,000**	**1,277,000**	**1,375,000**	**1,763,000**
Exercisable at the end of the period / year	1,122,300	893,900	687,500	-

(All amounts are in Rupees million, unless otherwise stated)

36 Capital Management

For the purpose of the Group's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating in order to support its business activities and maximize brand value.

The Group manages its capital and makes adjustments to it in light of the changes in economic and market conditions.

The Group monitors capital gearing ratio, which is net debt divided by total capital. Net debt comprises of long term and short term borrowings less cash and bank balances, equity includes equity share capital and reserves that are managed as capital. The gearing at the end of the reporting period was as follows.

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Debt*	1,637.14	1,490.44	1,648.29	1,334.79
Cash and bank balances	(17.04)	(22.47)	(198.86)	(496.99)
Net debt	**1,620.10**	**1,467.97**	**1,449.43**	**837.80**
Shareholders' Funds				
Equity Share Capital	92.89	92.89	92.89	91.57
Reserves and Surplus	2,314.78	2,079.75	1,963.07	1,897.04
Other Reserves	87.46	86.45	49.96	68.44
Non-controlling interest	-	6.00	(4.38)	(4.31)
Total Equity	**2,495.14**	**2,265.09**	**2,101.55**	**2,052.73**
Net debt to equity ratio	**0.65**	**0.65**	**0.69**	**0.41**
Total debt to equity ratio	**0.66**	**0.66**	**0.78**	**0.65**

* includes current maturity of long term borrowing

37 Micro, Small and Medium Enterprises Development Act, 2006

As per the information available, the management has not received information from some of their suppliers for the period ended September 30, 2024 confirming that they are covered under Micro, Small and Medium Enterprises Development Act, 2006. In Management's view, the impact of any interest that may be payable (in accordance with the provisions of the Micro, Small and Medium Enterprise Development Act, 2006) on delayed payments to its micro or small suppliers is not expected to be significant.

38 Segment Information

The business segment have been identified on the basis of the nature of products and services, the risks and returns, internal organisation and management structure and the internal performance reporting systems.

The Group has identified business segment as its primary segment. In accordance with Indian Accounting Standard 108 - Segment Reporting, the Company has determined its business segment as "design, development, installation and servicing of information technology related resource". Operating segments are reported in a manner consistent with the internal reporting provided to the board of directors based in India regarded as the Chief Operating Decision Maker ("CODM"). Since the entire Company's business is from Information technology related resource there are no other primary reportable segments. Thus, the segment revenue, segment results, total carrying value of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge of depreciation and amortisation during the year are all as reflected in the Financial Statements as at and for the six months ended September 30, 2024 and year ended March 31, 2024 ; March 31, 2023 ; March 31, 2022.

The secondary segment by geographical segments is provided below based on location of customers:

The Group has identified India and Rest of the world as geographical segments for secondary segmental reporting. Geographical sales are segregated based on the location of the customer who is invoiced or in relation to which the sale is otherwise recognized. Assets other than receivables used in the Company's business or liabilities contracted have not been identified to any of the reportable segments, as these are used interchangeably between segments. All assets other than receivables are located in India. Similarly, capital expenditure is incurred towards fixed assets located in India.

Geographical Segment	Sales and Services				Total Assets			
	For the Six months ended September 30, 2024	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
India	1,276.00	2,713.75	1,919.53	1,764.96	4,779.33	4,419.23	4,160.47	4,317.61
Outside India	445.50	151.43	156.13	188.61	315.14	62.81	15.76	57.06
Total	**1,721.50**	**2,865.18**	**2,075.66**	**1,953.58**	**5,094.47**	**4,482.04**	**4,176.23**	**4,374.68**

Information about major customers:

During six months ended September 30,2024 there is two customers; Gazprom Bank who have contributed Rs.379.09 million (22.02%) and Software Technology Parks of India who have contribued Rs 212.27 million (12.33%), other than that there is no single external customer which contributes more than 10% to the revenue for the year ended March 31, 2024, March 31, 2023 and March 31, 2022.

39 Exceptional Items:

a) As per report dated July 30, 2024 of the GST audit conducted by Karnataka GST Department, Wrong availment and utilization of excess input tax credit of Rs.0.12 million due to the incorrect ITC claimed In 3B vis-a-vis as available in GSTR-2A and Wrong availment and utilization of excess input tax credit of Rs.0.22 million in terms of Section 16(2) of KGST Act,2017 charged on the company. These exceptional items, totaling Rs. 0.34 million, have been recognized in the financial statements for the Six months ended as at September 30, 2024, impacting the income statement.

b) During the FY 2023-24, the Group encountered exceptional circumstances which impacted its financial position. As part of these occurrences, the Group disbursed an amount of Rs. 1.87 million for the resolution of pending dues under the VAT amnesty scheme, pertaining to the financial years 2014-15, 2016-17, and 2017-18. Additionally, an amount receivable from the VAT Department, totaling Rs. 3.28 million, was deemed irrecoverable and consequently written off during the same period. These exceptional items, totaling Rs. 5.15 million, have been recognized in the financial statements for the year ended March 31, 2024, impacting both the income statement and the balance sheet.

c) On July 7, 2023, the Group received a notice from the CGST Department under section 73(5), indicating the Department's belief that the Group should reverse Input Tax Credit (ITC). In response, the Group filed an appeal against this notice. As part of the appeal process, the Group incurred expenses totaling Rs. 1.40 million as appeal fees. Given the uncertain nature of the outcome of the appeal and the potential impact on the Group's financial position, these expenses have been treated as exceptional items in the financial statements for the year ended 2024.

d) During the FY 2023-24, the Group received a notice from the Maharashtra State Electricity Distribution Group Limited (MSEDCL) indicating a penalty of Rs. 4.18 million. The penalty was imposed on the Group due to erroneous availment of subsidies from 2016 until FY 2023-24. In response to the notice and to resolve the matter, the Group opted to settle the penalty amount, resulting in an expenditure of Rs. 4.18 million during the year. Management acknowledges the exceptional nature of this expense, considering it as a one-time event that significantly impacted the Group's financial results for the period. The settlement of this penalty has been disclosed separately in the financial statements for the year ended 2024, under exceptional items, to provide transparency regarding its impact on the Group's financial position.

e) In October 2021, the Group has received notices from CGST Department under section 86A - where the department has reasons to believe that the Group should reverse certain Input Tax Credit availed. During FY 2022-2023, Group has paid Rs.30.78 million in DRC-03 against such invoices and provide for interest on this liability of Rs.17 million.

f) In January 2022, the Group has received summons from CGST Department -Karnataka under section 70 - where the department has raised the inquiry in connection with evasion of GST by the Group. The department raised the concerns with regards to availment of GST Input in invoices from vendors who are willful defaulters in payment of GST.During FY 2021-22, Group has paid Rs.35.00 million including interest and penalty in DRC-03 against such invoices and written it off as expenses under exceptional item .

(All amounts are in Rupees million, unless otherwise stated)

40 Part A : Statement of adjustments to restated consolidated financial information

Summarised below are the restatement adjustments made to the audited financial statements for the six months ended September 30, 2024 and for the years ended March 31, 2024; March 31, 2023 and March 31, 2022 and their impact on the profit /(loss) of the Company.

Reconciliation between audited equity and restated equity

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Total equity (as per audited Financial statements)	**2,495.14**	**2,265.09**	**2,101.54**	**2,052.74**
Adjustments:				
(i) Audit qualifications	-	-	-	-
(ii) Adjustments due to change in accounting policy / prior period items / other adjustments	-	-	-	-
(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable	-	-	-	-
Total adjustments (i + ii + iii)	**-**	**-**	**-**	**-**
Total Equity as per restated consolidated statement of assets and liabilities	**2,495.14**	**2,265.09**	**2,101.54**	**2,052.74**

Reconciliation between audited profit and restated profit

Particulars	For the Six months ended September 30, 2024	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Profit/(loss) after tax (as per audited Financial statements)	**239.34**	**136.10**	**(224.60)**	**(26.63)**
Restatement adjustments				
(i) Audit qualifications	-	-	-	-
(ii) Adjustments due to change in accounting policy / prior period items / other adjustments	-	-	-	-
(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable	-	-	-	-
Total adjustments (i + ii + iii)	**-**	**-**	**-**	**-**
Profit/(loss) as per restated consolidated statement of profit and loss	**239.34**	**136.10**	**(224.60)**	**(26.63)**

Part B : Notes to Adjustments

1 Adjustments for Audit Qualifications: None (also refer Note 2 below for non-adjusted items)
2 Audit Qualifications/comments in Annexure to Auditors' Report, which do not require any corrective adjustments in the Restated Consolidated Financial Information. : None

Part C : Regrouping

During the six months ended September 30, 2024, the Group has revised the presentation of certain notes to the Restated Consolidated Financial information for better presentation. Hence comparative amounts for the year ended March 31,2024, March 31, 2023 and March 31, 2022 have been presented accordingly for consistency.

I. Non current financial assets earlier presented in 'Term deposits with maturity more than 12 months from reporting date', now presented under 'Security Deposit'

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits	2.97	2.97

II. Revenue from operations earlier included in 'Technical Support Services' and 'License and support services', now presented under 'Cloud hosting and managed services'.

Particulars	For the Six months ended September 30, 2024	For the Year ended March 31, 2024	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Cloud hosting and managed services	47.80	94.55	87.47	148.51

(All amounts are in Rupees million, unless otherwise stated)

41 Interests in other entities
41.a Subsidiaries

The Company's subsidiaries are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Company, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/Country of Incorporation	Ownership interest held by the company				Ownership interest held by the non controlling interest			
		As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
ESDS Internet Services Private Limited**	India	0%	50%	50%	50%	0%	50%	50%	50%
ESDS Cloud FZ LLC*	UAE	100%	100%	100%	100%	-	-	-	-
Spochub Solutions Private Limited	India	100%	100%	100%	100%	-	-	-	-
ESDS Global Software Solution Inc*	USA	100%	100%	100%	100%	-	-	-	-

*Subsidiary company having December 31st as reporting date.

** On August 29, 2024, the Company fully sold its investment in ESDS Internet Services Private Limited at the face value of the shares. As a result, ESDS Internet Services Private Limited ceased to be a subsidiary of the Company on that date. As of March 31, 2024, the subsidiary's total assets amounted to Rs. 388.38 million, and its total revenue was Rs. 68.83 million. The Company's director resigned from their position as a director of the subsidiary on August 29, 2024.

41.b Non controlling interests

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Summarised balance sheet	ESDS Internet Services Private Limited			
	As at September 30,2024	As at March 31,2024	As at March 31, 2023	As at March 31, 2022
Current assets	-	54.42	72.84	72.53
Current liabilities	-	51.71	91.69	91.07
Net current assets	**-**	**2.71**	**(18.84)**	**(18.54)**
Non-current assets	-	333.96	374.00	405.20
Non-current liabilities	-	324.82	364.06	395.61
Net non-current assets	**-**	**9.14**	**9.94**	**9.60**
Net assets	**-**	**11.85**	**(8.91)**	**(8.94)**
Accumulated NCI	-	5.92	(4.45)	(4.47)

Summarised statement of profit and loss	ESDS Internet Services Private Limited			
	As at September 30,2024	As at March 31,2024	As at March 31, 2023	As at March 31, 2022
Revenue	0.03	0.12	0.97	21.15
Profit for the year	(0.17)	20.75	0.04	1.22
Total comprehensive income	**(0.17)**	**20.75**	**0.04**	**1.22**
Profit / (Loss) allocated to NCI	(0.09)	10.38	0.02	0.61

Summarised cash flows	ESDS Internet Services Private Limited			
	As at September 30,2024	As at March 31,2024	As at March 31, 2023	As at March 31, 2022
Cash flows from operating activities	-	(5.47)	3.79	(10.94)
Cash flows from investing activities	-	69.68	64.90	64.57
Cash flows from financing activities	-	(68.84)	(63.41)	(53.11)
Net increase/ (decrease) in cash and cash equivalents	**-**	**(4.63)**	**5.28**	**0.52**

(All amounts are in Rupees million, unless otherwise stated)

42 Additional Disclosure by Schedule III

	Parent		Subsidiaries									
			Indian				Foreign					
Name of the entities in the Group	**ESDS Software Solution Limited**		**ESDS Internet Services Private Limited**		**Spochub Solutions Private Limited**		**ESDS Cloud FZ LLC**		**ESDS Global Software Solution Inc**		**Total**	
Particulars	**As % of consolidated**	**Amount**	**As % of consolidated**	**Amount**	**As % of consolidated**	**Amount**	**As % of consolidated**	**Amount**	**As % of consolidated**	**Amount**	**As % of consolidated**	**Amount**
Net assets (total assets minus total liabilities)												
September 30, 2024	111.41	2,838.75	-	-	0.01	0.18	(11.38)	(289.89)	(0.04)	(1.00)	100.00	2,548.04
March 31, 2024	111.07	2,553.12	0.52	11.85	0.01	0.18	(11.55)	(265.44)	(0.04)	(1.00)	100.00	2,298.72
March 31, 2023	111.88	2,351.15	(0.43)	(8.99)	0.01	0.18	(11.46)	(240.81)	-	-	100.00	2,101.54
March 31, 2022	107.79	2,205.28	(0.44)	(8.95)	(0.01)	(0.22)	(6.81)	(139.41)	(0.53)	(10.82)	100.00	2,045.88
Share in profit or (loss)												
September 30, 2024	100.06	289.68	(0.06)	(0.17)	(0.00)	(0.00)	-	-	-	-	100.00	289.51
March 31, 2024	131.56	164.83	16.56	20.75	(0.00)	(0.00)	(48.12)	(60.29)	-	-	100.00	125.29
March 31, 2023	66.93	(150.32)	0.02	(0.05)	0.00	(0.00)	33.05	(74.23)	-		100.00	(224.60)
March 31, 2022	(59.00)	21.05	(1.71)	0.61	0.04	(0.02)	159.38	(56.87)	1.28	(0.46)	100.00	(35.68)
Share in other comprehensive income												
September 30, 2024	118.20	(4.87)	-	-	-	-	(18.20)	0.75	-	-	100.00	(4.12)
March 31, 2024	125.70	31.96	-	-	-	-	(25.70)	(6.54)	-	-	100.00	25.43
March 31, 2023	0.81	(0.19)	-	-	-	-	99.19	(22.79)	-	-	100.00	(22.98)
March 31, 2022	255.75	2.34	-	-	-	-	(155.75)	(1.42)	-	-	100.00	0.91
Share in total comprehensive income												
September 30, 2024	99.80	284.81	(0.06)	(0.17)	(0.00)	(0.00)	0.26	0.75	-	-	100.00	285.39
March 31, 2024	130.57	196.79	13.77	20.75	(0.00)	(0.00)	(44.34)	(66.83)	-	-	100.00	150.71
March 31, 2023	60.79	(150.51)	0.02	(0.05)	0.00	(0.00)	39.19	(97.02)	-	-	100.00	(247.58)
March 31, 2022	(70.15)	23.39	(1.83)	0.61	0.04	(0.02)	170.56	(56.87)	1.37	(0.46)	100.00	(33.35)

* Above disclosure contains figures prior to intra group transactions

ESDS Software Solution Limited
Notes Forming Part of Restated Consolidated Financial Information
(All amounts are in Rupees million, unless otherwise stated)

43 Ageing Schedule

a) Trade Receivables

Outstanding for following period from the date of transaction as at September 30,2024

Particulars	Not Due	Less than 6 months	6 Months to 1 year	1 -2 years	2 -3 years	More than 3 years	Expected Credit Loss Allowance	Total
Trade Receivables -Considered Good	-	793.66	184.37	41.23	17.89	60.21	(255.37)	842.00
Trade Receivables-Credit Impaired	-	-	-	-	-	15.65	(15.65)	-
Total Trade Receivables	-	**793.66**	**184.37**	**41.23**	**17.89**	**75.86**	**(271.02)**	**842.00**
Unbilled Receivable	893.22	-	-	-	-	-	-	**893.22**
Total Trade Receivables - Billed and Unbilled								**1,735.22**

Outstanding for following period from the date of transaction as at March 31, 2024

Particulars	Not Due	Less than 6 months	6 Months to 1 year	1 -2 years	2 -3 years	More than 3 years	Expected Credit Loss Allowance	Total
Trade Receivables -Considered Good	-	687.34	107.47	39.74	11.12	56.74	(212.38)	690.03
Trade Receivables-Credit Impaired	-	-	-	-	-	15.65	(15.65)	-
Total Trade Receivables	-	**687.34**	**107.47**	**39.74**	**11.12**	**72.39**	**(228.03)**	**690.03**
Unbilled Receivable	515.20	-	-	-	-	-	-	515.20
Total Trade Receivables - Billed and Unbilled								**1,205.23**

Outstanding for following period from the date of transaction as at March 31, 2023

Particulars	Not Due	Less than 6 months	6 Months to 1 year	1 -2 years	2 -3 years	More than 3 years	Expected Credit Loss Allowance	Total
Trade Receivables -Considered Good	-	511.51	115.39	30.35	32.12	31.65	(149.68)	571.34
Trade Receivables-Credit Impaired	-	-	-	15.65	-	-	(15.65)	-
Total Trade Receivables	-	**511.51**	**115.39**	**46.00**	**32.12**	**31.65**	**(165.33)**	**571.34**
Unbilled Receivable	314.07	-	-	-	-	-	-	314.07
Total Trade Receivables - Billed and Unbilled								**885.41**

Outstanding for following period from the date of transaction as at March 31, 2022

Particulars	Not Due	Less than 6 months	6 Months to 1 year	1 -2 years	2 -3 years	More than 3 years	Expected Credit Loss Allowance	Total
Trade Receivables -Considered Good	-	489.04	175.59	51.87	40.47	6.01	(124.45)	638.53
Trade Receivables-Credit Impaired	-	-	-	15.65	-	-	(15.65)	-
Total Trade Receivables	-	**489.04**	**175.59**	**67.52**	**40.47**	**6.01**	**(140.10)**	**638.53**
Unbilled Receivable	339.05	-	-	-	-	-	-	339.05
Total Trade Receivables - Billed and Unbilled								**977.58**

b) Trade Payables

Outstanding for following period from due date of payment as at September 30, 2024

Particulars	Provison for Expenses	Less than 6 months	6 Months to 1 year	1 -2 years	2 -3 years	More than 3 years	Total
MSME	-	121.36	0.00	0.01	-	-	**121.37**
Others	63.24	141.64	0.40	8.61	-	-	**213.90**
Disputed -Others	-	-	28.71	6.96	-	-	**35.68**
Total	**63.24**	**263.00**	**29.11**	**15.59**	**-**	**-**	**370.95**

Outstanding for following period from due date of payment as at March 31, 2024

Particulars	Provison for Expenses	Less than 6 months	6 Months to 1 year	1 -2 years	2 -3 years	More than 3 years	Total
MSME	-	5.72	-	-	-	-	**5.72**
Others	28.89	122.56	11.23	4.58	0.23	19.01	**186.50**
Disputed -Others	-	40.68	-	-	-	-	**40.68**
Total	**28.89**	**168.96**	**11.23**	**4.58**	**0.23**	**19.01**	**232.89**

Outstanding for following period from due date of payment as at March 31, 2023

Particulars	Provison for Expenses	Less than 6 months	6 Months to 1 year	1 -2 years	2 -3 years	More than 3 years	Total
MSME	-	59.22	0.33	0.23	-	-	59.78
Others	29.10	173.04	9.30	1.44	-	4.45	217.34
Total	**29.10**	**232.26**	**9.63**	**1.68**	**-**	**4.45**	**277.12**

Outstanding for following period from due date of payment as at March 31, 2022

Particulars	Provison for Expenses	Less than 6 months	6 Months to 1 year	1 -2 years	2 -3 years	More than 3 years	Total
MSME	-	9.19	1.40	0.11	-	-	10.71
Others	21.92	212.43	11.22	4.05	4.31	-	253.94
Total	**21.92**	**221.63**	**12.62**	**4.16**	**4.31**	**-**	**264.65**

c) Capital WIP

As at September 30, 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
CWIP	-	-	-	-	-

As at March 31,2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
CWIP	-	-	-	-	-

As at March 31,2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
CWIP	-	-	-	-	-

As at March 31,2022

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
CWIP	0.70	-	-	-	0.70

ESDS Software Solution Limited
Notes Forming Part of Restated Consolidated Financial Information
(All amounts are in Rupees million, unless otherwise stated)

44 Additional Regulatory Requirements
i) Ratios to be disclosed

As at September 30,2024

	Ratios		As at September 30,2024*			As at March 31,2024			
Sr. No.	Particulars	Formulae used for calculation of	Numerator	Denominator	Ratio	Numerator	Denominator	Ratio	% Change in Ratio
a)	Current ratio	Current Assets/Current Liabilities	2,732.05	1,699.91	1.61	2,126.71	1,252.89	1.70	-5.32%
b)	Debt-Equity Ratio	(Non-current borrowings+ Current borrowings)/Total Equity	1,637.14	2,495.14	0.66	1,490.44	2,265.09	0.66	-0.28%
c)	Debt Service Coverage Ratio	^EBITDA/Debt obligation	738.53	882.12	0.84	1,018.81	642.71	1.59	-47.18%
d)	Return on Equity Ratio	Profit after tax /Average Shareholders Equity	239.34	2,380.11	10.06%	136.10	2,183.32	6.23%	61.31%
e)	Trade Receivables turnover ratio	Revenue from operations/Average trade receivables	1,721.50	766.01	2.25	2,865.18	630.69	4.54	-50.53%
f)	Trade payables turnover ratio	(Purchase of goods + Other expenses)/Average trade payables	530.89	301.92	1.76	995.65	255.01	3.90	-54.96%
g)	Net capital turnover ratio	Revenue from operations/(Current assets- Current liabilities)	1,721.50	1,032.14	166.79%	2,865.18	873.82	327.89%	-49.13%
h)	Net profit ratio	Profit after tax/ Revenue from operations	239.34	1,721.50	13.90%	136.10	2,865.18	4.75%	192.68%
j)	Return on capital employed	^^EBIT /Average Capital employed	448.80	4,014.82	11.18%	549.47	3,780.91	14.53%	-23.08%

*****The ratios for Six months ended September 2024 are not annualised

^ EBITDA : Profit /(loss) before exceptional items + Finance Cost + Depreciation and Amortization - Other Income
^^ EBIT : Profit /(loss) before exceptional items + Finance Cost

Reasons for Change more than 25% from previous year
a)**Debt Service Coverage Ratio**: Increase in earnings before tax due to better revenue and decrease in the costs lead to better debt service coverage ratio.
b)**Return on Equity Ratio**: Increase in profits and consistent shareholder's equity lead to change in return on equity ratio.
c)**Trade Receivables Turnover Ratio:** Revenue have substantially increased and trade receivables have reduced thus reducing the trade receivables ratio.
d)**Trade Payables Turnover Ratio:** Company have closely monitored payable and made sure to pay them in time thus leading to better Trade payables ratio.
e) **Net Capital Turnover Ratio:** Net capital turnover ratio has reduced due to high increase in receivables and current assets
f)**Net profit ratio:** Increase in net profits due to better management and reduction in costs lead to higher net profit ratio in comparison with previous year.
f)**Return on capital employed:** Increase in earnings before interest and tax and consistent capital employed lead to better return on capital employed.

As at March 31,2024

	Ratios		As at March 31,2024			As at March 31,2023			
Sr. No.	**Particulars**	**Formulae used for calculation of ratio**	**Numerator**	**Denominator**	**Ratio**	**Numerator**	**Denominator**	**Ratio**	**% Change in Ratio**
a)	Current ratio	Current Assets/Current Liabilities	2,126.71	1,252.89	1.70	1,807.60	1,325.87	1.36	24.51%
b)	Debt-Equity Ratio	(Non-current borrowings+ Current borrowings)/Total Equity	1,490.44	2,265.09	0.66	1,648.29	2,101.54	0.78	-16.11%
c)	Debt Service Coverage Ratio	^EBITDA/Debt obligation	1,018.81	642.71	1.59	474.77	718.49	0.66	139.89%
d)	Return on Equity Ratio	Profit after tax /Average Shareholders Equity	136.10	2,183.32	6.23%	(224.60)	2,077.13	-10.81%	-157.65%
e)	Trade Receivables turnover ratio	Revenue from operations/Average trade receivables	2,865.18	630.69	4.54	2,075.66	604.93	3.43	32.40%
f)	Trade payables turnover ratio	(Purchase of goods + Other expenses)/Average trade payables	995.65	255.01	3.90	830.80	270.88	3.07	27.30%
g)	Net capital turnover ratio	Revenue from operations/(Current assets- Current liabilities)	2,865.18	873.82	3.28	2,075.66	481.73	4.31	-23.90%
h)	Net profit ratio	Profit after tax/ Revenue from operations	136.10	2,865.18	4.75%	(224.60)	2,075.66	-10.82%	-143.90%
j)	Return on capital employed	^^EBIT /Average Capital employed	549.47	3,780.91	14.53%	30.05	3,586.75	0.84%	1634.39%

^ EBITDA : Profit /(loss) before exceptional items + Finance Cost + Depreciation and Amortization - Other Income
^^ EBIT : Profit /(loss) before exceptional items + Finance Cost

Reasons for Change more than 25% from previous year
a)**Debt Service Coverage Ratio**: Increase in earnings before tax due to better revenue and decrease in the costs lead to better debt service coverage ratio.
b)**Return on Equity Ratio**: Increase in profits and consistent shareholder's equity lead to change in return on equity ratio.
c)**Trade Receivables Turnover Ratio:** Revenue and trade receivables have substantially increased giving rise to trade receivables ratio.
d)**Trade Payables Turnover Ratio:** Company have closely monitored payable and made sure to pay them in time thus leading to better Trade payables ratio.
e)**Net profit ratio:** Increase in net profits due to better management and reduction in costs lead to higher net profit ratio in comparison with previous year.
f)**Return on capital employed:** Increase in earnings before interest and tax and consistent capital employed lead to better return on capital employed.

As at March 31,2023

	Ratios		As at March 31,2023			As at March 31,2022			
Sr. No.	**Particulars**	**Formulae used for calculation of**	**Numerator**	**Denominator**	**Ratio**	**Numerator**	**Denominator**	**Ratio**	**% Change in Ratio**
a)	Current ratio	Current Assets/Current Liabilities	1,807.60	1,325.87	1.36	1,956.14	1,788.30	1.09	24.64%
b)	Debt-Equity Ratio	(Non-current borrowings+ Current borrowings)/Total Equity	1,648.29	2,101.54	0.78	1,334.80	2,052.73	0.65	20.62%
c)	Debt Service Coverage Ratio	^EBITDA/Debt obligation	474.77	718.49	0.66	587.00	678.66	0.86	-23.60%
d)	Return on Equity Ratio	Profit after tax /Average Shareholders Equity	(224.60)	2,077.13	-10.81%	(26.63)	1,959.39	-1.36%	695.48%
e)	Trade Receivables turnover ratio	Revenue from operations/Average trade receivables	2,075.66	604.93	3.43	1,953.58	604.93	3.23	6.25%
f)	Trade payables turnover ratio	(Purchase of goods + Other expenses)/Average trade payables	830.80	270.88	3.07	658.07	270.88	2.43	26.25%
g)	Net capital turnover ratio	Revenue from operations/(Current assets- Current liabilities)	2,075.66	481.73	4.31	1,953.58	167.84	11.64	-62.98%
h)	Net profit ratio	Profit after tax/ Revenue from operations	(224.60)	2,075.66	-10.82%	(26.63)	1,953.58	-1.36%	693.68%
j)	Return on capital employed	^^EBIT /Average Capital employed	30.05	3,586.75	0.84%	190.71	3,014.04	6.33%	-86.76%

^ EBITDA - Profit /(loss) before exceptional items + Finance Cost + Depreciation and Amortization - Other Income
^^ EBIT - Profit /(loss) before exceptional items + Finance Cost

Reasons for Change more than 25% from previous year
a)Current Ratio: Increase in current ratio is mainly on account of increase in term deposits with maturity less than 12 months and income tax receivable
b)Debt Service Coverage Ratio: Decrease in debt service coverage ratio is on account of decrease in operating profits during the year and net debt increase
c)Return on Equity Ratio: Return on equity has decreased on account substantial decrease in profits of the company
d)Net capital turnover ratio: Decrease in net capital ratio is on account of substantial decrease in profits of the company
g)Net profit ratio: Decrease in net profits is due higher operational costs and lesser revenue
h)Return on capital employed: Decrease in return on capital employed is on account of significant decrease in EBIT margins

As at March 31,2022

	Ratios		As at March 31,2022			As at March 31,2021			
Sr. No.	Particulars	Formulae used for calculation of	Numerator	Denominator	Ratio	Numerator	Denominator	Ratio	% Change in Ratio
a)	Current ratio	Current Assets/Current Liabilities	1,956.14	1,788.30	1.09	1,215.88	1,614.58	0.75	45.25%
b)	Debt-Equity Ratio	(Non-current borrowings+ Current borrowings)/Total Equity	1,334.80	2,052.73	0.65	705.68	1,866.05	0.38	71.95%
c)	Debt Service Coverage Ratio	^EBITDA/Debt obligation	587.00	678.66	0.86	638.06	266.12	2.40	-63.93%
d)	Return on Equity Ratio	Profit after tax /Average Shareholders Equity	(26.63)	1,959.39	-1.36%	54.85	1,866.05	2.94%	-146.25%
e)	Trade Receivables turnover ratio	Revenue from operations/Average trade receivables	1,953.58	604.93	3.23	1,719.27	552.38	3.11	3.76%
f)	Trade payables turnover ratio	(Purchase of goods + Other expenses)/Average trade payables	658.07	270.88	2.43	512.65	256.10	2.00	21.36%
g)	Net capital turnover ratio	Revenue from operations/(Current assets- Current liabilities)	1,953.58	167.84	11.64	1,719.27	(398.70)	(4.31)	-369.93%
h)	Net profit ratio	Profit after tax/ Revenue from operations	(26.63)	1,953.58	-1.36%	54.85	1,719.27	3.19%	-142.74%
j)	Return on capital employed	^^EBIT /Average Capital employed	190.71	3,014.04	6.33%	285.87	2,604.41	10.98%	-42.35%

^ EBITDA : Profit /(loss) before exceptional items + Finance Cost + Depreciation and Amortization - Other Income
^^ EBIT : Profit /(loss) before exceptional items + Finance Cost

Reasons for Change more than 25% from previous year
a) Current ratio: Increase in cash and cash equivalent in FY 21-22 as company have received share application money at year end which lead to increase in current assets and current ratio
b)Debt-Equity Ratio: Increase in debt equity ratio is mainly on account of issuance of Non-convertible debentures at year end.
c)Debt Service Coverage Ratio: Decrease in debt service coverage ratio is mainly on account of issuance of Non-convertible debentures at year end and unsecured loan in foreign subsidiary
d)Return on Equity Ratio: Equity have substantially increased as the compounded financial instruments got converted into Equity shares and rise in securities premium on account of such
e)Trade payables turnover ratio: Increase in Trade payable turnover ratio is on account of decrease in Trade payables
f)Net capital turnover ratio: Increase in net capital turnover ratio is mainly on account of increase in revenue as well as a positive working capital gap.
g)Net profit ratio: Decrease in net profit ratio is a result of costs increments are not in proportion to the revenue increments

ii) Borrowings obtained on the basis of security of current assets
The company has filed quarterly returns or statements with the banks in lieu of the sanctioned working facilities, there is no material differences.

45 Events After the Reporting Period

Pursuant to **Ind AS 10 – Events after the Reporting Period**, the Company has evaluated events occurring subsequent to the reporting date and has identified the following material non-adjusting events:

1 Subsequent to the reporting date, the Company redeemed the existing non-convertible debentures of ₹750 million, along with accrued interest, of Piramal Trusteeship Services Private Limited. To facilitate this repayment, the Company obtained a sanctioned loan of ₹900 million from Aditya Birla Finance Limited, out of which ₹550 million was disbursed.

2 The Company has introduced the "ESDS Employee Stock Ownership Plan 2024", comprising an ESOP pool of 3,000,000 equity shares, out of which compant has granted 2,060,000 options to its employees.

3 The Company invested an additional ₹385.99 million in its wholly owned subsidiary, ESDS Cloud FZ LLC, to facilitate the repayment of loans availed by the subsidiary from South Asia Growth Fund II, L.P., GEF ESDS Partners LLC, South Asia Growth Fund II Holdings LLC, and South Asia EBT Trust, thereby enabling their exit. The share certificates for this investment are currently awaited from the authorities.

4 The Company completed private placements of equity shares on the following dates:
On 25.10.2024: Issued 4,634,151 equity shares at a face value of ₹1 per share with a premium of ₹163, aggregating to ₹760 million.
On 01.02.2025: Issued 2,899,417 equity shares at a face value of ₹1 per share with a premium of ₹224, aggregating to ₹652.37 million.

46 Additional Regulatory Disclosures As Per Schedule III Of Companies Act, 2013

i) Title deeds of Immovable Property are in the name of group wherever applicable.
ii) Details of Benami Property and its proceedings- Not applicable as there are no proceedings which have been initiated or pending
iii) Wilful Defaulter - The group has not been declared wilful defaulter by bank or financial institution or government or any government
iv) Relationship with Struck off Companies -As per section 248 of the Companies Act, 2013 or section 560 of Companies Act,1956
v) Compliance with number of layers of companies - Not Applicable as the group has complied with the number of layers prescribed
vi) Compliance with approved Scheme(s) of Arrangements - Not Applicable as the group has no Scheme of Arrangements that has
vii) Details of Crypto Currency or Virtual Currency - Not Applicable as the group has not traded or invested in Crypto currency or Virtual
viii) There were no whistle blower complaints received by the group during the year.
ix) The group does not have any such transaction which is not recorded in the books of accounts that have been surrendered or
x) The group does not have any intangible assets under development, whose completion is overdue or has exceeded its cost
xi) The group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities
(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group
(b) Provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
xii) The group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the
(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding
(b) Provided any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
xiii) Registration of charges or satisfaction with registrar of companies- The group does not have any charges or satisfaction which is yet

47 Previous period figures have been regrouped/reclassified wherever necessary to conform to current periods presentation

For Shah Khandelwal Jain & Associates
ICAI Firm Registration Number: 142740W
Chartered Accountants

Sd/-
Ashish Khandelwal
Partner
Membership No.: 049278
Place : Pune
Date : 13/03/2025

For and on behalf of the Board of Directors
ESDS Software Solution Limited
CIN : U72200MH2005PLC155433

Sd/-
Piyush Somani
Chairman and Managing Director
DIN :02357582
Place: Nashik
Date : 13/03/2025

Sd/-
Komal Somani
Whole Time Director
DIN: 08477154
Place: Nashik
Date : 13/03/2025

Sd/-
Prasad Deokar
Company Secretary and Compliance Officer
Membership No.: A34350
Place : Nashik
Date : 13/03/2025

Sd/-
Nadukuru Sita Ramaiah
Chief Financial Officer

Place: Nashik
Date : 13/03/2025

OTHER FINANCIAL INFORMATION

Accounting ratios

The accounting ratios derived from Restated Consolidated Financial Information and other non-GAAP information, as required to be disclosed under the SEBI ICDR Regulations are set forth below:

Particulars	As at and for the period ended September 30, 2024	As at/for the Fiscals ended		
		March 31, 2024	March 31, 2023	March 31, 2022
Basic earnings / (loss) per Equity Share (in ₹)	2.58	1.35	(2.42)	(0.30)
Diluted earnings / (loss) per Equity Share (in ₹)	2.58	1.35	(2.42)	(0.30)
Return on net worth (in %)	10.41%	6.60%	(11.50%)	(1.36%)
Net asset value per Equity Share (in ₹)	24.75	22.21	21.03	21.34
EBITDA (₹ in million)	738.53	1,018.81	474.77	587.00

Notes:

A. *The ratios have been computed as under:*
   (1) *Basic Earnings per Equity Share = Restated consolidated net profit after tax for the year attributable to the equity Shareholders of the Company / Weighted average number of equity shares outstanding during the year.*
   (2) *Diluted Earnings per Equity Share = Restated consolidated net profit after tax for the year attributable to the equity Shareholders of the Company / Weighted average number of equity shares and potential equity shares outstanding during the year.*
   (3) *Return on Net Worth (%) = Restated consolidated profit after tax for the period/year attributable to the equity Shareholders of the Company divided by the Net worth as at end of the fiscal /period.*
   (4) *Net Asset Value per Equity Share (in ₹) is computed as the net worth as at the end of period/year divided by the number of equity shares outstanding as at the end of period/year.*
   (5) *EBITDA is calculated as aggregate of profit before tax (before exceptional items), depreciation and amortisation expense and finance costs less other income.*

B. *'Net worth': The aggregate value of the paid-up share capital of our Company and all reserves created out of profits and 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, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation, share based payment reserve ,debenture redemption reserve and capital redemption reserve . Net Worth represents equity attributable to owners of the company and does not include amounts attributable to non-controlling interest.*

C. *Earnings per share calculations are in accordance with Ind AS 33 "Earnings per share."*

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements of our Company, the audited financial statements of ESDS Internet Services Private Limited (which ceased to be our subsidiary on August 29, 2024) and the rupee converted financial statements of ESDS Cloud FZ-LLC for three preceding financial years (collectively, the "**Audited Financial Statements**") are available on our website at www.esds.co.in/investor-relations/financial-statement.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Standalone Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. The Audited Standalone Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company or any entity in which it or its shareholders have significant influence and should not be relied upon or used as a basis for any investment decision. Neither the Company, nor any of its advisors, nor BRLMs, 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 Standalone Financial Statements, or the opinions expressed therein.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as per the requirements under applicable Accounting Standards, i.e., Ind AS 24 'Related Party Disclosures' for the six months ended September 30, 2024 and Fiscals ended March 31, 2024, March 31, 2023, and March 31, 2022, and as reported in the Restated Consolidated Financial Information, see "*Restated Consolidated Financial Information – Note 31 (a) – Related party names"* and *""Restated Consolidated Financial Information – Note 31 (b) (I) – Nature of transactions and amounts*" on page 339 and 340.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion is intended to convey the management's perspective of our financial condition as at September 30, 2024 and March 31, 2024, 2023 and 2022 and our results of operations for the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022.

To obtain a detailed understanding of our business, prospective investors should read this section in conjunction with "Our Business", "Risk Factors", "Industry Overview", and "Restated Consolidated Financial Information" on pages 208, 34, 159 and 285, respectively.

This section contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in such forward-looking statements. For details, see "Forward-Looking Statements" on page 20.

All references in this section to a particular fiscal year, or FY or Fiscal are to the 12-month period ended on March 31 of that particular calendar year.

We have included certain non-GAAP financial measures and other performance indicators relating to our financial performance and business in this section. Such measures and indicators are not standardized terms and hence a direct comparison of these measures and indicators between companies may not be possible. For further details, see "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Non-Generally Accepted Accounting Principles Financial Measures" on page 18.

*Unless otherwise indicated, industry and market data used in this section have been derived from the Nexdigm Report, which was prepared by Nexdigm Private Limited ("**Nexdigm**"). Our Company commissioned Nexdigm to prepare the Nexdigm Report specifically for the purpose of the Issue pursuant to the master service agreement dated October 21, 2024. For more details on the Nexdigm Report, see "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data" on page 18. A copy of the Nexdigm Report is available on our Company's website at www.esds.co.in/investor-relations/industry-report.*

OVERVIEW

For an overview of our business, see "*Our Business – Overview*" *on page* 208.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business, results of operations, cash flows and financial condition are affected by a number of factors, including the following key factors:

Operational Efficiency and Cost Optimisation Initiatives

From Fiscal 2022, we undertook several initiatives to enhance operational efficiency, leading to improved profitability and cost optimisation. A key area of focus was working capital management, where strengthened credit control measures, optimised invoicing cycles, and proactive collections strategies resulted in a reduction in Days Sales Outstanding ("**DSO**") from 119 days in Fiscal 2022 to 100 days in Fiscal 2023 to 88 days in Fiscal 2024. This improvement contributed to a decline in provisions for expected credit losses ("**ECL**"), with ECL as a percentage of revenue reducing from to 3.59% in Fiscal 2022 to 2.10% in Fiscal 2023 to 1.93% in Fiscal 2024. The enhanced working capital cycle also improved liquidity and reduced our Company's reliance on external financing. The table below sets forth our ECL allowance and such expenses as a percentage of our revenue from operations for the period and fiscal years indicated.

Particulars	Six months ended September 30, 2024	Year ended March 31,		
		2024	2023	2022
	(₹ in million, except percentages)			
ECL allowance [A]	42.92	55.29	43.65	70.22
Revenue from operations [B]	1,721.50	2,865.18	2,075.66	1,953.58
ECL allowance as a percentage of revenue from operations [C = A/B] (%)	2.49%	1.93%	2.10%	3.59%

Process automation and digitalisation initiatives played a critical role in improving operational efficiency in Fiscal 2024. We expanded our investment in automation across various business functions, including customer service, and administrative workflows, demand forecasting, and procurement efficiency, reducing inefficiencies and optimising working capital. Automated customer service solutions enhanced response times and service quality, leading to improved customer satisfaction and retention. The adoption of administrative process automation minimised manual workflows, streamlined compliance processes, and increased back-office productivity, contributing to overall cost savings. We also focused on workforce productivity, optimising resource allocation to improve output per employee. The table below sets forth revenue per employee for the period and fiscal years indicated.

Particulars	As at and for the six months ended September 30, 2024	As a and for the year ended March 31,		
		2024	2023	2022
	(₹ in million, except number of employees)			
Revenue from operations [B]	1,721.50	2,865.18	2,075.66	1,953.58
Number of employees as at the end of the period/year [A]	1,055	1,091	1,028	938
Revenue per employee [C = A/B]	1.63	2.63	2.02	2.08

These productivity gains were further supported by economies of scale following the operational ramp-up of new facilities, including the Mohali Data Centre and the newly launched phase of the Bengaluru Data Centre, which began contributing to revenue in the latter part of Fiscal 2023. The impact of these expansions became more pronounced in Fiscal 2024 as utilisation rates increased, leading to better absorption of fixed costs. These efficiencies resulted in a reduction in our operating expenses (comprising employee benefit expenses, depreciation expenses and other expenses excluding IPO expenses written off and balances written off (collectively, "**Operating Expenses**") as a percentage of revenue from operations. The table below sets forth our Operating Expenses and such expenses as a percentage of our revenue from operations for the period and fiscal years indicated.

Particulars	Six months ended September 30, 2024	Year ended March 31,		
		2024	2023	2022
	(₹ in million, except percentages)			
Employee benefit expenses [A]	452.09	850.72	770.07	708.49
Depreciation and amortisation expenses [B]	301.96	525.52	491.48	429.47
Other Expenses* [C]	529.89	995.65	782.03	656.98
Operating Expenses [D = A+B+C]	**1,283.94**	**2,371.89**	**2,043.58**	**1,794.94**
Revenue from operations [E]	1,721.50	2,865.18	2,075.66	1,953.58
Operating Expenses as a percentage of revenue from operations [F = D/E] (%)	74.58%	82.78%	98.45%	91.89%

Note:
** Other expenses excludes IPO expenses written off for a previous proposed IPO and balances written off.*

Our Ability to Deliver a Comprehensive Range of Products and Services

We offer a comprehensive platform of cloud infrastructure and software solutions consisting of (1) infrastructure as a service ("**IaaS**"), which is broadly divided into colocation services, cloud services, and cloud computing and Data Centre services, (2) managed services and (3) software as a service ("**SaaS**"), which allows us to provide well-architected cloud-adoption solutions aimed at reducing cost while providing security, flexibility, scalability and reliability.

The table below sets forth our revenue by type of product/services and such revenue as percentage of revenue from operations for the period and fiscal years indicated.

Type of Product/ Service	Six months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue (₹ in million)	As a % of revenue from operations	Revenue (₹ in million)	As a % of revenue from operations	Revenue (₹ in million)	As a % of revenue from operations	Revenue (₹ in million)	As a % of revenue from operations
Infrastructure as a service (IaaS)	999.39	58.05%	1,420.82	49.59%	865.58	41.70%	890.69	45.59%
Managed services	362.74	21.07%	775.39	27.06%	617.60	29.76%	552.26	28.27%
Software as a service (SaaS)	359.37	20.88%	668.97	23.35%	592.49	28.54%	510.63	26.14%
Revenue from operations	**1,721.50**	**100.00%**	**2,865.18**	**100.00%**	**2,075.66**	**100.00%**	**1,953.58**	**100.00%**

Growth in Revenue from our Top 50 customers

We generate the vast majority of our revenue from our top 50 customers. The table below sets forth the revenue from our top 50 customers and such revenue as a percentage of our revenue from operations for the period and fiscal years indicated.

Particulars	Six months ended September 30, 2024	Year ended March 31,		
		2024	2023	2022
	(₹ in million, except percentages)			
Revenue from our top 50 customers [A]	1,400.09	1,976.93	1,352.56	1,327.58
Revenue from our top 50 customers as a percentage of revenue from operations [C = A/B] (%)	81.33%	69.00%	65.16%	67.96%
Revenue from operations [B]	1,721.50	2,865.18	2,075.66	1,953.58

The increase in our revenue from our top 50 customers is one of the primary reasons for the increase in our revenue from operations from Fiscal 2023 to Fiscal 2024. We have been able to increase our revenue from our top 50 customers as our business model emphasises long-term contracts, particularly with government institutions and established enterprises. These agreements provide predictable revenue and foster customer retention. Our "pay-per-branch" billing model, for example, has been highly effective in the cooperative banking sector. Additionally, our innovative billing models, including "pay-per-transaction" and "pay-per-consumption," align with customer-specific needs, enabling cost-effective digital transformation. We have also been able to increase our revenue from from our top 50 customers by focusing on our product offering in a hybrid model and servicing the customers.

The table below sets forth details of our revenue from our top 50 customers for the period and fiscal years indicated.

Particulars	Six months ended September 30, 2024	Fiscal 2024		Fiscal 2023		Fiscal 2022
	Revenue (₹ in million)	Revenue (₹ in million)	% increase from the previous Fiscal	Revenue (₹ in million)	% increase from the previous Fiscal	Revenue (₹ in million)
Revenue from our top 50 customers	1,400.09	1,976.93	46.16%	1,352.56	1.88%	1,327.58
Average revenue per customer for the top 50 customer[(1)]	28.00	39.54	46.16%	27.05	1.88%	26.55

Note:
(1) Average revenue per customer for top 50 customers is calculated as the cumulative revenue generated from our top 50 customers by revenue for the period/year divided by 50.

Research and Development Initiatives

We are an innovation driven company. Through our R&D initiatives, we developed our eNlight vertical autoscaling cloud technology, which is patented in the United States and India. We offered our first "Made In India" cloud in 2011.

Over the years, our R&D team has developed several products that complement our Data Centre and cloud business. For details, see "*Our Business – Research and Development*" on page 230.

Our R&D expenses primarily comprise employees' salaries. The table below sets forth our R&D expenses and such expenses as a percentage of revenue from operations for the period and fiscal years indicated

Particulars	Six months ended September 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	₹ in million	As a % of revenue from operations	₹ in million	As a % of revenue from operations	₹ in million	As a % of revenue from operations	₹ in million	As a % of revenue from operations
R&D expenses	45.20	2.63%	126.62	4.42%	113.98	5.49%	80.21	4.11%
Revenue from operations	1,721.50	100.00%	2,865.18	100.00%	2,075.66	100.00%	1,953.58	100.00%

KEY PERFORMANCE INDICATORS AND CERTAIN NON-GAAP MEASURES

In evaluating our business, we consider and use certain non-GAAP financial measures and key performance indicators that are presented below as supplemental measures to review and assess our operating performance. The presentation of these non-GAAP financial measures and key performance indicators are not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Information. We present these non-GAAP financial measures and key performance indicators because they are used by our management to evaluate our operating performance. These non-GAAP financial measures are not defined under Ind AS and are not presented in accordance with Ind AS. The non-GAAP financial measures and key performance indicators have limitations as analytical tools. Further, these non-GAAP financial measures and key performance indicators may differ from the similar information used by other companies, including peer companies, and hence their comparability may be limited. Therefore, these matrices should not be considered in isolation or construed as an alternative to Ind AS measures of financial performance or as an indicator of our financial condition, results of operations or cash flows.

For details of our non-GAAP financial measures and key performance indicators, see our "*Business – Overview*" on page 208.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

EBIT, EBITDA, EBIT Margin and EBITDA Margin

The following table sets forth our EBIT, EBITDA, EBIT Margin and EBITDA Margin, which are non-GAAP financial measures, for the period and fiscal years indicated:

Particulars	Half year ended September 30, 2024	Year ended March 31,		
		2024	2023	2022
	(₹ in million, except percentages)			
Profit/(loss) for the period/year	239.34	136.10	(224.60)	(26.63)
Add:				
Exceptional items	0.34	10.73	47.78	35.00
Total tax expenses/(credits)	50.19	86.89	(52.39)	5.16
Finance costs	158.93	315.75	259.27	177.19
EBIT [A]	**448.80**	**549.47**	**30.05**	**190.72**
Add:				
Depreciation and amortisation expense	301.96	525.52	491.48	429.47
Less:				
Other income	12.23	56.18	46.76	33.17

Particulars	Half year ended September 30, 2024	Year ended March 31,		
		2024	2023	2022
	(₹ in million, except percentages)			
EBITDA[B]	**738.53**	**1018.81**	**474.77**	**587.00**
Revenue from operations [C]	1,721.50	2,865.18	2,075.66	1,953.58
EBIT Margin [D = A/C] (%)	**26.07**	**19.18%**	**1.45%**	**9.76%**
EBITDA Margin [E = B/C) (%)	**42.90%**	**35.56%**	**22.87%**	**30.05%**

PAT Margin

The following tables set forth our PAT Margin, which is a non-GAAP financial measure, for the period and fiscal years indicated:

Particulars	Half year ended September 30, 2024	Year ended March 31,		
		2024	2023	2022
	(₹ in million, percentages)			
Profit/ (loss) for the period/year [A]	239.34	136.10	(224.60)	(26.63)
Revenue from operation [B]	1,721.50	2,865.18	2,075,66	1,953.58
PAT Margin [C= A/B] (%)	**13.90%**	**4.75%**	**(10. 82%)**	**(1.36%)**

Return on Capital Employed

The following tables set forth our Return on Capital Employed, which is a non-GAAP financial measure, for the period and fiscal years indicated:

Particulars	As at and for the half year ended September 30, 2024	As at and for the year ended March 31,		
		2024	2023	2022
	(₹ in million, except percentages)			
EBIT(1) [A]	448.80	549.47	30.05	190.72
Non-current borrowings	755.02	847.73	929.80	656.13
Current borrowings	882.12	642.71	718.49	678.66
Total Borrowings [B]	**1,637.14**	**1,490.44**	**1,648.29**	**1,334.79**
Total equity [C]	2,495.14	2,265.09	2,101.54	2,052.73
Deferred tax liability [D]	**85.37**	**56.47**	–	**36.14**
Closing Capital Employed [E =B+C+D]	**4,217.65**	**3,812.00**	**3,749.83**	**3,423.66**
Opening Capital Employed [F]	**3,812.00**	**3,749.83**	**3,423.66**	**2,604.41(2)**
Average Capital Employed [G= (E+F)/2]	**4,014.82**	**3,780.92**	**3,586.75**	**3,014.04**
Return on Capital Employed [H = (A/G)] (%)	**11.18%(1)**	**14.53%**	**0.84%**	**6.33%**

Notes:
**Not annualised.*
(1) EBIT for the purposes of calculating Return on Capital Employed includes other income.
(2) For the reconciliation of the opening Capital Employed for the year ended March 31, 2022, see the table below.

Particulars	Year ended March 31, 2022
	(₹ in million)
Opening non-current borrowings	439.55
Opening current borrowings	266.12
Opening Total Borrowings [A]	705.67
Opening equity share capital	52.22
Equity component of compound financial instrument	1,239.84
Opening securities premium account	6.85

Particulars	Year ended March 31, 2022
	(₹ in million)
Retained earnings - balance at the beginning of the year	502.76
Capital redemption reserve - balance at the beginning of the year	3.58
Other Reserves- balance at the beginning of the year	65.53
Non-controlling Interest	(4.74)
Opening total equity [B]	1,866.05
Deferred tax liability [C]	32.68
Opening Capital Employed [D =A+B+C]	2,604.40

Return on Equity

The following table sets forth our Return on Equity, which is a non-GAAP financial measure, for the period and fiscal years indicated:

Particulars	As at and for the half year ended September 30, 2024	As at and for the year ended March 31,		
		2024	2023	2022
	(₹ in million, percentages)			
Profit/ (loss) for the period/year [A]	239.34	136.10	(224.60)	(26.63)
Opening total equity [B]	2,265.09	2,101.54	2,052.73	1,866.05
Closing total equity [C]	2,495.14	2,265.09	2,101.54	2,052.73
Average Total Equity [D=(B + C)/2]	**2,380.12**	**2,183.32**	**2,077.14**	**1,959.39**
Return on Equity [E = A/D] (%)	10.06%(1)	6.23%	(10.81%)	(1.36%)

Note:

(1) Not annualised.

CONSOLIDATED ENTITIES IN THE GROUP

Our Company's subsidiaries are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by our Company, and the proportion of ownership interests held equals the voting rights held by our Company. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/Country of Incorporation	Ownership interest held by our Company			
		As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
ESDS Internet Services Private Limited	India	0%*	50%	50%	50%
ESDS Cloud FZ LLC**	UAE	100%	100%	100%	100%
Spochub Solutions Private Limited	India	100%	100%	100%	100%
ESDS Global Software Solution Inc**	USA	100%	100%	100%	100%

Notes:

*** On August 29, 2024, our Company fully sold its investment in ESDS Internet Services Private Limited at the face value of the shares. As a result, ESDS Internet Services Private Limited ceased to be a subsidiary of our Company on that date. As at March 31, 2024, the subsidiary's total assets amounted to ₹388.38 million, and its total revenue for Fiscal 2024 was ₹68.83 million. The director appointed by our Company's resigned from his position as a director of the subsidiary on August 29, 2024.*

** Subsidiary company having December 31 as its reporting date.*

SUMMARY OF MATERIAL ACCOUNTING POLICIES

All references to "notes" in the summary of material accounting policies below are the notes to the Restated Consolidated Financial Information. For details, see "Restated Consolidated Financial Information" beginning on page 285.

Below is list of the material accounting policies adopted in the preparation of the Restated Consolidated Financial Information. These policies have been consistently applied to all the periods presented, unless otherwise stated. The financial statements are for ESDS Software Solution Limited and its subsidiaries (the "**Group**"). [Refer note 41]

1.1 Statement of compliance

The Restated Consolidated Financial Information has been prepared by the management of the Company for the purpose of inclusion in this Draft Red Herring Prospectus

The Restated Consolidated Financial Information, which has been approved by the Board of Directors of the Company, has been prepared in accordance with the requirements of:

a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014, as amended from time to time;

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date (the "SEBI ICDR Regulations") issued by SEBI; and

c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

For the period / years ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the Group prepared its financial statements in accordance with the Ind As specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, to the extent applicable, and the presentation requirements of the Companies Act, 2013. Further,

- there were no changes in the accounting policies during the period / year of these Restated Consolidated Financial Information,
- there were no material amounts which have been adjusted, in arriving at profit/(loss) for the respective period / year; and
- there were no material adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited consolidated financial statements of the Group as at and for the period ended September 30, 2024.

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.

The Restated Consolidated Financial Information were authorised for issue in accordance with a resolution passed by Board of Directors on March 13, 2025

The Restated Consolidated Financial Information:

a. have been prepared after incorporating adjustments in respect of changes in the accounting policies, material errors, if any, and regrouping/reclassifications retrospectively as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the six months ended September 30, 2024; and

b. do not require any adjustment for qualifications as there are no qualifications in the underlying auditor's reports which require any adjustments.

1.2 Basis of Preparation and Presentation

(i) Compliance with Ind AS

The restated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

(ii) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following:

• Certain financial assets and liabilities (including derivative instruments) and contingent consideration is measured at fair value;
• Assets held for sale – measured at fair value less cost to sell; and
• Defined benefit plans – plan assets measured at fair value;

(iii) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification.
An asset is current when it is:

· Expected to be realised or intended to be sold or consumed in the normal operating cycle;
· Held primarily for the purpose of trading;
· Expected to be realised within twelve months after the reporting period; or
· Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:
· It is expected to be settled in the normal operating cycle;
· It is held primarily for the purpose of trading;
· It is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle of the Group is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the nature of products and the time between the acquisitions of assets for processing and their realization in cash and cash equivalents, the Group has ascertained operating cycle of 12 months for the purpose of current and non-current classification of assets and liabilities.

1.3 Principles of consolidation and equity accounting

i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity where the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the restated consolidated statement of profit and loss, restated consolidated statement of changes in equity and balance sheet respectively.

The audited financial statements of ESDS Cloud FZ-LLC for the year ended December 31, 2021, 2022 and 2023 have been considered for the purpose of consolidation after making necessary adjustments for the effects of significant transactions or events, if any, that occur till the reporting date of the parent company, i.e. March 31, 2022, 2023 and 2024.

For the six months period ended September 30, 2024, the consolidation has been done on the basis of the audited financial statements of ESDS Cloud FZ-LLC.

The Restated Consolidated Financial Information include the financial information of ESDS Software Solution Limited and its Subsidiaries [refer note 41.a]

ii) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity [refer note 41.b]

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

iii) Foreign currency translation

a) Functional and presentation currency

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The Restated Consolidated Financial Information and notes are presented in Indian rupee (INR) which is the Group's functional and presentation currency and all values are rounded to the nearest million (INR 1,000,000), except when otherwise indicated.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the average exchange rates during the year. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at period end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity’s net investment in that foreign operation.

Foreign exchange differences arising on foreign currency borrowings are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/ (losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as at FVOCI are recognised in other comprehensive income.

c) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the functional currency as follows:

• Assets and liabilities are translated at the closing rate at the date of that balance sheet
• Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
• All resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

iv) Segmented reporting:

Operating Segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). The Group is engaged in the business of "design, development, installation and servicing of information technology related resource which is a single business segment since these are subject to similar risk and returns. Accordingly, Information technology related resource service comprises the primary basis of segmental information as set out in these financial statement, which therefore reflects the information required by Ind AS 108 - Segment Reporting, with respect to primary segment.

Since the entire Group's business is design, development, installation and servicing of information technology related resource, there are no other primary reportable segments. Thus, the segment revenue, segment results, total carrying value of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge of depreciation and amortization during the period are all as reflected in the Financial Statements as at and for the six months ended September 30, 2024 and year ended March 31, 2024; March 31, 2023; March 31, 2022.

v) Cash flow statement

The Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statements and presents cash flows by operating, investing and financing activities of the Group.

1.4 Property, plant and equipment

Initial recognition

All items of property, plant and equipment (including capital work-in-progress) are measured at its cost.
The cost of an item of property, plant and equipment comprises:

(a) Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

(b) Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(c) The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Measurement after recognition

The Group has elected revaluation model for measurement of land and building whose fair value can be measured reliably at each reporting period.

(a) Revaluation model for certain class of property, plant and equipment

Land and buildings are recognised at fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Increases in the carrying amounts arising on revaluation of land and buildings are recognised, net of tax, in other comprehensive income and accumulated in reserves in shareholders' equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss. Each period, the difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset's original cost, net of tax, is reclassified from the revaluation reserve to retained earnings.

(b) Cost model for other class of assets

All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate the cost of the assets, net of their residual values, over their estimated useful lives as follows:

Type of asset	Useful life w.e.f April 2021 (in years)*	Useful life till March 2020 (in years)
Office building	60	60
Computers and data centre equipment's	3/4/5/6/10/15	5/6
Office equipment	3/4/5/8/10/15/20	5
Furniture and fittings	10	10
Vehicles	8	8

**The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets.*

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The change in useful life is a change in estimate as per Ind AS 8, Ind AS 16 and the impact of the same on depreciation and resultant carrying amount has been applied prospectively.

1.5 Intangible assets (including intangible assets under development)

Software:

Intangible assets are recognized at cost. Intangible assets are amortised on a straight line basis over the estimated useful economic life so as to reflect the pattern in which the assets economic benefits are consumed.

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets where the following criteria are met:

• It is technically feasible to complete the software so that it will be available for use
• Management intends to complete the software and use or sell it
• There is an ability to use or sell the software
• It can be demonstrated how the software will generate probable future economic benefits
• Adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
• The expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Following summarizes the nature of intangible and the estimated useful life:

Asset	Useful life (in years)
Software	10 and 3

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the profit or loss when the asset is derecognized.

1.6 Leases

As a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

• Fixed payments (including in-substance fixed payments), less any lease incentives receivable
• Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement
date
• Amounts expected to be payable by the Group under residual value guarantees
• The exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
• Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

• where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
• uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing, and
• makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Group entities use that rate as a starting point to determine the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

• The amount of the initial measurement of lease liability
• Any lease payments made at or before the commencement date less any lease incentives received
• Any initial direct costs, and
• Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying assets useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

If a readily observable amortizing loan rate is available to the individual lessee (through recent financing or market data) who has a similar payment profile to the lease, then the Group entities use that rate as a starting point to determine the incremental borrowing rate.

1.7 Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are initially recognised at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

1.8 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

1.9 Unbilled revenue

Unbilled revenue are recognised when there is excess of revenue earned over billings on contracts. Unbilled revenue are classified as financial asset, when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Invoicing to the clients for other fixed price contracts is based on milestones as defined in the contract and therefore the timing of revenue recognition is different from the timing of invoicing to the customer. Therefore, unbilled revenue for other fixed price contracts are classified as non-financial asset because the right to consideration is dependent on completion of contractual milestones.

1.10 Contract Fulfilment Cost

The Group recognizes contract fulfilment cost as an asset if those cost specifically relate to a contract or to an anticipated contract, the cost generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognized is charged to profit and loss, whenever the performance obligation in relation to this asset is satisfied.

1.11 Other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:
- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those to be measured at amortised cost.

The classification depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Group commits to purchase or sale the financial asset.

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

• Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in Other Income using the effective interest rate method. Any gain or loss arising on de-recognition is recognised directly in profit or loss and presented in other gains/ (losses). Impairment losses are presented as separate line item in the statement of profit and loss.

• Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at FVOCI.

Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/ (losses) and impairment expenses are presented as separate line item in statement of profit and loss.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net within other gains/ (losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the de-recognition of the investment. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Refer Note 34 for details stating how the Group determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial assets

A financial asset is derecognised only when

• The Group has transferred the rights to receive cash flows from the financial asset or
• Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

1.12 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the restated consolidated financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax

Ind AS 12 defines deferred tax to include carry forward of unused tax credits. MAT credits are in the form of unused tax credits that are carried forward by the entity for a specified period of time. Accordingly, MAT credit entitlement should be grouped with deferred tax asset (net) in the Balance Sheet, and a separate note should be provided specifying the nature and amount of MAT credit included as part of deferred tax assets.

1.13 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

The fair value of the liability portion of a compulsorily convertible preference is determined using a market interest rate for an equivalent non-convertible bond. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the bonds. The remainder of the proceeds is attributable to the equity portion of the compound instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently re-measured.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

1.14 Employee benefit obligations

Post-employment obligations

The Group operates the following post-employment schemes:

(a) Defined benefit plans such as gratuity; and
(b) Defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, if any. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

1.15 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial period which are unpaid. The amounts are unsecured and are usually paid within the agreed credit days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

1.16 Unearned revenue

Unearned revenue relates to billing done for services/ performance obligations which have not been performed as on the date of reporting. These billings are as per the terms of the contract with customers.

1.17 Revenue from contracts with Customers

Ind AS 115 Revenue from contracts with customers has been issued with effect from April 1, 2018. The new standard deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

A new five-step process must be applied before revenue can be recognised:
(i) Identify contracts with customers
(ii) Identify the separate performance obligation
(iii) Determine the transaction price of the contract
(iv) Allocate the transaction price to each of the separate performance obligations, and
(v) Recognise the revenue as each performance obligation is satisfied.

Revenue recognition policy

The Group has following streams of revenue:

(i) Revenue from sale of services

(ii) Revenue from sale of products

The Group accounts for a contract when it has approval and commitment from parties involved, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable.

Revenue from the sale of goods is recognized at the point in time when control is transferred to the customer - based on delivery terms, payment terms, customer acceptance and other indicators of control as mentioned above.

The Group recognizes revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Revenue from contract with customers is recognized when the Group satisfies performance obligations by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract. The "transaction price" as the mount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. Accumulated experience is used to estimate and provide for the discounts/right of the return, using the expected value method.

The Group assesses for the timing of revenue recognition in case of each distinct performance obligation. The Group first assesses whether the revenue can be recognized over time as it performs if any of the following criteria is met:

(a) The customer simultaneously consumes the benefits as the Group performs, or
(b) The customer controls the work-in-progress, or
(c) The Group's performance does not create an asset with alternative use to the Group and the Group has right to payment for performance completed till date.

If none of the criteria above are met, the Group recognizes revenue at a point-in-time. The point-in-time is determined when the control of the goods or services is transferred which is generally determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Group also considers its present right to payment, the legal title to the goods, the physical possession and the customer acceptance in determining the point in time where control has been transferred.

Rendering of services (Turnkey revenue and Webhosting revenue)

The Group provides hosting services, design, and implementation and support services under fixed-price and variable-price contracts. Revenue from providing services is recognised in the accounting period in which the services are rendered based on usage. For fixed-price contracts, revenue is recognised based on the actual service provided to the customer till the end of the reporting period as a proportion of the total services to be provided. This is determined based on the actual man hours spent relative to the total expected man hours. Some contracts (Especially in case of Turnkey projects) include multiple deliverables, such as the sale of hardware and related installation services.

However, the installation is simple, does not include an integration service and could be performed by another party. It is therefore accounted for as a separate performance obligation.

Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand alone selling prices. Where these are not directly observable, they are estimated based on expected cost plus margin. If contracts include the installation of hardware, revenue for the hardware is recognised at a point in time when the hardware is delivered, the legal title has passed and the customer has accepted the hardware.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

In the case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the Group exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised. If the contract includes a usage based fee, revenue is recognised in the amount to which Group has right to invoice. Customers are invoiced on a monthly basis and consideration is payable when invoiced.

(ii) Sale of products

Revenue from the sale of goods in the course of ordinary activities is recognised when property in the goods or significant risks and rewards of their ownership are transferred to the customer and significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection. The amount recognised as revenue is exclusive of Goods and service tax and is net of discounts.

1.18 Interest income

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

1.19 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

1.20 Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. Further details are given in Note 35.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

1.21 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

• The profit attributable to owners of the Group
• by the weighted average number of equity shares outstanding during the period, adjusted for bonus elements in equity shares issued during the period and excluding treasury shares [refer note 29]

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

• The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
• The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Total Income

Total income comprises revenue from operations and other income.

Revenue from Operations

Our revenue from operations comprise sale of services, which relates to cloud hosting and managed services and software as a service.

Other Income

The components of other income vary, but primarily include (i) interest received from bank deposits, (ii) income tax refunds (except the six months ended September 30, 2024), (iii) non-controlling interest loss in control (for the six months ended September 30, 2024 only), (iv) unwinding of discounts on security deposits, (v) amount written back for trade payable written off during the period and (v) other non-operating income.

Expenses

Our expenses comprise (i) employee benefit expenses, (ii) finance cost, (iii) depreciation and amortisation expenses and (iv) other expenses.

Employee Benefit Expenses

Employee benefit expenses comprise (i) salaries, wages and bonuses paid, (ii) contribution to provident and other funds, (iii) gratuity payments, (iv) compensated absences, (v) employee stock option scheme and (vi) other employee related costs.

Finance Costs

Finance costs comprise (i) interest on borrowings, (ii) lease liabilities, (iii) MSMEs and (iv) other interest, (v) other borrowing costs and (vi) bank charges.

Depreciation and amortisation expenses

Depreciation and amortisation expenses comprise (i) depreciation of property, plant and equipment, (ii) amortisation of right-of-use assets, (iii) amortisation of intangible assets and (iv) impairment of assets.

Other Expenses

Other expenses predominantly comprise (i) membership and subscription charges, (ii) power and fuel charges, (iii) project servicing costs, (iv) contract fulfilment costs (Fiscal 2024 only), (v) legal and professional charges, (vi) expected credit loss allowances, (vii) communication expenses, (viii) contract labour charges, (ix) travel and conveyance, (x) commission / brokerage, and (xi) advertisement and sales promotion.

RESULTS OF OPERATIONS

The following table sets forth selected information from our statement of profit and loss and such amounts as a percentage of total income for the six months dated September 30, 2024 and Fiscals 2024, 2023 and 2022:

Particulars	Six months ended September 30, 2024		Year ended March 31,					
			2024		2023		2022	
	(₹ in million)	Percentage of total income (in %)	(₹ in million)	Percentage of total income (in %)	(₹ in million)	Percentage of total income (in %)	(₹ in million)	Percentage of total income (in %)
Income:								
Revenue from operations	1,721.50	99.29	2,865.18	98.08	2,075.66	97.80	1,953.58	98.33
Other income	12.23	0.71	56.18	1.92	46.76	2.20	33.17	1.67
Total income	**1,733.74**	**100.00**	**2,921.36**	**100.00**	**2,122.42**	**100.00**	**1,986.75**	**100.00**
Expenses:								
Employee benefit expense	452.09	26.08	850.72	29.12	770.07	36.28	708.49	35.66
Finance costs	158.93	9.17	315.75	10.81	259.27	12.22	177.19	8.92
Depreciation and amortisation expense	301.96	17.42	525.52	17.99	491.48	23.16	429.47	21.62
Other expenses	530.89	30.62	995.65	34.08	830.80	39.14	658.07	33.12
Total expenses	**1,443.86**	**83.28**	**2,687.64**	**92.00**	**2,351.63**	**110.80**	**1,973.22**	**99.32**
Profit/(loss) before exceptional items	**289.88**	**16.72**	**233.72**	**8.00**	**(229.22)**	**(10.80)**	**13.53**	**0.68**
Exceptional items:								
Rates and taxes	0.34	0.02	6.55	0.23	47.78	2.25	35.00	1.76
Penalty	–	–	4.18	0.14	–	–	–	–
Profit before tax	**289.53**	**16.70**	**222.99**	**7.63**	**(276.99)**	**(13.05)**	**(21.47)**	**(1.08)**
Income tax expense:								
Current tax (MAT)	22.67	1.31	9.10	0.31	–	–	4.46	0.22
(Less) MAT credit entitlement	(3.55)	(0.20)	–	–	–	–	(4.46)	(0.22)
Prior year taxes			4.35	0.15	–	–	–	–
Deferred tax	31.08	1.79	73.45	2.51	(52.39)	(2.47)	5.16	0.26
Total tax expenses	**50.19**	**2.89**	**86.89**	**2.97**	**(52.39)**	**(2.47)**	**5.16**	**0.26**
Profit/(loss) for the period/year	**239.34**	**13.80**	**136.10**	**4.66**	**(224.60)**	**(10.58)**	**(26.63)**	**(1.34)**

Six Months Ended September 30, 2024

Income

Total income for the six months ended September 30, 2024 was ₹1,733.74 million.

Revenue from Operations

Particulars	Six Months Ended September 30, 2024 (₹ in million)
Cloud hosting and managed services	1,721.50
Of which:	

Particulars	Six Months Ended September 30, 2024 (₹ in million)
Infrastructure as a service (IaaS)	999.39
Managed services	362.74
Software as a service (SaaS)	359.37
Revenue from operations	**1,721.50**

Revenue from operations for the six months ended September 30, 2024 was ₹1,721.50 million, which was 99.29% of our total income for that period. Our revenue from operations comprised:

(a) ₹999.39 million from Infrastructure as a service (IaaS), which represented 58.05% of our revenue from operations. Our revenue from IaaS was positively affected by a new BFSI customer incorporated in Russia (the "**new BFSI customer**") in the six months ended September 30, 2024, which contributed ₹234.02 million, or 23.42%, of our revenue from IaaS in the six months ended September 30, 2024.

(b) ₹362.74 million from managed services, which represented 21.07% of our revenue from operations. Our revenue from managed services was positively affected by the new BFSI customer in the six months ended September 30, 2024, which contributed ₹102.06 million, or 28.13%, of our revenue from managed services in the six months ended September 30, 2024.

(c) ₹359.37 million from software as a service (SaaS), which represented 20.88% of our revenue from operations. Our revenue from SaaS was positively affected by the new BFSI customer in the six months ended September 30, 2024, which contributed ₹43.01 million, or 11.97%, of our revenue from SaaS in the six months ended September 30, 2024.

The new BFSI customer is subject to sanctions by the United Kingdom's Office of Financial Sanctions Implementation, the European Economic Area and the United States of America's Office of Foreign Assets Control ("**OFAC**"), which were implemented in response to Russia's war with Ukraine. As an Indian company, these primary sanctions do not apply to our Company. However, we cannot assure you that the scope of secondary sanctions will not be increased or that new sanctions will not be implemented such that we would be required to no longer sell our services to this client. For more details, see "*Risk Factors- 9. In the six months ended September 30, 2024, our revenue from our top client and top 10 clients represented 22.02% and 56.86% of our revenue from operations, respectively, and any loss or reduction of business from these clients could have a material adverse effect on our business, financial condition, results of operations and cash flows. In addition, our top client for the six months ended September 30, 2024, a BFSI incorporated in Russia, is subject to certain economic sanctions. Although we are not in breach of these sanctions, if the scope of secondary sanctions are increased or new sanctions are implemented such that we would be required to no longer sell our services to this client, it could have a material adverse effect on our business, financial condition, results of operations and cash flows*" on page 41.

Other Income

Other income for the six months ended September 30, 2024 was ₹12.23 million, which predominantly comprised interest received from bank deposits of ₹14.51 million and also included a loss of ₹5.69 million for non-controlling interest loss in control, which was in relation to the sale of a subsidiary. Other income was 0.71% of our total income for the period.

Expenses

Total expenses were ₹1,443.86 million in the six months ended September 30, 2024, which represented 83.28% of our total income.

Employee Benefit Expenses

Employee benefit expenses for the six months ended September 30, 2024 was ₹452.09 million, which predominantly comprised salaries, wages and bonus of ₹404.65 million and contribution to provident and other funds of ₹13.22 million. Employee benefit expenses represented 26.08% of our total income for the period. We had 1,055 employees as at September 30, 2024 compared to 1,091 employees as at March 31, 2024.

Finance Costs

Finance costs for the six months ended September 30, 2024 were ₹158.93 million, which predominantly comprised interest expenses on borrowings of ₹103.16 million and lease liabilities of ₹50.00 million. Finance costs represented 9.17% of our total income for the period.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses for the six months ended September 30, 2024 was ₹301.96 million, which predominantly comprised (i) depreciation of property, plant and equipment of ₹209.80 million and (ii) amortisation of right-of-use assets of ₹71.44 million. Depreciation and amortisation expenses represented 17.42% of our total income for the period.

Other Expenses

Other expenses for the six months ended September 30, 2024 was ₹530.89 million, which predominantly comprised (i) membership and subscription charges of ₹110.22 million, (ii) power and fuel charges of ₹101.22 million, (iii) project and servicing costs of ₹85.29 million and (iv) legal and professional charges of ₹56.39 million. Other expenses represented 30.62% of our total income for the period.

Exceptional Items

Rates and taxes were ₹0.34 million the six months ended September 30, 2024. This included ₹0.12 million of incorrectly availed and utilised excess Input Tax Credit (ITC) due to a mismatch between ITC claimed in GSTR-3B (self-declared return) and the eligible credit in GSTR-2A (auto-filled suppliers' returns). Additionally, an excess ITC of ₹0.22 million was claimed not in compliance with Section 16(2) of the KGST Act, 2017. These discrepancies have resulted in charges against our Company.

Profit before tax

Primarily due to the reasons stated above, our profit before tax for the six months ended September 30, 2024 was ₹289.53 million, which represented 16.70% of our total income for the period.

Total Tax Expenses

Total tax expenses for the six months ended September 30, 2024 were ₹50.19 million, which predominantly comprised deferred tax of ₹31.08 million and current tax of ₹22.67 million. Our tax expenses represented 17.34% of our profit before tax compared to the corporate income tax rate (including cesses) of 25.17%.

Profit for the Period

Primarily due to the reasons stated above, our profit for period for the six months ended September 30, 2024 was ₹239.34 million, which represented 13.80% of our total income for the period.

Fiscal 2024 Compared to Fiscal 2023

Income

Total income increased by 37.64% from ₹2,122.42 million in Fiscal 2023 to ₹2,921.36 million in Fiscal 2024, primarily due to the reasons below.

Revenue from Operations

Particulars	Fiscal 2024	Fiscal 2023	Percentage increase/ (decrease) (%)
	(₹ in million)		
Cloud hosting and managed services	2,865.18	**2,075.66**	38.04%
Of which:			
Infrastructure as a service (IaaS)	1,420.82	865.58	64.15%

Particulars	Fiscal 2024	Fiscal 2023	Percentage increase/ (decrease) (%)
	(₹ in million)		
Managed Services	775.39	617.60	25.55%
Software as a service (SaaS)	668.97	592.49	12.91%
Revenue from operations	**2,865.18**	**2,075.66**	**38.04%**

Revenue from operations increased by 38.04% from ₹2,075.66 million in Fiscal 2023 to ₹2,865.18 million in Fiscal 2024, which increase was primarily due to:

(a) a 64.15% increase in revenue from Infrastructure as a service (IaaS) from ₹865.58 million in Fiscal 2023 to ₹1,420.82 million in Fiscal 2024, which increase was on account of: (i) a 78.44% increase in revenue from existing customers, from ₹712.35 million in Fiscal 2023 to ₹1,271.10 million in Fiscal 2024, and (ii) a 2.29% decrease in revenue from new customers, from ₹153.22 million in Fiscal 2023 to ₹149.71 million in Fiscal 2024.

(b) a 12.91% increase in revenue from Software as a service (SaaS) from ₹592.49 million in Fiscal 2023 to ₹668.97 million in Fiscal 2024, which was primarily due to: (i) a 59.69% increase in revenue from existing customers, from ₹404.76 million in Fiscal 2023 to ₹646.38 million in Fiscal 2024, and (ii) a 87.97% decrease in revenue from new customers, from ₹187.72 million in Fiscal 2023 to ₹22.59 million in Fiscal 2024.

(c) a 25.55% increase in revenue from Managed Services from ₹617.60 million in Fiscal 2023 to ₹775.39 million in Fiscal 2024, which was primarily due to: (i) a 47.24% increase in revenue from existing customers, from ₹505.62 million in Fiscal 2023 to ₹744.45 million in Fiscal 2024, and (ii) a 72.37% decrease in revenue from new customers, from ₹111.98 million in Fiscal 2023 to ₹30.94 million in Fiscal 2024.

Other Income

Other income increased by 20.15% from ₹46.76 million in Fiscal 2023 to ₹56.18 million in Fiscal 2024, primarily due to (i) a 127.06% increase in interest received from bank deposits from ₹15.26 million in Fiscal 2023 to ₹34.65 million in Fiscal 2024 and (ii) a 115.18% increase in interest received from income tax refund from ₹5.63 million in Fiscal 2023 to ₹12.11 million in Fiscal 2024.

The above increases were partially offset by, among other things, a 67.69% decrease in other non-operating income from ₹15.72 million in Fiscal 2023 to ₹5.08 million in Fiscal 2024, which decrease was primarily due to an incentive from a lease vendor received in Fiscal 2023, which was discontinued in Fiscal 2024.

Expenses

Total expenses increased by 14.29% from ₹2,351.63 million in Fiscal 2023 to ₹2,687.64 million in Fiscal 2024, primarily due to the reasons below. As a percentage of our revenue from operations, our total expenses decreased from 113.30% in Fiscal 2023 to 93.80% in Fiscal 2024.

Employee Benefit Expenses

Employee benefit expenses increased by 10.47% from ₹770.07 million in Fiscal 2023 to ₹850.72 million in Fiscal 2024. This increase was primarily due to a 11.55% increase in salaries, wages and bonuses from ₹690.84 million in Fiscal 2023 to ₹770.64 million in Fiscal 2024, which increase was due to an increase in the level of salaries and wages, primarily due to inflation, as well as a 6.13% increase in the number of employees from 1,028 as at March 31, 2023 to 1,091 as at March 31, 2024. As a percentage of our revenue from operations, our employee benefit expenses decreased from 37.10% in Fiscal 2023 to 29.69% in Fiscal 2024.

Finance Costs

Finance costs increased by 21.78% from ₹259.27 million in Fiscal 2023 to ₹315.75 million in Fiscal 2024, primarily due to (i) a 20.97% increase in interests from borrowings from ₹181.59 million in Fiscal 2023 to ₹219.66 million in Fiscal 2024 and (ii) a 26.09% increase in interests from lease liabilities from ₹68.31 million in Fiscal 2023 to ₹86.13 million in Fiscal 2024. As a percentage of our revenue from operations, our finance costs decreased from 12.49% in Fiscal 2023 to 11.02% in Fiscal 2024.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses increased by 6.93% from ₹491.48 million in Fiscal 2023 to ₹525.52 million in Fiscal 2024, primarily due to (i) a 22.87% increase in depreciation of property, plant and equipment from ₹268.10 million in Fiscal 2023 to ₹329.42 million in Fiscal 2024, which increase was primarily due to additions to fixed tangible assets during the year, and (ii) a 8.22% increase in amortisation of right-of-use assets from ₹123.93 million in Fiscal 2023 to ₹134.12 million in Fiscal 2024.

The above increases were partially offset by a decrease in asset impairment from ₹38.21 million in Fiscal 2023 to nil in Fiscal 2024. The impairment in Fiscal 2023 arose from our Company's impairment testing of assets related to locations outside India. Our Company determined that significant adverse changes in the political environment of the foreign country to which these assets were dedicated had affected their recoverability. As a result, our Company estimated that none of these assets were recoverable as of the impairment date and, accordingly, impaired them to the extent of their recoverable amount.

Other Expenses

Particulars	**Fiscal 2024**	**Fiscal 2023**	**Percentage increase/ (decrease) (%)**
	(₹ in million)		
Other expenses	995.65	830.80	19.84
Of which:			
Contract fulfilment costs	123.79	–	N.C.
Power and fuel charges	137.69	91.68	50.19%
Membership and subscription charges	164.25	127.44	28.88%
IPO expenses written off	–	48.77	(100.00)%
Communication expenses	86.47	116.73	(25.92)%

Other expenses increased by 19.84% from ₹830.80 million in Fiscal 2023 to ₹995.65 million in Fiscal 2024. As a percentage of our revenue from operations, our other expenses decreased from 40.03% in Fiscal 2023 to 34.75% in Fiscal 2024. The increase in in other expenses was primarily due to:

(a) contract fulfilment costs of ₹123.79 million in Fiscal 2024, related to certain revenue contracts based solely on the trading of software licences, compared to nil contract fulfilment costs in Fiscal 2023;

(b) a 50.19% increase in power and fuel charges from ₹91.68 million in Fiscal 2023 to ₹137.69 million in Fiscal 2024, primarily due to the addition of new Data Centres in Mohali, Punjab and Navi Mumbai, Maharastra; and

(c) a 28.88% increase in membership and subscription charges from ₹127.44 million in Fiscal 2023 to ₹164.25 million in Fiscal 2024, which increase was primarily due to the procurement of additional software and licences for both customer and internal use.

The above increases were partially offset by, among other things, (i) a 100.00% decrease in IPO expenses written off from ₹48.77 million in Fiscal 2023 to nil in Fiscal 2024 and (ii) a 25.92% decrease in communication expenses from ₹116.73 million in Fiscal 2023 to ₹86.47 million in Fiscal 2024, which decrease was primarily due to negotiations with bandwidth vendors and the closure of unused bandwidth lines.

Exceptional Items

Rates and taxes decreased by 86.29% from ₹47.78 million in Fiscal 2023 to ₹6.55 million in Fiscal 2024. The decrease in rates and taxes was primarily due to:

(a) the settlement of ₹1.87 million in VAT dues under the VAT amnesty scheme, covering the financial years 2014-15, 2016-17, and 2017-18, which resulted in lower tax liabilities in Fiscal 2024 compared to Fiscal 2023. In addition, ₹3.28 million of irrecoverable receivables from the VAT Department were written off;

(b) a penalty of ₹4.18 million paid to Maharashtra State Electricity Distribution Company Limited in Fiscal

2024 for erroneous availment of subsidies from 2016 to 2024. While this penalty was a one-time exceptional expense, it reduced the overall tax burden in Fiscal 2024; and

(c) the absence of one-time exceptional items in Fiscal 2024, such as the ₹30.78 million paid under DRC-03 and ₹17.00 million in interest provisions in Fiscal 2023.

Profit/(Loss) before Tax

Primarily for the reasons stated above, we had a profit before tax of ₹222.99 million in Fiscal 2024 compared to a loss before tax of ₹276.99 million in Fiscal 2023.

Tax Expenses

We had a tax credit of ₹52.39 million in Fiscal 2023 compared to total tax expenses of ₹86.89 million in Fiscal 2024. The difference was primarily due to a deferred tax credit of ₹52.39 million in Fiscal 2023, which was mainly due to an increase in the deferred tax asset arising from the set-off of business losses, as well as a decrease in the deferred tax liability due to the reduction in the written down value of property, plant, and equipment. In contrast, the deferred tax expense of ₹73.45 million in Fiscal 2024 was primarily due to an increase in the deferred tax liability on account of the right of use assets and property, plant, and equipment. This was partly offset by a reduction in the deferred tax asset due to the utilisation of business loss set-off. Our total tax expenses for Fiscal 2024 represented 38.96% of our profit before tax, compared to an income tax rate (including cesses) of 25.17%.

Profit/(Loss) for the Year

Primarily due to the reasons stated above, we had a profit for the year of ₹136.10 million in Fiscal 2024 compared to a loss for the year of ₹224.60 million in Fiscal 2023.

Fiscal 2023 Compared to Fiscal 2022

Income

Total income increased by 6.83% from ₹1,986.75 million in Fiscal 2022 to ₹2,122.42 million in Fiscal 2023, primarily due to the reasons below.

Revenue from Operations

Particulars	Fiscal 2023	Fiscal 2022	Percentage increase/ (decrease) (%)
	(₹ in million)		
Cloud hosting and managed services	2,075.66	1,953.58	6.25%
Of which:			
Infrastructure as a service (IaaS)	865.58	890.69	(2.82)%
Managed Services	617.60	552.26	11.83%
Software as a service (SaaS)	592.49	510.63	16.03%
Revenue from operations	**2,075.66**	**1,953.58**	**6.25%**

Revenue from operations increased by 6.25% from ₹1,953.58 million in Fiscal 2022 to ₹2,075.66 million in Fiscal 2023, which increase was primarily due to:

(a) a 16.03% increase in revenue from Software as a service (SaaS) from ₹510.63 million in Fiscal 2022 to ₹592.49 million in Fiscal 2023, which was primarily due to: (i) a 6.75% decrease in revenue from existing customers, from ₹434.04 million in Fiscal 2022 to ₹404.76 million in Fiscal 2023, and (ii) a 145.10% increase in revenue from new customers, from ₹76.59 million in Fiscal 2022 to ₹187.72 million in Fiscal 2023.

(b) a 11.83% increase in revenue from Managed Services from ₹552.26 million in Fiscal 2022 to ₹617.60 million in Fiscal 2023, which was primarily due to: (i) a 11.62% increase in revenue from existing customers, from ₹452.98 million in Fiscal 2022 to ₹505.62 million in Fiscal 2023, and (ii) a 12.79%

decrease in revenue from new customers, from ₹99.28 million in Fiscal 2022 to ₹111.98 million in Fiscal 2023.

(c) which was partially offset by a 2.82% decrease in revenue from Infrastructure as a service (IaaS) from ₹890.69 million in Fiscal 2022 to ₹865.58 million in Fiscal 2023, which was primarily due to: (i) a 8.58% decrease in revenue from existing customers, from ₹779.24 million in Fiscal 2022 to ₹712.35 million in Fiscal 2023, and (ii) a 37.49% increase in revenue from new customers, from ₹111.45 million in Fiscal 2022 to ₹153.22 million in Fiscal 2023.

Other Income

Other income increased by 40.97% from ₹33.17 million in Fiscal 2022 to ₹46.76 million in Fiscal 2023, primarily due to: (i) a 343.31% increase in interest received from income tax refund from ₹1.27 million in Fiscal 2022 to ₹5.63 million in Fiscal 2023; (ii) a 24.17% increase in interest received from deposits with banks from ₹12.29 million in Fiscal 2022 to ₹15.26 million in Fiscal 2023; (iii) a 56.09% increase in amount written back pertaining to the liabilities which are no longer payable from ₹3.94 million in Fiscal 2022 to ₹6.15 million in Fiscal 2023; and (iv) a 35.28% increase in other non-operating income from ₹11.62 million in Fiscal 2022 to ₹15.72 million in Fiscal 2023.

Expenses

Total expenses increased by 19.18% from ₹1,973.22 million in Fiscal 2022 to ₹2,351.63 million in Fiscal 2023. primarily due to the reasons below. As a percentage of our revenue from operations, our total expenses increased from 101.01% in Fiscal 2022 to 113.30% in Fiscal 2023.

Employee Benefit Expenses

Employee benefit expenses increased by 8.69% from ₹708.49 million in Fiscal 2022 to ₹770.07 million in Fiscal 2023, primarily due to an 8.47% increase in salaries, wages and bonuses from ₹636.92 million in Fiscal 2022 to ₹690.84 million in Fiscal 2023, which increase was primarily due to inflation driven increases in salaries and wages. The number of our employees increased by 9.59% from 938 as at March 31, 2022 to 1,028 as at March 31, 2023. As a percentage of revenue from operations, employee benefit expenses increased from 36.27% in Fiscal 2022 to 37.10% in Fiscal 2023.

Finance Costs

Finance costs increased by 46.32% from ₹177.19 million in Fiscal 2022 to ₹259.27 million in Fiscal 2023, primarily due to a 90.35% increase in interest from borrowings from ₹95.40 million in Fiscal 2022 to ₹181.59 million in Fiscal 2023, which increase was primarily due to interest on additional borrowings taken during Fiscal 2023 and interest on non-convertible debentures. As a percentage of revenue from operations, finance costs increased from 9.07% in Fiscal 2022 to 12.49% in Fiscal 2023.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses increased by 14.44% from ₹429.47 million in Fiscal 2022 to ₹491.48 million in Fiscal 2023, primarily due to (i) a 14.70% increase in depreciation of property, plant and equipment from ₹233.73 million in Fiscal 2022 to ₹268.10 million in Fiscal 2023, which increase was primarily due to additions in property, plant and equipment, and (ii) a 169.63% increase in amortisation of intangible assets from ₹22.72 million in Fiscal 2022 to ₹61.26 million in Fiscal 2023. The increase in amortisation was mainly due to the transfer of intangible assets under development to intangible assets during the last month of Fiscal 2022, resulting in higher amortisation in Fiscal 2023.

The above increases were partially offset by a 14.77% decrease in amortisation of right-of-use assets from ₹145.41 million in Fiscal 2022 to ₹123.93 million in Fiscal 2023, which decrease was primarily due to certain right-of-use assets being fully amortised during Fiscal 2022, which reduced the amortisation expense in the following year.

Other Expenses

Particulars	**Fiscal 2023**	**Fiscal 2022**	**Percentage increase/ (decrease) (%)**
	(₹ in million)		
Other expenses	830.80	658.07	26.25%
Of which:			
Project servicing costs	*146.71*	*95.04*	*54.37%*
IPO expenses written off	*48.77*	*–*	*N.C.*
Membership and subscription charges	*127.44*	*83.64*	*52.37%*
Legal and professional charges	*85.51*	*51.17*	*67.11%*
Power and fuel charges	*91.68*	*69.96*	*31.05%*
Expected credit loss allowance	*43.65*	*70.22*	*(37.84)%*

Other expenses increased by 26.25% from ₹658.07 million in Fiscal 2022 to ₹830.80 million in Fiscal 2023. As a percentage of revenue from operations, other expenses increased from 33.69% in Fiscal 2002 to 40.03% in Fiscal 2023. Our other expenses increase primarily due to:

(i) a 54.37% increase in project servicing costs of ₹95.04 million in Fiscal 2022 to ₹146.71 million in Fiscal 2023, which increase was primarily due to increase in new projects and associated costs.

(ii) IPO expenses written off of ₹48.77 million in Fiscal 2023 compared to nil IPO expenses written off in Fiscal 2022;

(iii) a 52.37% increase in membership and subscription charges from ₹83.64 million in Fiscal 2022 to ₹127.44 million in Fiscal 2023, which increase was primarily due to procurement of additional software and licences required for customers and internal use.

(iv) a 67.11% increase in legal and professional charges from ₹51.17 million in Fiscal 2022 to ₹85.51 million in Fiscal 2023; and

(v) a 31.05% increase in power and fuel charges from ₹69.96 million in Fiscal 2022 to ₹91.68 million in Fiscal 2023.

The above increases were partially offset by, among other things, a 37.84% decrease in expected credit loss allowance from ₹70.22 million in Fiscal 2022 to ₹43.65 million in Fiscal 2023, which decrease was primarily due to improved collections during the Fiscal 2023, which resulted in a reduction of the expected credit loss based on our expected credit loss allowance matrix.

Exceptional Items

Rates and taxes increased by 36.51% from ₹35.00 million in Fiscal 2022 to ₹47.78 million in Fiscal 2023. The increase in rates and taxes was primarily due to:

(i) the settlement of ₹35.00 million paid in Fiscal 2022, including interest and penalty, under DRC-03, in connection with a summons from the CGST Department regarding potential GST evasion, which was recognised as an exceptional expense in Fiscal 2022;

(ii) a payment of ₹30.78 million in DRC-03 and an additional ₹17.00 million in interest provisions during Fiscal 2023, following notices from the CGST Department under section 86A of the CGST Act, 2017, regarding the reversal of certain Input Tax Credits; and

(iii) the recognition of exceptional items related to both the payment for GST liabilities and the interest provision for such liabilities in Fiscal 2023, which contributed to the overall increase in rates and taxes for the period.

Loss before Tax

Primarily for the reasons stated above, loss before tax increased by 1,190.13% from ₹21.47 million in Fiscal 2022 to ₹276.99 million in Fiscal 2023.

Total Tax Expenses

Our total tax expenses were ₹5.16 million in Fiscal 2022 compared to a tax credit of ₹52.39 million in Fiscal 2023. The deferred tax of ₹5.16 million in Fiscal 2022 was recorded despite a loss before tax, primarily because the written down value as per the Companies Act, 2013, was higher than the written down value as per the Income Tax Act, 1961. This resulted in an increase in deferred tax liabilities and a corresponding deferred tax expense.

Loss for the Year

Primarily for the reasons stated, our loss for the year increased by 743.41% from ₹26.63 million in Fiscal 2022 to ₹224.60 million in Fiscal 2023.

FINANCIAL CONDITION

Total Assets

The table below sets forth the principal components of our total assets as at the dates indicated:

Particulars	As at September 30, 2024	As at March 31,		
		2024	2023	2022
	(₹ in million)			
Non-current assets:				
Property, plant and equipment	2,156.82	2,180.50	1,967.48	2,043.32
Right-of-use-asset	923.29	995.05	830.73	850.90
Capital work-in progress	–	–	–	0.70
Intangible assets	27.03	47.75	109.73	164.53
Financial assets:				
(i) Non-current financial assets	99.64	102.27	274.94	207.86
(ii) Deferred tax assets (net)	–	–	16.49	–
Other non-current assets	78.93	24.81	–	2.13
Total non-current assets	**3,285.71**	**3,350.38**	**3,199.36**	**3,269.44**
Current assets:				
Current financial assets:				
(i) Trade receivables	842.00	690.03	571.34	638.53
(ii) Unbilled receivables	893.22	515.20	314.07	339.05
(iii) Cash and cash equivalents	17.04	22.47	168.86	350.60
(iv) Other bank balances	–	–	30.00	146.39
(v) Other current financial assets	584.82	576.65	304.07	76.18
Income-tax assets	211.25	142.38	234.93	163.70
Other current assets	183.73	179.97	184.33	241.69
Total current assets	**2,732.05**	**2,126.71**	**1,807.60**	**1,956.14**
Total assets	**6,017.76**	**5,477.09**	**5,006.96**	**5,225.58**

Our total non-current assets were ₹3,269.44 million as at March 31, 2022. It decreased by 2.14% to ₹3,199.36 million as at March 31, 2023, increased by 4.72% to ₹3,350.38 million as at March 31, 2024, and decreased by 1.93% to ₹3,285.71 million as at September 30, 2024. The changes were primarily due to changes in our property, plant and equipment, which decreased from ₹2,043.32 million as at March 31, 2022 to ₹1,967.48 million as at March 31, 2023, before increasing to ₹2,180.50 million as at March 31, 2024, and decreasing to ₹2,156.82 million as at September 30, 2024.

Our total current assets were ₹1,956.14 million as at March 31, 2022. It decreased by 7.59% to ₹1,807.60 million as at March 31, 2023, increased by 17.65% to ₹2,126.71 million as at March 31, 2024, and by 28.46% to ₹2,732.05 million as at September 30, 2024. The changes were primarily due to:

(i) changes in our trade receivables, which decreased from ₹638.53 million as at March 31, 2022 to ₹571.34 million as at March 31, 2023, before increasing to ₹690.03 million as at March 31, 2024, and to ₹842.00 million as at September 30, 2024; and

(ii) changes in unbilled receivables, which decreased from ₹339.05 million as at March 31, 2022 to ₹314.07 million as at March 31, 2023, before increasing to ₹515.20 million as at March 31, 2024, and to ₹893.22 million as at September 30, 2024.

Total Equity and Liabilities

The table below sets forth the principal components of our total equity and liabilities as at the dates indicated:

Particulars	As at September 30, 2024	As at March 31,		
		2024	2023	2022
	(₹ in million)			
Equity				
Equity share capital	92.89	92.89	92.89	91.57
Reserves and surplus	2,314.78	2079.75	1,963.07	1,897.03
Other reserves	87.46	86.45	49.96	68.44
Equity attributable to owners of ESDS Software Solution Limited	**2,495.14**	**2,259.10**	**2,105.92**	**2,057.04**
Non-controlling interest		6.00	(4.38)	(4.31)
Total Equity	2,495.14	2,265.09	2,101.54	2,052.73
Liabilities				
Non-Current Liabilities				
Financial liabilities:				
(i) Borrowings	755.02	847.73	929.80	656.13
(ii) Lease liabilities	844.81	933.12	558.70	608.31
Employee benefit obligations	137.52	121.80	91.06	83.97
Deferred tax liabilities (net)	85.37	56.47	–	36.14
Total non-current liabilities	**1,822.72**	**1,959.11**	**1,579.56**	**1,384.55**
Current liabilities				
Financial Liabilities:				
(i) Borrowings	882.12	642.71	718.49	678.66
(ii) Lease liabilities	172.54	164.49	145.20	205.00
(iii) Trade payables:				
- Total outstanding dues of micro enterprises and small enterprises	121.37	5.72	59.78	10.71
- Total outstanding dues of creditors other than micro enterprises and small enterprises	249.57	227.17	217.34	253.94
(iv) Other current financial liabilities	113.64	101.21	57.38	537.31
Employee benefit obligations	3.54	3.13	3.08	3.09
Income-tax liabilities	–	–	–	0.26
Other current liabilities	157.13	108.45	124.59	99.33
Total current liabilities	**1,699.91**	**1,252.89**	**1,325.87**	**1,788.30**
Total liabilities	**3,522.63**	**3,212.00**	**2,905.42**	**3,172.85**
Total equity and liabilities	**6,017.76**	**5,477.09**	**5,006.96**	**5,225.58**

Our total equity increased from ₹2,052.73 million as at March 31, 2022 to ₹2,101.54 million as at March 31, 2023, and then increased to ₹2,265.09 million as at March 31, 2024, and to ₹2,495.14 million as at September 30, 2024. These changes were primarily due to fluctuations in reserves and surplus, which increased from ₹1,897.03 million as at March 31, 2022 to ₹1,963.07 million as at March 31, 2023 and then to ₹2,079.75 million as at March 31, 2024, and to ₹2,314.78 million as at September 30, 2024. The increase in reserves and surplus were primarily driven by changes in retained earnings and securities premium.

Our total non-current liabilities increased from ₹1,384.55 million as at March 31, 2022, to ₹1,579.56 million as at March 31, 2023, and then to ₹1,959.11 million as at March 31, 2024, before decreasing to ₹1,822.72 million as at September 30, 2024. The increase as at March 31, 2023 was primarily due to an increase in non-current borrowings, which rose from ₹656.13 million as at March 31, 2022 to ₹929.80 million as at March 31, 2023. The further increase as at March 31, 2024, was primarily due to lease liabilities, which rose from ₹558.70 million as at March 31, 2023 to ₹933.12 million as at March 31, 2024. The subsequent decrease as at September 30, 2024 was primarily due to a reduction in non-current borrowings from ₹847.73 million as at March 31, 2024 to ₹755.02 million as at September 30, 2024 and a reduction in lease liabilities from ₹933.12 million as at March 31, 2024 to ₹844.81 million as at September 30, 2024, which was primarily due to the payment of lease liabilities, with no new additions to leases during the period.

Our total current liabilities decreased from ₹1,788.30 million as at March 31, 2022 to ₹1,325.87 million as at March 31, 2023, and then to ₹1,252.89 million as at March 31, 2024, before increasing to ₹1,699.91 million as at September 30, 2024. The decrease as at March 31, 2023 was primarily due to a decrease in other current financial liabilities from ₹537.31 million as at March 31, 2022 to ₹57.38 million as at March 31, 2023. The decrease as at March 31, 2024 was primarily due to a reduction in current borrowings from ₹718.49 million as at March 31, 2023 to ₹642.71 million as at March 31, 2024. The subsequent increase as at September 30, 2024 was primarily due to total outstanding dues of micro enterprises and small enterprises from ₹5.72 million as at March 31, 2024 to ₹121.37 million as at September 30, 2024, which was primarily due to higher volume of procurement from micro enterprises and small enterprises during the last month of the six months ended September 30, 2024.

STATEMENT OF CASH FLOWS

The following table sets forth certain information relating to our cash flows in the periods and Fiscal years indicated:

Particulars	**For the six months ended September 30, 2024**	**Fiscals**		
		2024	**2023**	**2022**
	(₹ in million)			
Net cash inflow from/ (used in) operating activities	498.30	455.77	564.54	577.70
Net cash inflow from / (used in) investing activities	(171.90)	(14.46)	(540.14)	(696.50)
Net cash inflow from/ (used in) financing activities	(331.90)	(589.39)	(207.83)	324.40
Net increase/ (decrease) in cash and cash equivalents	**(5.51)**	**(148.08)**	**(183.43)**	**205.60**
Foreign currency translation impact on cash and cash equivalents	0.08	1.70	1.69	1.18
Cash and Cash equivalents at the beginning of the period / year	22.47	168.86	350.60	143.82
Cash and cash equivalents at the end of the period / year	**17.04**	**22.47**	**168.86**	**350.60**

Operating Activities

Six Months Ended September 30, 2024

Net cash generated from operating activities was ₹498.30 million for six months ended September 30, 2024. The profit before tax for six months ended September 30, 2024 was ₹289.53 million. Adjustments primarily included (i) depreciation and amortisation expense of ₹301.96 million, (ii) finance costs of ₹158.93 million and (iii) expected credit loss allowance of ₹42.92 million.

Operating profit before working capital changes was ₹780.07 million for six months ended September 30, 2024. Working capital changes include (i) an increase in trade receivables of ₹574.13 million and (ii) an increase in other current and non-current assets of ₹57.87 million. The foregoing was partially offset by an increase of current borrowings of ₹237.68 million and an increase in trade payables of ₹137.33 million.

Fiscal 2024

Net cash generated from operating activities was ₹455.77 million for Fiscal 2024. The profit before tax for Fiscal 2024 was ₹222.99 million. Adjustments primarily included (i) depreciation and amortisation expense of ₹525.52 million, (ii) finance costs of ₹315.75 million and (iii) expected credit loss allowance of ₹55.29 million.

Operating profit before working capital changes was ₹1,090.68 million for Fiscal 2024. Working capital changes include (i) an increase in trade receivables of ₹375.79 million, (ii) an increase in other current and non-current financial assets of ₹251.26 million and (iii) a decrease of other current borrowings of ₹80.49 million. The foregoing was partially offset by an increase in other current and non-current financial liabilities of ₹57.66 million and an increase in employee benefit obligations of ₹16.71 million.

Fiscal 2023

Net cash generated from operating activities was ₹564.54 million for Fiscal 2023. The loss before tax for Fiscal 2023 was ₹276.99 million. Adjustments primarily included (i) depreciation and amortisation expense of ₹491.48 million, (ii) finance costs of ₹259.27 million and (iii) expected credit loss allowance of ₹43.65 million.

Operating profit before working capital changes was ₹505.71 million for Fiscal 2023. Working capital changes include (i) a decrease in other current and non-current assets of ₹59.49 million, (ii) a decrease in trade receivables of ₹50.05 million and (iii) an increase of other current and noncurrent liabilities of ₹25.26 million. The foregoing was partially offset by a decrease in other current and non-current financial liabilities of ₹55.81 million.

Fiscal 2022

Net cash generated from operating activities was ₹577.70 million for Fiscal 2022. The loss before tax for Fiscal 2022 was ₹21.47 million. Adjustments primarily included (i) depreciation and amortisation expense of ₹429.47 million, (ii) finance costs of ₹177.19 million and (iii) expected credit loss allowance of ₹70.22 million.

Operating profit before working capital changes was ₹650.86 million for Fiscal 2022. Working capital changes include (i) an increase in current borrowings of ₹412.54 million and (ii) an increase in employee benefit obligations of ₹10.41 million. The foregoing was partially offset by an increase in trade receivables of ₹245.01 million and an increase in other current and non-current assets of ₹104.53 million.

Investing Activities

Six Months Ended September 30, 2024

Net cash used in investing activities was ₹171.90 million for six months ended September 30, 2024. This primarily resulted from (i) investments in property, plant and equipment and intangible assets of ₹185.39 million and (ii) bank balanced not considered as cash and cash equivalents of ₹1.02 million, which was partially offset by interest/income on investment received of ₹14.51 million.

Fiscal 2024

Net cash used in investing activities was ₹14.46 million for Fiscal 2024. This primarily resulted from investments in property, plant and equipment and intangible assets of ₹230.45 million, which was partially offset by bank balanced not considered as cash and cash equivalents of ₹181.34 million and interest/income on investment received of ₹34.65 million.

Fiscal 2023

Net cash used in investing activities was ₹540.14 million for Fiscal 2023. This primarily resulted from (i) investments in property, plant and equipment and intangible assets of ₹361.75 million and (ii) bank balanced not considered as cash and cash equivalents of ₹194.02 million, which was partially offset by interest/income on investment received of ₹15.63 million.

Fiscal 2022

Net cash used in investing activities was ₹696.50 million for Fiscal 2022. This primarily resulted from (i) investments in property, plant and equipment and intangible assets of ₹605.58 million and (ii) bank balanced not considered as cash and cash equivalents of ₹103.44 million, which was partially offset by interest/income on investment received of ₹12.52 million.

Financing Activities

Six Months Ended September 30, 2024

Net cash used in financing activities was ₹331.90 million for six months ended September 30, 2024. This primarily resulted from (i) principal elements of lease payments of ₹130.26 million, (ii) interest paid on borrowings of ₹108.93 million and (iii) a decrease of non-current borrowings of ₹92.71 million.

Fiscal 2024

Net cash used in financing activities was ₹589.39 million for Fiscal 2024. This primarily resulted from (i) principal elements of lease payments of ₹277.71 million, (ii) interest paid on borrowings of ₹229.62 million and (iii) a decrease of non-current borrowings of ₹82.07 million.

Fiscal 2023

Net cash used in financing activities was ₹207.83 million for Fiscal 2023. This primarily resulted from (i) principal elements of lease payments of ₹281.48 million, (ii) interest paid on borrowings of ₹190.96 million, (iii) a decrease of non-current borrowings of ₹176.33 million and (iv) refund of share application money (net of proceeds from issue of equity share capital including securities premium) of ₹9.05 million. The foregoing was partially offset by proceeds from issues of non-convertible debentures of ₹450.00 million

Fiscal 2022

Net cash generated from financing activities was ₹324.40 million for Fiscal 2022. This primarily resulted from (i) proceeds from issues of non-convertible debentures of ₹300.00 million, (ii) share application money received allotment pending of ₹300.00 million, (iii) proceeds from issue of preference shares of ₹199.99 million and (iv) proceeds from right issue of ₹7.00 million. The foregoing was partially offset by principal elements of lease payments of ₹277.50 million, interest paid on borrowings of ₹121.67 million and a decrease of non-current borrowings of ₹83.42 million.

BUSINESS SEGMENTS

In accordance with Indian Accounting Standard 108 - Segment Reporting, our Company has determined its business segment as "design, development, installation and servicing of information technology related resource". Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors based in India regarded as the Chief Operating Decision Maker. Since our Company's entire business is from information technology related resource, there are no other primary reportable segments.

INDEBTEDNESS

Our loan agreements generally contain covenants, including limitations on the use of proceeds and restrictions on indebtedness, liens, asset sales, investments, transfer or ownership interests and certain changes in business. These covenants may limit our ability to pay dividends or make loans or advances to us, subject to the lender's waiver or consent. There were no defaults in repayment of principal or interest to lenders during the six months ended September 30, 2024 and 2023 and Fiscals 2024, 2023 and 2022. See "*Risk Factors – 8. Any non-compliance with restrictive covenants under our financing agreements may lead to, amongst others, accelerated repayment schedule and suspension of further drawdowns, which could adversely affect our business, financial condition, results of operations and cash flows*" on page 40.

The following table provides the types and amounts of our gross debt as at the dates indicated:

Particulars	**As at September 30, 2024**	**As at March 31,**		
		2024	**2023**	**2022**
	(₹ in million)			
Non-current borrowings	755.02	847.73	929.80	656.13
Current borrowings	882.12	642.71	718.49	678.66
Interest accrued but not due on borrowings	0.06	0.22	0.60	4.08
Gross Debt	**1,637.20**	**1,490.66**	**1,648.89**	**1,338.87**

The following table provides our Total Borrowings broken down into floating interest rate and fixed interest rate borrowings at the dates indicated:

Particulars	**As at September 30, 2024**	**As at March 31,**		
		2024	**2023**	**2022**
	(₹ in million)			
Borrowings with floating interest rates	343.26	225.74	582.92	780.22
Borrowings with fixed interest rates	1,293.88	1,264.70	1,065.37	554.58
Total Borrowings	**1,637.14**	**1,490.44**	**1,648.29**	**1,334.80**

For more details on our borrowings, see *"Restated Consolidated Financial Information – Note 16 - Borrowings" on page* 322.

CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

The table below sets forth our contingent liabilities that have not been accounted for in our financial statements as at the dates indicated:

Particulars	**As at September 30, 2024**	**As at March 31,**		
		2024	**2023**	**2022**
	(₹ in million)			
Claims against the group not acknowledged as debts:				
- Indirect tax matters	2.26	19.36	10.84	43.00
- Other matters	2.62	2.62	2.62	7.51
- Department of Telecommunications	–	60.07	43.93	40.62
Guarantees excluding financial guarantees:				
- Performance bank guarantees given to customers	388.33	420.21	396.30	296.24
Other money for which the group is contingently liable:				
- Income tax matters	–	–	96.34	–
- Indirect tax matters	127.23	127.23	130.00	–
Total	**520.44**	**629.49**	**680.03**	**387.38**

The table below sets forth the estimated amount of contracts remaining to be executed on capital account (net of advances) as at the dates indicated:

Particulars	**As at September 30, 2024**	**As at March 31,**		
		2024	**2023**	**2022**
	(₹ in million)			
Estimated amount of contracts remaining to be executed on capital account (net of advances)	290.69	6.38	29.59	36.76

For further details, please see "*Restated Consolidated Financial Information – Note 30 – Contingencies and commitments*" on page 338.

CAPITAL EXPENDITURES

The following table sets forth additions to property, plant and equipment by category of expenditure for the period and fiscal years indicated. These assets primarily relate to expenditure on computer and Data Centre equipment, office equipment, furniture and fixtures and vehicles.

Particulars	Six months ended September 30, 2024	Year ended March 31,		
		2024	2023	2022
	(₹ in million)			
Land	–	–	–	–
Leasehold land improvements	–	–	–	–
Buildings	–	–	–	0.13
Computer and Data Centre equipment	166.71	196.81	224.39	223.49
Office equipment	12.81	4.79	3.19	9.21
Furniture and fixture	6.61	3.05	0.98	1.57
Vehicles	–	11.97	2.27	-
Total	**186.12**	**216.62**	**230.83**	**234.38**

OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

Qualitative Disclosures

Foreign currency exchange rate risk

We deal with receivables from customers and payables to vendors. Therefore, we are exposed to foreign exchange risk associated with exchange rate movements. The foreign exchange rate fluctuations do not have any material impact on our profitability as such exports and foreign currency expenditure is negligible in totality. We did not enter into any forward exchange contracts in the six months ended September 30, 2024 and Fiscals 2024, 2023 and 2022.

Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Our exposure to the risk of changes in market interest rates relates primarily to our debt obligations with floating interest rates.

Quantitative Disclosures

For quantitative disclosures on market risk, see "*Restated Consolidated Financial Information – Note 34(c) – market risk*" on page 348.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income and discretionary reduction of expenses, etc. that have in the past or may in the future affect our business or results of operations.

SEASONALITY/ CYCLICALITY OF BUSINESS

Our business is not seasonal in nature.

DEPENDENCE ON CUSTOMERS AND SUPPLIERS

During the six months ended September 30, 2024, our revenue from a new BFSI incorporated in Russia was ₹379.09 million, which represented 22.02% of our revenue from operations, which was the only single customer who contributed more than 10% to our revenue from operations for the six months ended September 30, 2024, There was no single customer who contributed more than 10% to our revenue from operations for Fiscals 2024, 2023 and 2022.

KNOWN TRENDS OR UNCERTAINTIES

Our business has been subject, and we expect it to continue to be subject, to trends and uncertainties identified above in "– *Significant Factors Affecting our Results of Operations*" and as described in "*Risk Factors*" on page 34. To our knowledge, except as disclosed in this Draft Red Herring Prospectus, there are no known factors which we expect to have a material adverse effect on our revenue from operations.

FUTURE RELATIONSHIP BETWEEN COST AND REVENUE

Other than as described in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 34, 208 and 363, respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

SIGNIFICANT ECONOMIC CHANGES THAT MATERIALLY AFFECTED OR ARE LIKELY TO AFFECT INCOME FROM CONTINUING OPERATIONS

Other than as described in the "*Risk Factors*" and "*Industry Overview*" on pages 34 and 159, respectively, there are no significant economic changes that have materially affected or are likely to affect our income from continuing operations.

RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS IN THE AUDITOR'S REPORTS

There are no reservations, qualifications and adverse remarks by our Statutory Auditors in their report on the Restated Consolidated Financial Information. In addition, there are no reservations, qualifications and adverse remarks by our Statutory Auditors in their reports on the audited consolidated financial statements as at and for the six months ended September 30, 2024 and as at and for the years ended March 31, 2024, 2023 and 2022.

SIGNIFICANT DEVELOPMENTS AFTER SEPTEMBER 30, 2024 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

Other than as disclosed below, there have been no material developments, and no circumstances have arisen after September 30, 2024, that materially or adversely affect the operations, financial condition, or profitability of our Company, the value of our assets, or our ability to meet our obligations within the next 12 months.

1. The existing non-convertible debentures issued to Piramal Trusteeship Services Private Limited amounting to ₹750.00 million and the accrued interest thereon was redeemed by our Company, for which a loan of ₹900.00 million was sanctioned by Aditya Birla Finance Limited. Of this, ₹550.00 million has been disbursed.

2. On October 25, 2024, our Company made a private placement of 4,634,151 equity shares, each with a face value of ₹1 and a premium of ₹163.00, aggregating to ₹760.00 million.

3. On February 1, 2025, our Company made a private placement of 2,899,417 equity shares, each with a face value of ₹1 and a premium of ₹224.00, aggregating to ₹652.37 million.

4. Our Company invested an additional USD 4.66 million (₹385.99 million) in our wholly owned subsidiary, ESDS Cloud FZ-LLC towards subscription of additional 56 shares of AED 1,000 each of ESDS Cloud FZ-LLC, for which ESDS Cloud FZ-LLC has filed an application seeking approval of the Dubai Development Authority for the related increase in the share capital of ESDS Cloud FZ-LLC. The application filed with the Dubai Development Authority is currently pending. The investment was made to enable the repayment of loans availed by the subsidiary from South Asia Growth Fund II, L.P., GEF ESDS Partners LLC, South Asia Growth Fund II Holdings LLC, and South Asia EBT Trust, thereby facilitating their exit.

5. On March 17, 2025, our Company made an unsecured loan to its wholly owned subsidiary, ESDS Cloud FZ-LLC, amounting to ₹399.50 million, at an interest rate of 14% per annum, repayable on demand.

6. Our Company received notices from the Department of State Goods and Services Tax under Section 73(1) of the Central Goods and Services Act, 2017 for Fiscal 2018, Fiscal 2019, and Fiscal 2020. Pursuant to the notices, the Department of State Goods and Services Tax passed assessment orders for payment of tax liability, interest and penalty amounting to ₹129.51 million. Our Company filed appeals against these assessment orders. On March 25, 2025, the GST Appellate Authority issued final orders directing our Company to pay tax liability, interest and penalty aggregating to ₹63.13 million. On March 27, 2025, our Company has paid the tax liability of ₹10.44 million and on March 29, 2025, our Company has filed applications under the "GST Amnesty Scheme", seeking waiver of the interest and penalties imposed.

CAPITALISATION STATEMENT

The following table sets forth our capitalisation as at September 30, 2024, derived from our Restated Consolidated Financial Information, 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*", "*Other Financial Information*" and "*Risk Factors*" on pages 363, 361 and 34 of this Draft Red Herring Prospectus, respectively.

(₹ in million, except ratios)

Particulars	Pre-Issue as at September 30, 2024	As adjusted for the proposed Issue*
Total Borrowings		
Current borrowings (I)	686.53	[●]
Non-current borrowings **(including current maturity of non-current borrowings and interest accrued and due on borrowings)** (II)	950.61	[●]
Total Borrowings (III=I+II)	**1,637.14**	**[●]**
Total Equity**		
Equity Share capital (IV)	92.89	[●]
Other Equity (V)	2,402.24	[●]
Non-controlling interest (VI)	0.00	[●]
Total equity (VII) = (IV+V+VI)	**2,495.14**	**[●]**
Total Capitalisation (VIII) = Total Borrowings (III) + Total Equity (VII)	**4,132.28**	**[●]**
Ratio: Current borrowings (I) / Total Equity (VII) ratio	**0.28**	**[●]**
Ratio: Non-current borrowings (II) / Total Equity (VII) ratio	**0.38**	**[●]**
Ratio: Total Borrowings (III)/ Total Equity (VII)	**0.66**	**[●]**

**The corresponding post Issue capitalization data is not determinable at this stage pending the completion of the book building process and hence such details have not been provided in the table above.*

***Post September 30, 2024:*

(i) *On October 25, 2024, our Company has allotted 4,634,151 Equity Shares of face value of ₹ 1 each at a price of ₹164 per Equity Share.*

(ii) *On February 1, 2025, our Company has allotted 2,899,417 Equity Shares of face value of ₹ 1 each at a price of ₹225 per Equity Share.*

For further details, see "Capital Structure - Notes to the Capital Structure – 1. Share capital history of our Company – (a) Equity Shares capital" on page 97.

FINANCIAL INDEBTEDNESS

We avail loans and financing facilities in the ordinary course of our business for meeting our working capital and business requirements. For details of the borrowing powers of our Board, see "*Our Management – Borrowing Powers*" on page 262. Our Company has obtained the necessary consents required under the relevant financing documentation for undertaking activities in relation to the Issue.

The details of the indebtedness of our Company (on a consolidated basis) as on February 28, 2025, is provided below:

(in ₹ million)

Category of Borrowing	Sanctioned Amount	Outstanding Amount
Secured		
Fund based		
Demand Loans	350.00	51.77*
Terms Loans	1302.40**	588.66
Non-Convertible Debentures	-	-
Total Fund based (A)	**1,652.40**	**640.43**
Non-fund based		
Letter of Credit	-	-
Bank Guarantees	635.00	461.12
Total Non-fund based (B)	**635.00**	**461.12**
Total Borrowings (C) = (A) + (B)	**2,287.40**	**1,101.55**

**The outstanding balance of the secured demand loan as on February 28, 2025 excludes the debit balance of cash credit facilities. However, the sanctioned limit of the same is considered.*
***Our Company has sanctioned term loan of ₹ 900 million from Aditya Birla Finance Limited out of which ₹ 550 million was disbursed till February 28, 2025.*
Note: As certified by our Statutory Auditors, M/s Shah Khandelwal Jain & Associates, Chartered Accountants, by way of their certificate dated March 30, 2025.

Principal terms of the borrowings availed by us as on date of this Draft Red Herring Prospectus:

The details provided below are as on date of this Draft Red Herring Prospectus indicative and there may be additional terms, conditions and requirements under the various financing documentation executed by us in relation to our indebtedness.

1. ***Interest***: The interest rate for the various facilities availed by our Company ranges from 7.50% per annum to 11.25% per annum. The interest rates for the term loan facilities availed by our Company are typically linked to the benchmark rates, such as repo rate or the marginal cost of funds based lending rate of the respective lenders plus a specified spread per annum is charged above these benchmark rates.

2. ***Penal Interest***: The terms of certain financing facilities availed by us prescribe penalties for non-compliance of certain obligations by us. These include, *inter alia,* breach of financial covenants, non-submission of annual financial statements and stock statements, diversion of funds, non-perfection of security within permitted timelines, irregularity / overdrawing in the account etc. Further, the default interest payable on the facilities availed by us, for non-compliance of obligations typically ranges from 1.00% to 18.75% per annum, over and above the applicable interest rate. Additional interest as specified by the lenders may be charged in case of continuation of the non-compliance beyond a certain period.

3. ***Pre-payment penalty:*** The terms of facilities availed by us typically have prepayment provisions which allow for pre-payment of the outstanding loan amount, including upon giving notice to the concerned lender, subject to such prepayment penalties as laid down in the facility agreements. The prepayment penalty for the facilities availed by us, where specified, typically upto 2.00% of the amount outstanding or the amount to be prepaid as specified in the agreements with lenders.

4. ***Validity/Tenor:*** The working capital term loan availed by us is available for a period of one (1) year. The term loans and overdraft facilities availed by us are typically for a tenor of one (1) year to sixty (60) months. The bank guarantees availed by us are typically for a tenor of upto sixty-six (66) months, subject to review at annual intervals or as may be decided by the bank. The tenor for the cash credit facility is 12 months.

5. ***Security:*** In terms of our secured borrowings, we are required to, *inter alia*:

   (a) create a first ranking *pari passu* charge on movable fixed assets, book debts and current assets, both present and future including patented technology and products and fixed deposits of our Company;

   (b) create a first ranking *pari passu* charge on immovable fixed assets;

   (c) create an exclusive charge over the fixed deposits;

   (d) furnish joint and several personal guarantees from our Promoters, Piyush Prakashchandra Somani, our Promoter, Komal Piyush Somani and/or Sarla Prakashchandra Somani, a member of our Promoter Group.

   There may be additional requirements for creation of security under the various borrowing arrangements entered into by us.

6. ***Repayment:*** The working capital term loan is typically repayable on demand or on their respective due dates within the maximum tenure. The term loans availed by our Company are typically repayable in structured instalments.

7. ***Key Covenants:*** Certain of our borrowing arrangements provide for covenants restricting certain corporate actions, and we are required to take the prior approval of the relevant lender before undertaking such corporate actions, such as following:

   (a) allowing a change of the name of the Issuer or change in the office address of our Company;

   (b) effecting any change of control and ownership;

   (c) effecting any change in our capital structure where the shareholding of the Promoters gets diluted below current levels or leads to dilution in controlling stake for any reason effecting any change in the management set-up;

   (d) making any amendments in the Memorandum of Association or Articles of Association;

   (e) effecting any change in the management of our Company;

   (f) attempting or purporting to alienate or creating any mortgage, charge, pledge, hypothecation or lien or encumbrance over our assets;

   (g) change its constitution / composition and / or undertake or permit any merger, de-merger, consolidation, reorganization, dissolution or reconstitution scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction or dissolution or reconstitution including creation of any subsidiary or permit any company to become its subsidiary;

   (h) repay or pay any principal or interest on any loans availed by the Company;

   (i) enter into any contract or arrangement whereby its business or operations are controlled, directly or indirectly, by another person;

   (j) declare or pay any dividend or authorise any distribution to its shareholders, unless in cases specified per the terms of the loan agreement;

   (k) invest by way of share capital or lend or advance fund to or place deposits with other concern, including sister/associate/family/subsidiary/ group concerns, with the exception of normal trade credit or security deposit in the ordinary course of business;

   (l) pledging of the shares of the Promoters to any lender;

   (m) undertake guarantee obligation on behalf of any third party or any other company; and

   (n) no further indebtedness without the prior approval of the lender.

8. ***Events of default:*** Borrowing arrangements entered into by us, contain standard events of default, including:

   (a) default in payment of interest or instalment amount due;

   (b) non-compliance of financial covenants;

   (c) any default under any other facility from any bank or financial institution ;

   (d) the occurrence of any cross default;

   (e) any change of ownership, control and/or management of the Company;

   (f) breach of security arrangements;

   (g) cessation of all or substantial part of its business;

   (h) supply of misleading information by the Company;

   (i) existence of circumstances which in the sole opinion of the lender, jeopardises its interests;

   (j) occurrence of a material adverse effect (as defined in the relevant financing document);

   (k) initiation of winding-up or liquidation proceedings of the Company, and seizure of the Company's equipment/plant machinery under any process of law; and

   (l) expropriation.

   This is an indicative list and there may be additional terms that may amount to an event of default under the various borrowing arrangements entered into by us.

9. ***Consequences of occurrence of events of default: Upon the occurrence of events of default, our lenders may:***

   (a) Accelerate the maturity of facility and declare all amounts outstanding in respect of facility due and payable immediately;

   (b) Declare all undisbursed portion of the facilities stands cancelled;

   (c) Recall advance and take any recovery action;

   (d) Enforce security or change any of the terms of sanction;

   (e) Seek to convert the debt into Equity Shares subject to certain conditions;

   (f) Impose penal interest on the principal amount; and

   (g) Appoint a nominee director on board of the Company.

The above is an indicative list and there may be additional consequences of an event of default under the various borrowing arrangements entered into by us.

SECTION VIII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

*Except as stated below there are no outstanding (i) criminal proceedings; (ii) actions by regulatory authorities and statutory authorities (including all penalties and show cause notices); (iii) claims relating to direct and indirect taxes; and (iv) other material outstanding proceedings including arbitration proceedings which have been determined to be material pursuant to the Materiality Policy), in each case involving our Company, its Promoters, Subsidiaries and Directors (collectively, "**Relevant Parties**"). There are no disciplinary actions including penalties imposed by SEBI or stock exchanges against our Promoters in the last five Fiscals, including any outstanding actions. Further, our Company does not have any Group Company as on the date of this Draft Red Herring Prospectus.*

For the purposes of above, in terms of the Materiality Policy adopted by resolution of our Board dated March 21, 2025:

any outstanding litigation / arbitration proceedings (other than as covered in points (i) to (iii) above) involving the Relevant Parties (including tax litigation mentioned in (iii) above) shall be considered "material" for the purposes of disclosure in this Draft Red Herring Prospectus, if:

(a) the monetary amount of claim/amount in dispute, to the extent quantifiable, involved in any such outstanding litigation or arbitration proceedings exceeds: a) 2% of our turnover, as per the latest annual restated consolidated financial statements of our Company; or (b) 2% of our net worth, as per the latest annual restated consolidated financial statements of our Company; except in case the arithmetic value of the net worth is negative; or (c) 5% of the average of absolute value of profit or loss after tax, as per the last three annual restated consolidated financial statements of our Company, whichever is lower. The lowest of which is the 5% of the average of absolute value of profit or loss after tax, for the last three financial years as per the restated consolidated financial information, amounting to ₹ 6.46 million; or

(b) where the monetary liability is not quantifiable or lower than the threshold specified in (a) above any outstanding litigation/arbitration proceedings, (i) where the outcome could materially and adversely affect the Company's business, prospects, operations, performance, financial position or reputation; or (ii) where the decision in one matter is likely to affect the decision in similar matters, such that the cumulative amount involved in such matters exceeds the amount as specified in (a) above, even though the amount involved in an individual matter may not exceed the amount as specified in (a) above.

(c) In the event any tax matters involve an amount exceeding the monetary threshold proposed in (a) above or fulfills any of the conditions under (b) above, in relation to the Relevant Parties, individual disclosures of such tax matters will be included.

Except as disclosed below, there are no outstanding (i) criminal proceedings involving our Key Managerial Personnel and members of Senior Management; or (ii) actions by statutory and regulatory authorities against our Key Managerial Personnel and members of Senior Management, as on the date of this Draft Red Herring Prospectus.

It is clarified that for the purposes of the above, (a) first information reports (FIRs) (whether cognizance has been taken or not) initiated against the Relevant Parties shall also be disclosed in this Draft Red Herring Prospectus; and (b) pre-litigation notices received by any of the Relevant Parties or Group Companies from third parties (excluding those notices issued by any regulatory, government, tax or statutory authorities or notices threatening criminal action) shall, unless otherwise decided by our Board, not be considered as outstanding material litigation and accordingly not be disclosed in this Draft Red Herring Prospectus until such time that Relevant Parties or Group Company, as applicable, are impleaded as defendants in litigation proceedings before any judicial or arbitral forum, tribunal or government authority.

Further, in accordance with the Materiality Policy, our Company has considered such creditors 'material' to whom the amount due is equal to or in excess of 5% of the consolidated trade payables of our Company as of the end of the most recent period covered in the Restated Consolidated Financial Information. The consolidated trade payables of our Company as on September 30, 2024, was ₹ 306.03 million. Accordingly, a creditor has been considered 'material' if the amount due to such creditor is equal to or exceeds ₹ 15.30 million as on September 30, 2024.

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus. Unless otherwise specified, the terms defined in the description of a particular legal proceeding pertains to such proceeding only.

LITIGATION INVOLVING OUR COMPANY

(a) ***Outstanding litigation proceedings against our Company***

(i) Criminal proceedings

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings against our Company.

(ii) Outstanding actions by regulatory or statutory authorities

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by statutory or regulatory authorities against our Company.

(iii) Other material pending proceedings

Except as disclosed below, there are no pending proceedings initiated against our Company, which have been considered material in accordance with the Materiality Policy:

1. Rajeev Suryaprakash Papneja, a former employee of our Company ("**Plaintiff**") filed a civil suit dated August 20, 2022 ("**Suit**") before the High Court of Bombay ("**High Court**") against our Company and Piyush Prakashchandra Somani ("**Defendants**"). The Plaintiff claimed that in 2015, the Defendants had, offered 1% share in our Company and that the Plaintiff received a certificate from one of our Promoters, Piyush Prakashchandra Somani to the effect that the Plaintiff was "the registered proprietor of 51,000 shares" ("**Shares Entitlement I**"). The Plaintiff alleged that pursuant to the subsequent sub-division of the face value of the equity shares of our Company from ₹10 each to ₹1 each in September 2021, he was entitled to 510,000 Equity Shares in our Company pursuant to his Shares Entitlement I. The Plaintiff further claimed that on August 30, 2021, pursuant to an agreement ("**ESOP Agreement**") he was granted 150,000 Equity Shares under the ESOP plan of our Company, vested at a future date ("**Shares Entitlement II**" and together with the Shares Entitlement I, "**Shares Entitlement**"). The Plaintiff alleged that since he had not received the Shares Entitlement I, he resigned from our Company.

   The Plaintiff alleged that despite several assurances, discussions and a legal notice (which was refuted by our Company), the Shares Entitlement were not given to him. The Plaintiff has in the Suit sought for the equity shares forming part of the Shares Entitlement to be transferred to him or as an alternate to: (i) the Shares Entitlement I, demanded a sum of ₹142.80 million; and (ii) the Shares Entitlement II, demanded a sum of ₹42.00 million. The Plaintiff has also filed an interim application with the High Court seeking interim/ ad interim reliefs in the nature of an injunction against the Defendants and their representatives, servants, agents and/or anyone claiming by or under them from transferring, encumbering, alienating and dealing with in any manner and/or creating any third party right or interest in respect of the Equity Shares forming part of the Shares Entitlement. The Plaintiff (through its legal counsel) had also intimated SEBI about the said Suit *vide* the SCORES platform. SEBI has acknowledged receipt of the communication, but no specific directions or actions have been communicated as on the date of this Draft Red Herring Prospectus. The Defendants filed an interim application dated April 6, 2023 ("**Application**") under Order VII Rule 10 of the Code of Civil Procedure, 1908 ("**CPC**") before the High Court on the ground of lack of jurisdiction of the High Court to try the Suit and prayed for the return of plaint. Subsequently, the Plaintiff filed a reply to the Application stating, *inter alia*, that the Application is extraneous to the scope of an application filed under Order VII Rule 10 of the CPC and sought the Application to be dismissed. The matter is currently pending.

(iv) Material tax proceedings

1. Our Company, Piyush Prakashchandra Somani our Promoter and Managing Director (collectively the "**Assessees**"), and others ("**Erstwhile Directors**") received show cause notices dated December 31, 2019 and February 10, 2022 from the Income Tax Department ("**Department**") for initiation of proceedings

for offences under Sections 276B and 276BB read with Section 278B of the Income-tax Act, 1961 ("**Offences**") for delayed remittance of tax deducted at source ("**TDS**") for the assessment years 2017-2018, 2018-2019 and 2020-2021 ("**Assessment Years**"). In response, the Assessees, *vide* letters dated July 15, 2022, addressed to the Principal Chief Commissioner of Income Tax, Pune and the Commissioner of Income Tax, TDS, Pune (together "**CIT, Pune**") and subsequently *vide* letters dated July 18, 2022, to the Assistant Commissioner of Income Tax, requested that the prosecution proceedings be kept in abeyance until the filing of a compounding application. Further, the Assessees filed compounding applications dated July 20, 2022, with the Department ("**Compounding Applications**") for compounding of the Offences for the Assessment Years and inadvertently for additional assessment years 2019-2020, 2021-2022 and 2022-2023 ("**Additional Assessment Years**"), *suo moto* without receiving a show cause notice for prosecution (the Assessment Years and Additional Assessment Years, shall collectively be referred as "**All Assessment Years**"), explaining that the delay in TDS payments was due to financial constraints and liquidity issues at the time, and that all payments were subsequently made along with interest.

Parallelly, the Department issued a notice dated July 29, 2022 ("**Notice I**"), seeking an explanation of the involvement of the directors in the Offences. Our Company submitted a response to Notice I on August 3, 2022, explaining, *inter alia*, the involvement of Piyush Prakashchandra Somani in the Offences and emphasizing that the Erstwhile Directors, were not involved in business transactions of the Company.

In order to rectify the inadvertent error by the Assessees while filing the Compounding Applications, letters dated August 18, 2022, were sent to the CIT, Pune, and subsequently to the Deputy Commissioner of Income Tax on August 22, 2022, requesting for deletion of compounding fees for Additional Assessment Years, along with a request for waiver under the compounding process for the Erstwhile Directors. Pursuant thereto, our Company received a letter dated June 20, 2024 ("**Letter I**") from the Department directing the submission of applications for compounding of the Offences for the Erstwhile Directors for All Assessment Years. Our Company sent a response to Letter I on July 15, 2024, explaining, *inter alia*, the involvement of Piyush Prakashchandra Somani for the Offences. Our Company has also sent an e-mail dated January 30, 2025, to the Department to seek support in sharing the demand intimation concerning the compounding of the Offences. The matter is currently pending.

2. Our Company received an intimation dated May 26, 2023, in Form-GST-DRC-01-A-Part-A ("**Intimation**") pursuant to an investigation visit conducted at our principal place of business on January 19, 2021. Intimation alleged that our Company fraudulently availed input tax credit ("**ITC**") from one of the suppliers, totalling to ₹ 24.79 million, for the tax period from April 2019 to March 2020 ("**F.Y. 2019-20**"). Subsequently, our Company received a show cause notice dated April 24, 2024 ("**SCN**") under section 74(1) of the Central Goods and Services Tax Act, 2017 ("**Act**") from the Department of Goods and Service Tax ("**Department**") for the alleged wrongful claim of ITC based on fraudulent invoices. Further, the Department issued a notice for rectification of the SCN on May 3, 2024 ("**Rectification Notice**"), correcting an error in penalty calculation in the SCN. The penalty, initially imposed at fifteen percent of the tax amount, was rectified to be equivalent to the tax amount, as mandated under Section 74(1) of the Act. Thus, the amount of interest and penalty were rectified to ₹ 14.90 million and ₹ 24.79 million respectively, totalling to ₹ 39.70 million. On March 27, 2024, our Company submitted a request to the Assistant Commissioner of State Tax, Nashik, seeking transfer of the case to the nodal officer, citing parallel investigations for F.Y. 2019-20, by both the Assistant Commissioner and the Deputy Commissioner of State Tax and relying on Section 6(2)(b) of Act, which prohibits multiple proceedings on the same subject matter. The matter is currently pending.

3. Our Company received intimation dated September 23, 2022, in Form-GST-DRC-01A-Part-A ("**Intimation**") pursuant to an investigation visit conducted at our principal place of business on January 19, 2020. The Intimation alleged discrepancies in taxable turnover, unbilled revenue, input tax credit ("**ITC**") claims, and non-payment of goods and services tax on certain income for the tax period from July 1, 2017 to March 31, 2018. Subsequently, our Company received a show cause notice dated April 21, 2023 ("**SCN**") under Section 73(1) of the Central Goods and Services Tax Act, 2017 ("**Act**") from Department of Goods and Service Tax ("**Department**") directing our Company to file representation in form GST DRC 01 along with evidence to support our claims for the tax period from July 1, 2017 to March 31, 2018. In response to the SCN, our Company submitted compliance with supporting documents in form GST DRC 06 on July 3, 2023. The Department *vide* an order dated July 7, 2023 ("**Order I**") under Section 73(9) of the Act, directed our Company to make a payment of unpaid tax, wrongly availed ITC, interest and penalty totalling to ₹ 32.76 million within 90 days from service of the Order I along

with Form GST DRC 07. The Order I disallowed ITC under Sections 16, 41 and 49 of the Act, the Maharashtra Goods and Services Tax Act, 2017 and Section 20 of the Integrated Goods and Services Tax Act, 2017, primarily based on purchases from a vendor and delayed payments to some of the vendors of our Company. Further, the Department determined tax liabilities related to other income and vehicle sales, identifying a differential tax liability. Our Company filed an appeal ("**Appeal**") against the Order I before the appellate authority ("**Appellate Authority**") on the ground that the ITC availed is as per the provisions of the Act and that certain tax demands were incorrectly computed. Through the Appeal, our Company prayed that the ITC be allowed, and the demand, interest and penalty be cancelled. Subsequently, the Appellate Authority passed an order dated March 25, 2025 ("**Order II**"), wherein the Appeal was partly allowed, and the Order I was modified on verification of submissions made by our Company. Pursuant to Order II, the total amount payable by our Company was reduced and the proper officer in charge of the matter was directed to recover the dues from our Company. Our Company paid the tax liability and has applied for a waiver of interest and penalty aggregating to ₹ 17.89 million under the GST Amnesty Scheme 2025. The matter is currently pending.

4. Our Company received intimation dated June 28, 2023, in Form GST-DRC-01A-Part-A ("**Intimation**") pursuant to an investigation visit conducted at our principal place of business on January 19, 2020. The Intimation alleged discrepancies in taxable turnover, unbilled revenue, input tax credit ("**ITC**") claims, and non-payment of goods and services tax on certain income for the tax period from April 1, 2018 to March 31, 2019. Subsequently, our Company received a show cause notice dated July 31, 2023 ("**SCN**") under Section 73(1) of the Central Goods and Services Tax Act, 2017 ("**Act**") from Department of Goods and Service Tax ("**Department**") directing our Company to file representation in Form GST DRC 06 along with evidence to support our claims. In response to the SCN, our Company submitted compliance with supporting documents in Form DRC 06 on August 30, 2023. The Department *vide* an order dated January 25, 2024 ("**Order I**") directed our Company to make a payment of unpaid tax, wrongly availed input tax credit ("**ITC**"), interest and penalty totalling to ₹ 11.56 million within 90 days from service of the Order I, along with form GST DRC 07. The Order I disallowed ITC under Sections 16, 41 and 49 of the Act, the Maharashtra Goods and Services Tax Act, 2017 and Section 20 of the Integrated Goods and Services Tax Act, 2017, primarily based on purchases from one of the vendors of our Company. In this regard, our Company filed an appeal dated May 15, 2024 ("**Appeal**") against the Order I before the appellate authority on the ground that the ITC availed is as per the provisions of the Act and that certain tax demands were incorrectly computed. Through the Appeal, our Company prayed that the ITC be allowed, and the demand, interest and penalty be cancelled. Subsequently, the Appellate Authority passed an order dated March 25, 2025 ("**Order II**"), wherein the Appeal was partly allowed, and the Order I was modified on verification of submissions made by our Company. Pursuant to Order II, the total amount payable by our Company was reduced and the proper officer in charge of the matter was directed to recover the dues from our Company. Our Company paid the tax liability and has applied for a waiver of interest and penalty aggregating to ₹ 9.23 million under the GST Amnesty Scheme 2025. The matter is currently pending.

5. Our Company received a notice dated January 13, 2023 in Form GST ADT – 01 from Department of State Goods and Services Tax ("**Department**") directing our Company to furnish the required books of account and records for the financial year 2019-2020 ("**Audit Proceedings**"). Our Company submitted a request to the Assistant Commissioner of State Tax, Nashik, seeking transfer of the Audit Proceedings to the nodal officer conducting the Audit Proceedings, citing parallel investigations for financial year 2019-2020, by both the Assistant Commissioner and the Deputy Commissioner of State Tax and relying on Section 6(2)(b) of the Central Goods and Services Tax Act, 2017 ("**Act**"), which prohibits multiple proceedings on the same subject matter. Subsequently, our Company received an audit report in Form GST ADT – 02 dated May 9, 2024 wherein our Company was informed that the audit proceedings were completed under Section 65(6) of the Maharashtra Goods and Services Tax Act, 2017, read with Section 6 of the Act and Sections 4 and 20 of the Integrated Goods and Service Tax Act, 2017 and further stating the tax liability. Subsequently, the Department issued a show cause notice ("**SCN**") dated May 28, 2024, under Section 73(1) of the Act, stating, *inter alia*, (i) non-reversal of input tax credit ("**ITC**"); (ii) wrongful claim of ITC and (iii) generation of e-way bill without an issue of supply invoice and non-payment of the GST on other income by our Company. Pursuant to the SCN our Company was directed to file or cause to be filed representation in Form GST DRC 06. In response to the SCN, our Company submitted compliance with supporting documents and filed form DRC-06 on July 9, 2024. Pursuant thereto, the Department passed an order dated August 8, 2024 ("**Order I**") against our Company, directing our Company to a make payment of ₹ 82.91 million. Our Company filed an appeal dated November 6, 2024 against the Order I praying, *inter alia*, that the ITC be allowed and the demand,

interest and penalty be cancelled. Subsequently, the Appellate Authority passed an order dated March 25, 2025 ("**Order II**"), wherein the Appeal was partly allowed, and the Order I was modified on verification of submissions made by our Company. Pursuant to Order II, the total amount payable by our Company was reduced and the proper officer in charge of the matter was directed to recover the dues from our Company. Our Company paid the tax liability and has applied for a waiver of interest and penalty aggregating to ₹ 27.56 million under the GST Amnesty Scheme 2025. The matter is currently pending.

6. Our Company received a notice dated November 21, 2023 in Form GST ADT – 01 from Department of State Goods and Services Tax ("**Department**") directing our Company to furnish the required books of account and records for the financial year 2020-2021 ("**Audit Proceedings**"). The Audit Proceedings were completed under Section 65(6) of the Maharashtra Goods and Services Tax Act, 2017 ("**MGST Act**"), read with Rule 101(5) of the Maharashtra Goods and Services Tax Rules, 2017. Subsequently, our Company received a show cause notice dated November 27, 2024 ("**SCN**") in GST Form–DRC-01 under Section 73(1) of the Central Goods and Services Tax Act, 2017 ("**CGST Act**") and MGST Act, Section 20 of the Integrated Goods and Service Tax Act, 2017 ("**IGST Act**") and Sections 9 and 11 of the GST (Compensation to States) Act, 2017 ("**GST CTS Act**"), from the Department for various discrepancies identified during the audit for the tax period from April 1, 2020, to March 31, 2021. The SCN alleged, *inter alia*, (i) wrongful availment of input tax credit ("**ITC**"), including excess and ineligible claims; (ii) non-reversal of ITC related to payments not made within 180 days and (iii) generation of e-way bills without issuance of corresponding supply invoices; and (iv) discrepancies related to exempt and nil-rated supplies. In response to the SCN, our Company submitted its reply with supporting documents on December 13, 2024 and January 14, 2025. The Department, after verifying the compliance and supporting documents, issued an order dated February 28, 2025 ("**Order**") in Form GST-DRC-07 under Section 73(9) of the MGST Act and CGST Act, Section 20 of the IGST Act and Sections 9 and 11 of the GST CTS Act, determining our Company's total tax liability at ₹ 25.16 million, interest at ₹ 19.02 million and a penalty of ₹ 2.69 million, aggregating to ₹ 46.88 million, payable within 90 days from the date of communication of the Order. The matter is currently pending.

(b) ***Outstanding litigation proceedings by our Company***

(i) Criminal proceedings

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings initiated by our Company.

(ii) Other material pending proceedings

Except as disclosed below, there are no other pending proceedings initiated by our Company, which have been considered material in accordance with the Materiality Policy:

1. Rigved Technologies Private Limited ("**Corporate Debtor**") entered into an agreement with the Securities and Exchange Board of India ("**SEBI**") for supply annual maintenance contract services to SEBI related to the annual maintenance of SEBI's integrated market surveillance system, data warehouses and business intelligence systems ("**Project**"). The Corporate Debtor approached our Company for providing its services in relation to the Project. The Corporate Debtor assured that payments for our services would be made on a back-to-back basis, contingent on its receipt of corresponding payments from SEBI. Our Company rendered services to the Corporate Debtor based on purchase orders issued in 2019 raising invoices totalling ₹14.47 million (exclusive of taxes), as agreed under the terms of the arrangement. The Corporate Debtor completed the Project with SEBI in July 2022, received full payment, including the payment related to services rendered by our Company, but did not make the payment to our Company. Pursuant thereto, a demand notice dated November 8, 2023 ("**Demand Notice**") under Section 8 of the Insolvency and Bankruptcy Code, 2016 ("**IBC, 2016**") was issued by our Company claiming the due amount of ₹ 14.47 million along with an accumulated interest of ₹ 13.41 million, bringing the total amount due to ₹ 27.89 million. The Corporate Debtor did not pay the admitted debt and sent a reply to the Demand Notice on November 29, 2023, denying liability and alleging deficiency in our services. As a result, our Company filed a petition ("**Petition**") against the Corporate Debtor under Section 9 of the IBC, 2016 before the National Company Law Tribunal, Mumbai Bench for initiation of corporate insolvency resolution proceedings against the Corporate Debtor for the default in payment. The Corporate Debtor filed a written statement in response to the Petition denying our claims and alleging that our Company failed to provide the agreed services to the Corporate Debtor and

claimed damages amounting to ₹ 51.40 million due to additional costs, interest on borrowed funds, and penalties incurred to rectify issues allegedly caused by our Company. The matter is currently pending.

LITIGATION INVOLVING OUR SUBSIDIARIES

(a) Outstanding litigation proceedings against our Subsidiaries

(i) *Criminal proceedings*

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings initiated against our Subsidiaries.

(ii) *Actions by statutory or regulatory authorities*

As on the date of this Draft Red Herring Prospectus, there are no pending actions initiated by any statutory or regulatory authority against our Subsidiaries.

(iii) *Other material pending proceedings*

As on the date of this Draft Red Herring Prospectus, there are no pending proceedings initiated against our Subsidiaries, which have been considered material in accordance with the Materiality Policy.

(iv) *Material tax proceedings*

As on the date of this Draft Red Herring Prospectus, there are no pending tax proceedings initiated against our Subsidiaries, which have been considered material in accordance with the Materiality Policy.

(b) Outstanding litigation proceedings initiated by our Subsidiaries

(i) *Criminal proceedings*

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings initiated by our Subsidiaries.

(ii) *Other material pending proceedings*

As on the date of this Draft Red Herring Prospectus, there are no pending proceedings initiated by our Subsidiaries, which have been considered material in accordance with the Materiality Policy.

LITIGATION INVOLVING OUR DIRECTORS

(a) Outstanding litigation proceedings against Directors

(i) *Criminal proceedings against our Directors*

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings against our Directors.

(ii) *Actions by statutory or regulatory authorities*

As on the date of this Draft Red Herring Prospectus, there are no pending actions initiated by any statutory or regulatory authority against our Directors.

(iii) *Other material pending proceedings*

Except as disclosed in the proceedings initiated against our Company and Piyush Prakashchandra Somani by Rajeev Suryaprakash Papneja, in "*Outstanding litigation proceedings against our Company – Other material pending proceedings*" on page 406, there are no proceedings pending against our Directors, which have been considered material in accordance with the Materiality Policy.

(iv) *Material tax proceedings*

Except as disclosed in the proceedings initiated against our Company, Piyush Prakashchandra Somani and others, in "*Outstanding litigation proceedings against our Company – Material tax proceedings*" on page 406, there are no pending tax proceedings initiated against any of our Directors, which have been considered material in accordance with the Materiality Policy.

(b) Outstanding litigation proceedings by our Directors

(i) *Criminal proceedings*

Except as disclosed below, there are no pending criminal proceedings initiated by any of our Directors, as on the date of this Draft Red Herring Prospectus:

1. Jitendra Pathak filed a first information report no. 793/2018 dated July 7, 2018 ("**FIR**") against Sandeep Dashrath Shukla ("**Accused I**"), Mamta Sandeep Shukla and Dashrath Nath Shukla (collectively, the "**Accused**") at Pune, Hadapsar Police Station under Sections 406, 420, 467, 468, 471 read with Section 34 of the Indian Penal Code, 1860. The FIR stated, *inter alia*, that the Accused who were carrying on the business of investments in real estate and trading in share market through Rudra Financial Services and Research Centre had committed a financial fraud wherein Jitendra Pathak had invested ₹ 2.15 million, on the assurance that he will get certain monthly interest for the amount invested. However, on demanding the interest amount, Accused I ignored to pay, stating various reasons and then went absconding and was not traceable at his residence and office. The matter is currently pending.

(ii) *Other material pending proceedings*

As on the date of this Draft Red Herring Prospectus, there are no pending proceedings initiated by any of our Directors, which have been considered material in accordance with the Materiality Policy.

LITIGATION INVOLVING OUR PROMOTERS

(a) Outstanding litigation proceedings against our Promoters

(i) *Criminal proceedings*

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings against our Promoters.

(ii) *Actions by statutory or regulatory authorities*

As on the date of this Draft Red Herring Prospectus, there are no pending actions initiated by any statutory or regulatory authority against our Promoters.

(iii) *Other material pending proceedings*

Except as disclosed in the proceedings initiated against our Company and Piyush Prakashchandra Somani by Rajeev Suryaprakash Papneja, at "*Outstanding litigation proceedings against our Company – Other material pending proceedings*" on page 406, there are no pending proceedings initiated against our Promoters, which have been considered material in accordance with the Materiality Policy.

(iii) *Material tax proceedings*

Except as disclosed in the proceedings initiated against our Company, Piyush Prakashchandra Somani and others, in "*Outstanding litigation proceedings against our Company – Material tax proceedings*" on page 406, there are no pending tax proceedings initiated against any of our Promoters, which have been considered material in accordance with the Materiality Policy.

(iv) *Disciplinary action taken against our Promoters in the five fiscals preceding the date of this Draft Red Herring Prospectus by SEBI or any stock exchange*

Nil

(b) ***Outstanding litigation proceedings by our Promoters***

(i) *Criminal proceedings*

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings initiated by our Promoters.

(ii) *Other material pending proceedings*

As on the date of this Draft Red Herring Prospectus, there are no pending proceedings initiated by our Promoters, which have been considered material in accordance with the Materiality Policy.

LITIGATION INVOLVING OUR KEY MANAGERIAL PERSONNEL

(a) ***Outstanding litigation proceedings against our Key Managerial Personnel***

(i) *Criminal proceedings*

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings initiated against our Key Managerial Personnel.

(ii) *Actions by statutory or regulatory authorities*

As on the date of this Draft Red Herring Prospectus, there are no pending actions initiated by any statutory or regulatory authority against our Key Managerial Personnel.

(b) ***Outstanding litigation proceedings by our Key Managerial Personnel***

(i) *Criminal proceedings*

Except the first information report filed by Jitendra Pathak, as disclosed in *"- Outstanding litigation proceedings by our Directors – Criminal proceedings"* on page 411, there are no pending criminal proceedings by our Key Managerial Personnel.

LITIGATION INVOLVING OUR SENIOR MANAGEMENT

(a) ***Outstanding litigation proceedings against our Senior Management***

(i) *Criminal proceedings*

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings against our Senior Management.

(ii) *Actions by statutory or regulatory authorities*

As on the date of this Draft Red Herring Prospectus, there are no pending actions initiated by any statutory or regulatory authority against our Senior Management.

(b) ***Outstanding litigation proceedings by our Senior Management***

(i) *Criminal proceedings*

Except the first information report filed by Jitendra Pathak, as disclosed in "- *Outstanding litigation proceedings by our Directors – Criminal proceedings*" on page 411, there are no pending criminal proceedings by our Senior Management.

TAX PROCEEDINGS

Except as disclosed below, there are no claims relating to direct and indirect taxes involving our Company, Subsidiaries, Promoters and Directors as on the date of this Draft Red Herring Prospectus:

Nature of case	Number of cases(1)	Amount involved (₹ million)(1)*
Our Company		
Direct tax	1	Not quantifiable
Indirect tax	10	165.41
Subsidiaries		
Direct tax	Nil	Nil
Indirect tax	Nil	Nil
Promoters		
Direct tax	1	Not quantifiable
Indirect tax	Nil	Nil
Directors		
Direct tax	1	Not quantifiable
Indirect tax	Nil	Nil

(1)As certified by our Statutory Auditors, M/s Shah Khandelwal Jain & Associates, Chartered Accountants, by way of their certificate dated March 30, 2025.
**To the extent quantifiable.*

OUTSTANDING DUES TO CREDITORS

Further, in accordance with the Materiality Policy, our Company has considered such creditors 'material' to whom the amount due is equal to or in excess of five percent of the consolidated trade payables of our Company as of the end of the most recent financial period covered in the Restated Consolidated Financial Information, *i.e.*, ₹ 15.30 million (5% of ₹ 306.03 million) as of September 30, 2024 ("**Material Creditors**").

The details of the total outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), Material Creditors and other creditors as on September 30, 2024 is as set forth below:

Particulars	Number of creditors(1)	Amount involved (₹ in million)
Dues to micro, small and medium enterprises*	61	36.15
Dues to Material Creditor(s)	6	188.22
Dues to other creditors**	190	81.66
Total	**257**	**306.03**

(1)As certified by our Statutory Auditors, M/s Shah Khandelwal Jain & Associates, Chartered Accountants, by way of their certificate dated March 30, 2025.
**This does not include MSME Creditors, which has been included as a "Material Creditor".*
***Trade Payables as per the Restated Consolidated Financial Information as on September 30, 2024, include certain provision for expenses for an aggregate amount of ₹ 64.91 million, which may or may not be directly attributable to a specific creditor. However, we have not considered the said creditor to compute its eligibility to become a material creditor and in total amount outstanding to creditors.*

As of September 30, 2024, there are 6 Material Creditors towards whom our Company has overdues amounting to ₹ 170.38 million. For details of outstanding dues to the Material Creditors (referenced above) as on September 30, 2024, (along with the names and amounts involved for each such Material Creditor), see www.esds.co.in/investor-relations/material-creditors.

It is clarified that information provided on the website of our Company is not a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website would be doing so at their own risk.

Other confirmation

There are no findings or observations of any of the inspections by SEBI, Stock Exchanges, or any other regulatory authority in India against our Company, which are material and which needs to be disclosed, or non-disclosure of which may have a bearing on the investment decision of prospective investors in the Issue.

MATERIAL DEVELOPMENTS

Other than as stated in "*Management's Discussion and Analysis of Financial Condition and Results Of Operations - Significant Developments after September 30, 2024 that may affect our Future Results of Operations*" on page 399, no circumstances have arisen since September 30, 2024 i.e., the date of the last Restated Consolidated Financial Information disclosed in this Draft Red Herring Prospectus, which may materially and adversely affect, or are likely to affect our trading or profitability, the value of our assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

*Set out below is an indicative list of consents, licenses, registrations, permissions and approvals obtained by our Company and our Material Subsidiary from the relevant governmental, statutory and regulatory authorities, under various acts, regulations and rules, which are considered material and necessary for the purpose of undertaking our business activities and operations ("**Material Approvals**") and except as disclosed herein, all consents, licenses, registrations, permissions and approvals have been obtained by our Company and Material Subsidiary from the relevant governmental, statutory and regulatory authorities which are considered material and necessary for the purpose of undertaking our business activities and operations of our Company and Material Subsidiary. In the event any of the approvals and licenses that are required for our business operations expire in the ordinary course, we make applications for their renewal, in accordance with applicable procedures and requirements, from time to time. For details in connection with the regulatory and legal framework within which our Company operates, see "Key Regulations and Policies in India" on page 239.*

For Issue related approvals obtained by our Company, see "Other Regulatory and Statutory Disclosures" on page 419. For details in relation to the risk associated with a delay in obtaining or not obtaining the requisite approvals and licenses, see "Risk Factors – 44. We are required to maintain certain approvals or licenses required in the ordinary course of business and the failure to obtain them in a timely manner or at all may adversely affect our operations." on page 68.

I. Incorporation details of our Company and Material Subsidiary

(a) Our Company

1. Certificate of incorporation dated August 18, 2005, issued by the Registrar of Companies, Maharashtra at Mumbai to our Company, under the name of 'ESDS Software Private Limited'.

2. Certificate of incorporation dated July 8, 2021 issued by the Registrar of Companies, Maharashtra at Mumbai to our Company, pursuant to conversion from a private limited company to a public limited company and change of our name to 'ESDS Software Solution Limited'.

3. The corporate identity number of our Company is U72200MH2005PLC155433.

(b) Our Material Subsidiary – ESDS Cloud FZ-LLC

1. Commercial license dated May 29, 2024, issued by the Dubai Development Authority, Government of Dubai, to our Material Subsidiary for the purposes of conducting information technology services.

2. Certificate of incorporation dated May 29, 2019, issued by the Dubai Development Authority, Government of Dubai, to our Material Subsidiary, under the name of 'ESDS Cloud FZ-LLC'.

For further details in relation to incorporation of our Company, see *"History and Certain Corporate Matters"* on page 246 and further details in relation to incorporation of our Material Subsidiary, see *"Our Subsidiaries"* on page 253.

II. Material Approvals in relation to our Company

(a) Business and data centre related approvals of our Company

1. Certificate of Importer-Exporter Code issued by the Directorate General of Foreign Trade, Ministry of Commerce and Industry, Government of India.

2. Certificate of IT Registration issued by the Joint Director of Industries, Nashik Region, Nashik, Directorate of Industries, Government of Maharashtra, with respect to our website services.

3. Certificate issued by the Ministry of Electronics and Information Technology, Government of India for empanelment of cloud service offerings.

4. Certificates issued by the International Organization for Standardization for provisioning of data centre & turnkey solutions, co-location, infrastructure as service, web hosting & development, core banking solutions, cloud computing and IT enabled services.

5. Certificate of conformance constructed facility with TIA-942-B (Rated 3) rating for architecture, telecom, electrical and mechanical scope issued by EPI Certification Pte Ltd.

6. Building completion cum occupancy certificates issued by the Maharashtra Industrial Development Corporation in respect of the Nashik Data Centre, the occupancy certificate issued by the Electronics City Industrial Township Authority (Bengaluru) in respect of the Bengaluru Data Centre and the occupancy certificate issued by the Punjab Information and Communication Technology Corporation Limited in respect of the Mohali Data Centre.

7. Final No Objection Certificates with respect to firefighting arrangements issued by: (i) the Maharashtra Industrial Development Corporation to our Company with respect to our Registered Office (including the Nashik Data Centre); (ii) the Karnataka State Fire and Emergency Services to the lessor of the premises where the Bengaluru Data Centre is located; and (iii) Directorate of Punjab Fire and Emergency Services to the lessor of the premises where the Mohali Data Centre is located.

8. Consent to establish and operate issued by the Maharashtra Pollution Control Board for our Airoli Data Centre and Nashik Data Centres (i) under the Water (Prevention and Control of Pollution) Act, 1974; (ii) under the Air (Prevention and Control of Pollution) Act, 1981; and (c) under the Hazardous & Other Wastes (Management and Transboundary Movement) Rules, 2016.

9. Combined consent for (i) discharge of effluents under the Water (Prevention and Control of Pollution) Act, 1974; and (ii) emission under the Air (Prevention and Control of Pollution) Act, 1981 issued by the Karnataka State Pollution Control Board for our Bengaluru Data Centre to operate (i) under the Water (Prevention and Control of Pollution) Act, 1974; and (ii) under the Air (Prevention and Control of Pollution) Act, 1981.

10. Consent for discharge of emissions under the Air (Prevention and Control of Pollution) Act, 1981 issued by the Karnataka State Pollution Control Board for our Bengaluru Data Centre.

11. Approvals for energizing electrical installation issued by the Central Electricity Authority, Regional Inspectorial Organisation with respect to at the Bengaluru Data Centre and by the Office of the Superintending Engineer, Maharashtra State Electricity Distribution Co. Ltd. for the Nashik Data Centre.

12. Registrations of generating sets issued by the Government of Maharashtra, office of the Chief Engineer, Public Works Department with respect to our Registered Office and the Nashik Data Centre.

(b) Labour/employment related approvals of our Company

1. Certificates of registration as a commercial establishment issued by the Department of Labour under the shops and establishment legislations applicable in the states in which our Registered Office, Corporate Office and Data Centres are located.

2. Registration for employees' provident fund issued by the Employees' Provident Fund Organization under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

3. Registration for employees' insurance issued by the Employees State Insurance Corporation under the Employees' State Insurance Act, 1948.

(c) Tax related approvals of our Company

1. Permanent account number issued by the Income Tax Department, GoI under the Income-tax Act, 1961.

2. Tax deduction account number issued by the Income Tax Department, GoI under the Income-tax Act, 1961.

3. Goods and services tax registration certificates in the states of Karnataka, Madhya Pradesh, Maharashtra, New Delhi and Punjab.

4. Professional tax registrations under the relevant State Tax on Professions, Trades Callings and Employments Acts, in the states of Maharashtra and Karnataka.

III. Material Approvals in relation to our Material Subsidiary

As of the date of this Draft Red Herring Prospectus, there are no external approvals required for our Material Subsidiary to conduct its business operations.

IV. Material registrations in relation to our Material Subsidiary

(a) Employment related registrations of our Material Subsidiary

1. Establishment Card dated August 29, 2024, issued by General Directorate of Residency and Foreigners Affairs – Dubai Federal Authority for Identity, Citizenship, Customs & Port Security, Dubai Development Authority, to our Material Subsidiary.

(b) Tax related registrations of our Material Subsidiary

1. Certificate of registration for value added tax issued on December 29, 2021.

2. ESDS Cloud FZ-LLC Certificate of Registration for Corporate Tax in the United Arab Emirates dated September 30, 2024.

V. Material Approvals or registrations which have expired and for which renewal applications have been made by our Company and Material Subsidiary*:*

Nil

VI. Material Approvals or registrations which have expired and for which renewal applications are yet to be made by our Company and Material Subsidiary:

Nil

VII. Material Approvals or registrations which are required and applied for by our Company and Material Subsidiary, but not yet received:

S. No.	Nature of Material Approval	Issuing authority	Date of application
Our Company			
1.	Professional tax registrations under the Punjab State Development Tax Act, 2018 for our Mohali Data Centre	Department of Excise and Taxation, Government of Punjab	March 4, 2025

VIII. Material Approvals or registrations which are required but not yet applied by our Company and Material Subsidiary:

Nil

IX. Intellectual property rights

For details on our intellectual property, see "*Our Business - Intellectual Property*" on page 232. For risks associated with our intellectual property, see "*Risk Factors – 21. We may be unable to protect our intellectual property adequately, which could harm our business, financial condition, results of operations and cash flows.*" on page 52.

GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term "group companies" includes (i) such companies (other than promoter(s) and subsidiary(ies)) with which the relevant issuer company had related party transactions in accordance with Ind AS 24, during the period for which financial information is disclosed in the relevant issue documents, as covered under applicable accounting standards, and (ii) any other companies considered material by the board of directors of the relevant issuer company.

Accordingly, in respect of point no. (i) above, all such companies (other than the Subsidiaries*) with which the Company had related party transactions during the period covered in the Restated Consolidated Financial Information included in the Issue Documents, shall be considered as 'Group Companies', in accordance with the SEBI ICDR Regulations.

In addition, pursuant to the Materiality Policy, for the purposes of point no. (ii) above, a company (other than the Subsidiaries and the companies covered under point no. (i) above) shall be considered 'material' and will be disclosed as a "group company" in the Issue Documents, if such a company is: a member of the Promoter Group (other than the Corporate Promoters) in accordance with Regulation 2(1)(pp) of the SEBI ICDR Regulations, with which the Company has entered into one or more transactions during the last completed fiscal or relevant stub period, as applicable, and such transactions, individually or cumulatively, in value exceeds 10% of the total restated consolidated revenue from operations of the Company for the most recent fiscal or stub period, as the case may be.

Accordingly, based on the above, our Company does not have any group company, as on the date of this Draft Red Herring Prospectus.

******ESDS Internet Services Private Limited ("**ESDS Internet**") was a subsidiary of our Company until August 29, 2024. However, on August 29, 2024, the Company has sold its stake in ESDS Internet and ESDS Internet has accordingly ceased to be a subsidiary of our Company. We have had related party transactions during Fiscals 2024, 2023 and 2022 and the six months ended September 30, 2024, with ESDS Internet, while it was a subsidiary of our Company. However, given such related party transactions were undertaken while ESDS Internet was a subsidiary of our Company and since no related party transaction took place between ESDS Internet and our Company after it ceased to be our subsidiary, we have not considered ESDS Internet as a "group company" in this Draft Red Herring Prospectus.*

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue has been authorised by our Board pursuant to a resolution passed at its meeting held on December 20, 2024 and by our Shareholders pursuant to a special resolution passed at their meeting held on January 25, 2025 in terms of Section 62(1)(c) of the Companies Act.

For details, see "*The Issue*" on page 80.

Our Board has approved this Draft Red Herring Prospectus pursuant to a resolution dated March 30, 2025.

In-principle listing approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Prohibition by SEBI or other Governmental Authorities

Our Company, Subsidiaries, Promoters, members of our Promoter Group, Directors, and the persons in control of our Company are not prohibited from accessing the capital markets and are not debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/court.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoters, the members of the Promoter Group, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

Directors associated with the Securities Market

As on the date of this Draft Red Herring Prospectus, none of the Directors are, in any manner, associated with the securities market. There are no outstanding action(s) initiated by SEBI against the Directors of our Company in the five years preceding the date of this Draft Red Herring Prospectus.

Eligibility for the Issue

We are an unlisted company that does not satisfy the conditions specified in Regulation 6(1)(b) of the SEBI ICDR Regulations and are therefore required to meet the conditions as detailed under Regulation 6(2) of the SEBI ICDR Regulations which states the following:

"An issuer not satisfying the condition stipulated in sub-regulation (1) shall be eligible to make an initial public offer only if the issue is made through the book-building process and the issuer undertakes to allot at least seventy five percent of the offer to qualified institutional buyers and to refund the full subscription money if it fails to do so."

Our Company's net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets, operating profits and net worth, derived from the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus as at, for the last three Fiscals ended March 31, 2024, 2023 and 2022 are set forth below:

(*₹ in million, unless otherwise stated*)

Particulars	As at and for the Fiscals ended March 31,		
	2024	2023	2022
Restated net tangible assets(1)	2,217.34	1,991.81	1,888.19
Restated monetary assets(2)	521.98	448.76	350.60
Monetary assets, as a percentage of net tangible assets, as restated	23.54%	22.53%	18.57%
Operating profit/ (loss), as restated(3)	493.29	(16.71)	157.54
Net worth, as restated(4)	2,063.56	1,953.41	1,953.85

[1] *Net tangible assets' means the sum of all net assets of the Company excluding intangible assets as defined in Indian Accounting Standard (Ind AS) 38 issued by the Institute of Chartered Accountants of India.*
[2] *Monetary assets have been calculated as a sum of cash on hand, balances with banks and term deposits with maturity less than 3 months and term deposits with maturity less than 12 months.*
[3] *'Operating Profit' has been calculated by excluding other income from and adding finance costs and exceptional items to profit/(loss) before tax.*
[4] *Net worth has been calculated as the aggregate value of the paid-up share capital and all reserves created out of the profits and 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 audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation, share based payment reserve, capital redemption reserve and debenture redemption reserve. Net Worth represents equity attributable to the owners of the Company and does not include amount attributable to non-controlling interest.*

We are therefore required to allocate not less than 75% of the Issue to QIBs to meet the conditions as detailed under Regulation 6(2) of the SEBI ICDR Regulations. Further, not more than 15% of the Issue shall be available for allocation to Non-Institutional Bidders of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with a Bid size of more than ₹ 0.20 million and up to ₹ 1.00 million and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with a Bid size of more than ₹ 1.00 million and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion. Further, not more than 10% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

In the event that we fail to do so, the Bid Amount received by our Company shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations and other applicable law.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Issue shall be not less than 1,000 failing which the Bid Amounts received by our Company shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations and applicable law.

Our Company confirms that it is not ineligible to make the Issue in terms of Regulation 5 and Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 5 and Regulation 7(1) of the SEBI ICDR Regulations are as follows:

(a) None of our Company, our Promoters, members of our Promoter Group or our Directors are debarred from accessing the capital markets by SEBI.

(b) None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by SEBI.

(c) None of our Company, our Promoters or Directors is a Wilful Defaulter or Fraudulent Borrower.

(d) None of our Promoters or Directors has been declared a Fugitive Economic Offender.

(e) As on the date of this Draft Red Herring Prospectus, except for options granted pursuant to ESOP 2021 and ESOP 2024, there are no outstanding convertible securities, warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares. For further information on the ESOP 2021 and ESOP 2024, see *"Capital Structure – Employee stock option plans"* on page 113.

(f) Our Company along with Registrar to the Issue has entered into tripartite agreements dated August 6, 2021 and August 3, 2021 with NSDL and CDSL, respectively, for dematerialization of the Equity Shares.

(g) The Equity Shares of our Company held by the Promoters are in the dematerialised form; and

(h) All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus.

Further. our Company will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable. In case of any delay in unblocking the ASBA Accounts within the prescribed timeline under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BRLMS, DAM CAPITAL ADVISORS LIMITED AND SYSTEMATIX CORPORATE SERVICES LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BRLMS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MARCH 30, 2025, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLMS, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to the Issue will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Issue will be complied with at the time of filing of the Prospectus with the RoC in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act, 2013.

Disclaimer from our Company, our Promoters, our Directors and the BRLMs

Our Company, our Promoters, Directors and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.esds.co.in or the respective websites of our Promoter Group or any affiliate of our Company, would be doing so at his or her own risk.

The BRLMs accepts no responsibility, save to the limited extent as provided in the Issue Agreement and as will be provided for in the Underwriting Agreement to be entered into between the Underwriters and our Company.

All information, to the extent required in relation to the Issue, shall be made available by our Company and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding centres or elsewhere.

Prospective investors who Bid in the Issue will be required to confirm and will be deemed to have represented to our Company, Underwriters, BRLMs and their respective directors, partners, designated partners, trustees, officers, employees, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, Underwriters, and their respective directors, partners, designated partners, trustees, officers, agents, affiliates, employees and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Subsidiaries, our Promoters, members of the Promoter Group and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, our Subsidiaries, our Promoters, members of the Promoter Group and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation. As used herein, the term 'affiliate' means any person or entity that controls or is controlled by or is under common control with another person or entity.

Disclaimer in respect of Jurisdiction

Any dispute arising out of the Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

Bidders eligible under Indian law to participate in the Issue

The Issue is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, as amended, including Indian nationals resident in India, HUFs, companies, other corporate bodies, and societies registered under the applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds, registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), NBFC-SI or trusts under applicable trust law and who are authorised under their respective constitutions to hold and invest in equity shares, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, provident funds (subject to applicable law) and pension funds with minimum corpus of ₹ 250 million registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, National Investment Fund set up by the GoI through resolution F. No.2/3/2005-DD-II dated November 23, 2005, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI) and permitted Non-Residents including FPIs and Eligible NRIs, AIFs, and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

Bidders are advised to ensure that any Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Certain persons outside India are restricted from participating in the Issue. For details, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 460.

Selling restrictions and transfer restrictions

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Issue in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Issue will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Issue, which comprises the Red Herring Prospectus and the preliminary international wrap for the Issue, if the recipient is outside India. **No person outside India is eligible to Bid for Equity Shares in the Issue unless that person has received the preliminary offering memorandum for the Issue, which contains the selling restrictions for the Issue outside India.**

The Equity Shares offered in the Issue have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**").

Each purchaser of the Equity Shares in the Issue who does not receive a copy of the preliminary offering memorandum shall be deemed to represent and warrant to and agree with our Company and the Members of the Syndicate as follows:

- It was outside the United States (as defined in Regulation S) at the time the offer of the Equity Shares was made to it and it was outside the United States (as defined in Regulation S) when its buy order for the Equity Shares was originated.
- It did not purchase the Equity Shares as a result of any “directed selling efforts” (as defined in Regulation S).
- It bought the Equity Shares for investment purposes and not with a view to the distribution thereof. If in the future it decides to resell or otherwise transfer any of the Equity Shares, it agrees that it will not offer, sell or otherwise transfer the Equity Shares except in a transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration under the U.S. Securities Act.
- It will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares, other than in accordance with applicable laws.
- If it acquired any of the Equity Shares as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and that it has full power to make the foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.
- If it acquired any of the Equity Shares for one or more managed accounts, that it was authorized in writing by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to “it” to include such accounts.
- It agrees to indemnify and hold the Company and the Members of the Syndicate harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.
- It acknowledges that our Company and the Members of the Syndicate and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Listing

The Equity Shares issued through the Red Herring Prospectus and the Prospectus are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares.

[●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within three Working Days from the Bid/ Issue Closing Date or such period as may be prescribed by SEBI. If our Company does not allot Equity Shares pursuant to the Issue within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period or such other rate prescribed by SEBI.

Consents

Consents in writing of (a) each of our Directors, our Company Secretary and Compliance Officer, Statutory Auditors, legal counsel to the Company as to Indian law, the BRLMs, Nexdigm, NBN Auditing of Accounts, Chartered Accountants, the Registrar to the Issue, bankers to our Company and lenders to our Company (wherever applicable), in their respective capacities, have been obtained and such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus; and (b) the Syndicate Members, Monitoring Agency, Sponsor Banks, Escrow Collection Bank(s), Public Issue Account Bank(s) and Refund Bank(s) to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under Section 26 and 32 of the Companies Act.

Expert

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

Our Company has received written consent dated March 30, 2025 from M/s Shah Khandelwal Jain & Associates, Chartered Accountants, our Statutory Auditors, holding a valid peer review certificate from ICAI, to include their name as required under Section 26 of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an 'expert' as defined under Section 2(38) of Companies Act, 2013 in respect of the: (i) their examination report dated March 13, 2025 on the Restated Consolidated Financial Information; and (ii) the statement of possible special tax benefits available to our Company and Shareholders dated March 30, 2025 included in this Draft Red Herring Prospectus (iii) certificates issued by them in connection with the Issue. Such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Our Company has received written consent from NBN Auditing of Accounts, Chartered Accountants, to include their name as required under section 26 of the Companies Act, 2013 in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 in respect of their report dated March 26, 2025 on the statement of special tax benefits available to ESDS Cloud FZ-LLC, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Consent dated March 30, 2025 from Apt Data Center Consultants India LLP, an independent IT consultant in the field of data centre infrastructure, to include their name as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an independent consultant with respect to the certificate issued by them with respect to our Data Centres and the proposed purchase of cloud computing equipment and other equipment and infrastructure for our Data Centres.

Such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

Particulars regarding public or rights issues by our Company during the last five years and performance vis-à-vis objects

Our Company has not made any public issues or rights issues (as defined under SEBI ICDR Regulations) during the five years preceding the date of this Draft Red Herring Prospectus. For details of the rights issue undertaken on December 12, 2021, by us as an unlisted public company under the Companies Act, see "*Capital Structure-Notes to the Capital Structure"* on page 97.

Brokerage and Selling Commission paid on previous issues of the Equity Shares

Since this is the initial public offering of Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of the Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

Particulars regarding public or rights issues by our Company

Other than as disclosed in "*Capital Structure-Notes to the Capital Structure*" on page 97, our Company has not undertaken a capital issue in the last three years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis Objects – Last public/rights issue of our listed Subsidiaries/Promoters

As on date of this Draft Red Herring Prospectus, our Company does not have a corporate promoter and none of our Subsidiaries are listed.

Capital issue during the previous three years by our listed group companies, subsidiaries or associates of our Company

As on the date of this Draft Red Herring Prospectus, our Company does not have any group companies in terms of the SEBI ICDR Regulations and the Materiality Policy and does not have any associates. Further, none of our Subsidiaries are listed on any stock exchange.

Price information of past issues handled by the BRLMs (during the current Fiscal and two Fiscals preceding the current Fiscal)

A. DAM Capital Advisors Limited

1. **Price information of past issues (during current Financial Year and two Financial Years preceding the current Financial Year) handled by DAM Capital Advisors Limited**

Price information of past issues (during the current Fiscal and two Fiscals preceding the current Fiscal) handled by DAM Capital Advisors Limited

Sr. No.	Issuer name	Issue Size (₹ million)	Issue price (in ₹)	Listing Date	Opening price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing
1.	Sanathan Textiles Limited(1)	5,500.00	321.00	December 27, 2024	422.30	+6.32%, [-3.03%]	+13.86%, [-1.37%]	Not applicable
2.	One Mobikwik Systems Limited(1)	5,720.00	279.00	December 18, 2024	440.00	+69.48%, [-3.67%]	-11.00%, [-6.98%]	Not applicable
3.	Afcons Infrastructure Limited(1)	54,300.00	463.00^	November 4, 2024	426.00	+6.56%, [+1.92%]	+2.03%, [-2.03%]	Not applicable
4.	Bansal Wire Industries Limited(1)	7,450.00	256.00	July 10, 2024	356.00	+37.40%, [-0.85%]	+61.17%, [+1.94%]	+76.88%, [-1.31%]
5.	Le Travenues Technology Limited(2)	7,401.02	93.00	June 18, 2024	135.00	+86.34%, [+4.42%]	+67.63%, [+7.23%]	+65.59%, [+6.25%]
6.	Entero Healthcare Solutions Limited(2)	16,000.00	1,258.00#	February 16, 2024	1,245.00	-19.65%, [+0.30%]	-19.84%, [+0.77%]	-2.19%, [+9.02%]
7.	Capital Small Finance Bank Limited(2)	5230.70	468.00	February 14, 2024	435.00	-25.25%, [+1.77%]	-26.09%, [+1.33%]	-31.44%, [+10.98%]
8.	Epack Durable Limited(2)	6,400.53	230.00	January 30, 2024	225.00	-19.96%, [+1.64%]	-9.76%, [+3.64%]	+14.04%, [+14.33%]
9.	Credo Brands Marketing Limited(2)	5,497.79	280.00	December 27, 2023	282.00	-9.89%, [-1.86%]	-35.86%, [+1.10%]	-39.34%, [+7.18%]
10.	ESAF Small Finance Bank	4,630.00	60.00$	November 10, 2023	71.90	+12.87%, [+ 7.58%]	+31.18%, [+11.17%]	+0.77%, [+13.26%]

	Limited(2)							

***Source**: www.nseindia.com and www.bseindia.com*

$A discount of ₹ 5 per equity share was provided to eligible employees bidding in the employee reservation portion.

 # A discount of ₹ 119 per equity share was provided to eligible employees bidding in the employee reservation portion

^ A discount of ₹ 44 per equity share was provided to eligible employees bidding in the employee reservation portion.

(1) NSE was the designated stock exchange for the said issue.

(2) BSE was the designated stock exchange for the said issue.

Notes:

a. Issue size derived from prospectus / basis of allotment advertisement, as applicable

b. Price on NSE or BSE is considered for the above calculations as per the designated stock exchange disclosed by the respective issuer at the time of the issue, as applicable

c. % of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th/ 90th / 180th calendar day from listing day.

d. Wherever 30th/ 90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.

e. The Nifty 50 or S&P BSE SENSEX index is considered as the benchmark index as per the designated stock exchange disclosed by the respective issuer at the time of the issue, as applicable

f. Not applicable – Period not completed

2. Summary statement of price information of past issues (during current Financial Year and two Financial Years preceding the current Financial Year) handled by DAM Capital Advisors Limited

Financial Year	Total no. of IPOs	Total funds raised (₹ Million)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2024-25	5	80,371.02	-	-	-	2	1	2	-	-	-	2	-	-
2023-24	9	87,066.85	-	1	5	-	1	2	-	2	1	1	-	5
2022-23	4	32,735.54	-	1	1	-	1	1	-	1	1	1	-	1

***Source**: www.nseindia.com and www.bseindia.com*

Notes:

a. The information is as on the date of this offer document

b. The information for each of the financial years is based on issues listed during such financial year.

c. Since 30 or 180 calendar days from listing date has not elapsed for few issues, hence data for same is not available.

B. Systematix Corporate Services Limited

2. Price information of past issues handled by Systematix Corporate Services Limited

Price information of past issues (during the current Fiscal and two Fiscals preceding the current Fiscal) handled by Systematix Corporate Services Limited

Sr. No.	Issuer name	Issue Size (₹ million)	Issue price (in ₹)	Listing Date	Opening price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing
1.	Exicom Tele-Systems Limited	4,289.99	142.00	Tuesday, 5 March, 2024	265.00	+43.52%, [0.35%]	+120.63%, [0.78%]	+171.51%, [12.88%]
2.	Inox Green Energy Services Limited	7,400.00	65.00	Wednesday, 23 November, 2022	60.50	-30.77%, [-1.11%]	-32.77%, [-1.33%]	-26.85%, [+0.36%]
3.	Veranda Learning Solutions Limited	2,000.00	137.00	Monday, 11 April, 2022	157.00	+66.57%, [-7.80%]	+58.18%, [-7.60%]	+146.13%, [-1.31%]

***Notes**:*

(a) *% of change in closing price on 30th/ 90th/ 180th calendar day from listing day is calculated vs issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th/ 90th/180th calendar day from listing day*

(b) *Wherever 30th/ 90th/ 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.*

(c) *Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information and benchmark index*

2. **Summary statement of price information of past issues handled by Systematix Corporate Services Limited**

Financial Year	Total no. of IPOs	Total funds raised (₹ Million)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2024-2025*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2023-2024	1	4,289.99	-	-	-	-	1	-	-	-	-	1	-	-
2022-2023	2	9,400.00	-	1	-	1	-	-	-	1	-	1	-	-

**The information is as on the date of the DRHP.*

***Notes**:*

(a) *The information for each of the fiscals is based on issues listed during such fiscal.*

(b) *Data for number of IPOs trading at premium/discount taken at closing price on NSE or BSE on the respective date, depending upon the Designated Stock Exchange.*

Track record of past issues handled by the Book Running Lead Managers

For details regarding the track record of the Book Running Lead Managers, 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 Managers, as set forth in the table below:

Name	Website
DAM Capital Advisors Limited	www.damcapital.in
Systematix Corporate Services Limited	www.systematixgroup.in

For further details in relation to the BRLMs, see "*General Information –Book Running Lead Managers*" on page 89.

Stock Market Data of Equity Shares

This being an initial public issue of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for retention of records with the Registrar to the Issue for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, or any such period as prescribed under the applicable laws, subject to agreement with our Company for storage of such records for a longer period, to enable the Bidders to approach the Registrar to the Issue for redressal of their grievances.

All issue related grievances, other than those of the Anchor Investor may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, UPI ID, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or UPI ID (for UPI Bidders who make the payment of Bid through UPI Mechanism), date of the Bid cum Application Form and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted. Further, the Bidder shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgment number received from the concerned Designated Intermediary in addition to the information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue.

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

The Registrar to the Issue shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Book Running Lead Managers and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Bidders can contact our Company Secretary and 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, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

In terms of the SEBI ICDR Master Circular and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the Bidders shall be compensated by the SCSBs in accordance with SEBI ICDR Master Circular in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications, for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, SCSBs and the Book Running Lead Managers shall compensate the Bidders at the rate higher of ₹100 or 15% per annum of the application amount for the period of such delay. Further, in terms of the SEBI ICDR Master Circular, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the Book Running Lead Managers, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with the SEBI ICDR Master Circular.

Disposal of Investor Grievances by our Company

Our Company has obtained authentication on the SEBI SCORES platform and shall comply with the relevant circulars issued by SEBI in relation to redressal of investor grievances through SCORES.

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 (ten) Working Days from the date of receipt of the complaint, provided however, in relation to complaints pertaining to blocking/unblocking of funds, investor complaints shall be resolved on 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 not received investor complaints in relation to the Equity Shares for the three years prior to the filing of the Draft Red Herring Prospectus, hence no investor complaint in relation to our Company is pending as on the date of filing of the Draft Red Herring Prospectus.

For helpline details of the Book Running Lead Managers in accordance with the SEBI ICDR Master Circular, see "*General Information – Book Running Lead Managers*" on page 89. Our Company has constituted a Stakeholders' Relationship Committee comprising of Venkatesh Natarajan, Pamela Kumar and Piyush Prakashchandra Somani as members, which is responsible for redressal of grievances of security holders of our Company. For details, see "*Our Management - Stakeholders' Relationship Committee*" on page 271.

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

As on the date of this Draft Red Herring Prospectus, our Company has not applied for or received any exemption from the SEBI from compliance with any provisions of securities laws including the SEBI ICDR Regulations.

SECTION IX – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being offered and Allotted pursuant to this Issue are subject to the provisions of the Companies Act, the SCRA, SCRR, SEBI ICDR Regulations, the SEBI Listing Regulations, our Memorandum of Association and Articles of Association, the terms of this Draft Red Herring Prospectus, the Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities offered from time to time by SEBI, the GoI, the Stock Exchanges, the RoC, the RBI, and/or other authorities, as in force on the date of this Issue and to the extent applicable or such other conditions as may be prescribed by such governmental, regulatory or statutory authority while granting its approval for the Issue.

The Issue

The Issue comprises a fresh issue of Equity Shares by our Company. For details in relation to the Issue expenses, see "*Objects of the Issue – Issue expenses*" on page 135.

Ranking of the Equity Shares

The Equity Shares being issued and Allotted in the Issue shall be subject to the provisions of the Companies Act, our Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of voting and receiving dividend and other corporate benefits, if any, declared by our Company after the Allotment. For further details, see "*Main Provisions of the Articles of Association*" on page 461.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, our Memorandum and Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines, regulations or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment (pursuant to Allotment of Equity Shares), will be payable to the Allottees, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see "*Dividend Policy*" and "*Main Provisions of the Articles of Association*" beginning on pages 284 and 461, respectively.

Face Value, Price Band and Issue Price

The face value of the Equity Shares is ₹ 1 each. The Floor Price of Equity Shares is ₹ [●] per Equity Share and the Cap Price of Equity Shares is ₹ [●] per Equity Share. The Anchor Investor Issue Price is ₹ [●] per Equity Share of face value of ₹ 1 each.

The Issue Price, Price Band and minimum Bid Lot for the Issue will be decided by our Company, in accordance with applicable law and in consultation with the BRLMs, and advertised in [●] editions of the English national daily newspaper [●], [●] editions of the Hindi national daily newspaper [●], and [●] editions of the Marathi daily newspaper [●] (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation, respectively, at least two Working Days prior to the Bid/ Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available at the websites of the Stock Exchanges. The Issue Price shall be determined by our Company in consultation with the BRLMs, 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 for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles, our Shareholders shall have the following rights:

- The right to receive dividend, if declared;
- The right to attend general meetings and exercise voting powers, unless prohibited by law;
- The right to vote on a poll either in person or by proxy or 'e-voting' in accordance with the provisions of the Companies Act;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive any surplus on liquidation subject to any statutory and other preferential claims being satisfied;
- The right to freely transfer their Equity Shares, subject to foreign exchange regulations and other applicable laws, including the rules framed by the RBI; and
- Such other rights, as may be available to a shareholder of a listed public company under applicable law, including the Companies Act, 2013, the terms of the SEBI Listing Regulations, and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of our Articles relating to voting rights, dividend, forfeiture and lien, transfer and transmission, and/or consolidation/ splitting, see "*Main Provisions of the Articles of Association*" on page 461.

Allotment of Equity Shares only in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. Hence, the Equity Shares offered through this Draft Red Herring Prospectus can be applied for in the dematerialised form only. In this context, our Company has entered into the following agreements:

- Tripartite agreement dated August 6, 2021 amongst our Company, NSDL and Registrar to the Issue.
- Tripartite agreement dated August 3, 2021 amongst our Company, CDSL and Registrar to the Issue.

Market Lot and Trading Lot

Further, the trading of our Equity Shares on the Stock Exchanges shall only be in dematerialised form, consequent to which, the tradable lot is one Equity Share. Allotment of Equity Shares will be only in electronic form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares. For the method of Basis of Allotment, see "*Issue Procedure*" on page 440.

Joint Holders

Subject to provisions contained in our Articles, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

Jurisdiction

The competent courts/ authorities of Mumbai, India will have exclusive jurisdiction in relation to this Issue.

Period of operation of subscription list

See "*Terms of the Issue – Bid/Issue Programme*" on page 433.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or First Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of the sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. A fresh nomination can be made only on the prescribed form, which is available on request at our Registered Office or with the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 as mentioned above, shall, upon the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividend, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment will be made only in dematerialised form, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant will prevail. If Bidders wish to change their nomination, they are requested to inform their respective Depository Participant.

Option to receive Equity Shares in Dematerialized Form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

Bid/ Issue Programme

BID/ ISSUE OPENS ON	[●][1]
BID/ ISSUE CLOSES ON	[●][2][3]

(1) Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations.
(2) Our Company, in consultation with the BRLMs, 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.
(3) UPI mandate end time and date shall be at 5.00 p.m. on the Bid / Issue Closing Date.

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

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about [●]

Event	Indicative Date
Allotment of Equity Shares / Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

* *In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date for cancelled/ withdrawn/ deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the SCSBs shall, instantly revoke the blocked funds other than the original Bid Amount and the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the SCSBs shall instantly revoke the difference amount, i.e. the blocked amount less the Bid Amount, and the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, shall be compensated at a rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, the Bidder shall be compensated in the manner specified in the SEBI ICDR Master Circular which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable.*

The above timetable is indicative and does not constitute any obligation or liability on our Company or the BRLMs.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within three Working Days of the Bid/ Issue Closing Date or such other time as may be prescribed by SEBI, the timetable may be extended due to various factors, such as extension of the Bid/Issue Period by our Company in consultation with the BRLMs, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges or delay in receipt of final certificates from SCSBs. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on 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 BRLMs and the Registrar on a daily basis as per the format prescribed in SEBI ICDR Master Circular.

In terms of the UPI Circulars, in relation to the Issue, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/Issue Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the listing timelines. Further, the Issue procedure is subject to change to any revised SEBI circulars to this effect.

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

Bid/Issue Period (except the Bid/Issue Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("**IST**")
Bid/Issue Closing Date*	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For RIIs other than QIBs and NIIs	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹0.5 million)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications of QIBs and NIIs)	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification/ Revision/cancellation of Bids	

Upward Revision of Bids by QIBs and NII categories#	Only between 10.00 a.m. and up to 4.00 p.m. IST
Upward or downward Revision of Bids or cancellation of Bids by RIIs	Only between 10.00 a.m. and up to 5.00 p.m. IST

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

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

On the Bid/ Issue Closing Date, the Bids shall be uploaded until:

4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Investors, and until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIIs.

On Bid / Issue Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received by Retail Individual Investors after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Form and as reported by the BRLMs to the Stock Exchanges.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs 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 and in any case no 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 Bids are received on the Bid/Issue Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids and any revision in Bids will be accepted only during Working Days during the Bid/ Issue Period. Bidders may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101-6 dated July 6, 2006 issued by BSE and NSE, respectively, Bids and any revision in Bids shall not be accepted on Saturdays, Sundays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. Our Company in consultation with the BRLMs reserves the right to revise the Price Band during the Bid/Issue Period, in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly but the Floor Price shall not be less than the Face Value of the Equity Shares. In all circumstances, the Cap Price shall be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price.

In case of revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company in consultation with the BRLMs, for reasons to be recorded in writing, may 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 Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public announcement and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of Price Band, the Bid Lot shall remain the same. In case of discrepancy in data entered in the electronic book vis-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum Subscription

If our Company does not receive the minimum subscription in the Issue as specified under Rule 19(2)(b) of the SCRR or the minimum subscription of 90% of the Issue on the Bid/Issue Closing Date; or subscription level falls below aforesaid minimum subscription after the Bid/Issue Closing Date due to withdrawal of Bids or technical rejections or any other reason; or in case of devolvement of Underwriting, aforesaid minimum subscription is not received within 60 days from the date of Bid/Issue Closing Date or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares in the Issue, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law. If there is a delay beyond the prescribed time after our Company becomes liable to pay the amount, our Company and every Director of our Company, who are officers in default, shall pay interest at the rate of 15% per annum or such other amount prescribed under applicable law.

Undersubscription, if any, in any category except the QIB Portion, would be met with spill-over from the other categories at the discretion of our Company, in consultation with the BRLMs, and the Designated Stock Exchange.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000 failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Arrangements for disposal of odd lots

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only and market lot for our Equity Shares will be one Equity Share.

New financial instruments

Our Company is not issuing any new financial instruments through this Issue.

Restriction, if any on transfer and transmission of shares

Except for the lock-in of the pre-Issue Equity Shares, the Promoters' Contribution and Equity Shares allotted to Anchor Investors pursuant to the Issue, as detailed in "*Capital Structure*" on page 96, there are no restrictions on transfers and transmission of Equity Shares or on their consolidation or splitting, except as provided in the Articles of Association. See, "*Main Provisions of the Articles of Association*" at page 461.

Withdrawal of the Issue

The Issue shall be withdrawn in the event the requirement of the minimum subscription as prescribed under Regulation 45 of the SEBI ICDR Regulations is not fulfilled. Our Company in consultation with the BRLMs, reserves the right not to proceed with the Issue, in whole or in part thereof, 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 and price band advertisements was published, within two days of the Bid/ Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The BRLMs, through the Registrar to the Issue, shall notify the SCSBs and the Sponsor Banks(in case of UPI Bidders), to unblock the bank accounts of the ASBA Bidders and shall notify the Escrow Collection Bank to release the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification and also inform the Bankers to the Issue to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Issue and price band advertisement has appeared, and the Stock Exchanges will also be informed promptly.

If our Company, in consultation with the BRLMs withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with a public offering of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI. Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the filing of the Prospectus with the RoC.

ISSUE STRUCTURE

The Issue is being made through the Book Building Process. The Issue is of up to [●] Equity Shares of face value of ₹ 1 each for cash at a price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹6,000.00 million. The Issue shall constitute [●] % of the post-Issue paid-up Equity Share capital of our Company.

Our Company, in consultation with the Book Running Lead Managers, may consider a Pre-IPO Placement aggregating up to ₹ 1,200.00 million, prior to filing of the Red Herring Prospectus with the RoC. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the Book Running Lead Managers. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20% of the size of the Issue. The utilisation of the proceeds raised pursuant to the Pre-IPO Placement will be done towards the proposed Objects of the Issue in compliance with applicable law. Prior to the completion of the Issue and the allotment pursuant to the Pre-IPO Placement, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Issue or the Issue may be successful and will result in listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and Prospectus.

Particulars	QIBs [(1)]	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for Allotment / allocation* [(2)]	Not less than [●] Equity Shares of face value of ₹ 1 each	Not more than [●] Equity Shares of face value of ₹ 1 each available for allocation or Issue less allocation to QIB Bidders and Retail Individual Investors	Not more than [●] Equity Shares of face value of ₹ 1 each available for allocation or Issue less allocation to QIB Bidders and Non-Institutional Investors
Percentage of Issue Size available for Allotment / allocation	Not less than 75% of the Issue size shall be available for allocation to QIBs. 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance Net QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to the Net QIB Portion	Not more than 15% of the Issue or the Issue less allocation to QIBs and Retail Individual Bidders will be available for allocation. One-third of the Non-Institutional Category will be available for allocation to Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million and two-thirds of the Non-Institutional Category will be available for allocation to Bidders with an application size of more than ₹ 1.00 million	Not more than 10% of the Issue or the Issue less allocation to QIBs and Non-Institutional Bidders will be available for allocation
Basis of Allotment / allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and b) 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 c) Up to 60% of the QIB portion (of up to [●] Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid	The Equity Shares available for allocation to Non-Institutional Investors under the Non-Institutional Portion shall not be less than the minimum application size and the remaining available Equity Shares if any, shall be Allotted on a proportionate basis, in accordance with the conditions specified in the SEBI ICDR Regulations subject to the following: (i) one-third of the portion available to Non-Institutional Investors shall be reserved for Bidders with an application size of more than ₹0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to Non-Institutional Investors shall be reserved for Bidders with application size of more	The allotment to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details, see *"Issue Procedure*" on page 440.

Particulars	QIBs [1]	Non-Institutional Investors	Retail Individual Investors
	Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.	than ₹ 1.00 million provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to Bidders in the other sub-category of Non-Institutional Investors.	
Minimum Bid	Such number of Equity Shares of face value of ₹ 1 each so that the Bid Amount exceeds ₹0.20 million and in multiples of [●] Equity Shares of face value of ₹ 1 each	Such number of Equity Shares of face value of ₹ 1 each in multiples of [●] Equity Shares of face value of ₹ 1 each such that the Bid Amount exceeds ₹0.20 million	[●] Equity Shares of face value of ₹ 1 each and in multiples of [●] Equity Shares of face value of ₹ 1 each
Maximum Bid	Such number of Equity Shares of face value of ₹ 1 each in multiples of [●] Equity Shares of face value of ₹ 1 each so that the bid does not exceed the size of the Issue (excluding the Anchor Portion), subject to applicable limits under applicable law	Such number of Equity Shares in multiples of [●] Equity Shares so that the bid does not exceed the size of the Issue (excluding the QIB Portion), subject to limits prescribed under applicable law	Such number of Equity Shares of face value of ₹ 1 each in multiples of [●] Equity Shares of face value of ₹ 1 each so that the Bid Amount does not exceed ₹0.20 million
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Mode of allotment	Compulsory in dematerialized form		
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter	[●] Equity Shares and in multiples of one Equity Share thereafter subject to availability in the Non-Institutional Portion	[●] Equity Shares and in multiples of one Equity Share thereafter subject to availability in the Retail Portion
Trading Lot	One Equity Share		
Who can apply[3]	Public financial institutions (as specified in Section 2(72) of the Companies Act), scheduled commercial banks, Mutual Funds, eligible FPIs, VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250 million, pension funds with minimum corpus of ₹250 million and registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, National Investment Fund set up by the Government of India, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial Companies, in	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions societies, trusts, FPIs who are individuals, corporate bodies and family offices.	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta) applying for Equity Shares such that the Bid amount does not exceed ₹0.20 million in value.

Particulars	QIBs (1)	Non-Institutional Investors	Retail Individual Investors
	accordance with applicable laws including FEMA Rules.		
Terms of Payment	***In case of Anchor Investors:*** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids ***In case of all other Bidders:*** Full Bid Amount shall be blocked by the SCSBs in the bank account of the Bidders, or by the Sponsor Bank(s) through the UPI Mechanism (other than Anchor Investors) that is specified in the Bid cum Application Form at the time of the submission of the Bid cum Application Form		
Mode of Bidding^	ASBA only (excluding the UPI Mechanism) except for Anchor Investors	ASBA only (including UPI Mechanism for Bids up to ₹0.50 million)	ASBA only (including the UPI Mechanism)

**Assuming full subscription in the Issue*

^ SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in Public Issues shall be processed only after the application monies are blocked in the investor's bank accounts. Accordingly, Stock Exchanges shall, for all categories of investors and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

(1) *Our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For further details, see "Issue Procedure" on page 440.*

(2) *This Issue is being made in accordance with Rule 19(2)(b) of the SCRR, through the Book Building Process, in compliance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Issue will be available for allocation to QIBs on a proportionate basis, provided that the Anchor Investor Portion may be allocated on a discretionary basis. Further, not more than 15% of the Issue will be available for allocation to Non-Institutional Bidders, of which one-third of the Non-Institutional Category will be available for allocation to Bidders with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million and two-thirds of the Non-Institutional Category will be available for allocation to Bidders with an application size of more than ₹ 1.00 million under-subscription in either of these two sub-categories of Non-Institutional Category may be allocated to Bidders in the other sub-category of Non-Institutional Category in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. The allocation to each Non-Institutional Bidder shall not be less than the minimum application size, subject to availability of Equity Shares in the Non-Institutional Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations. Further, not more than 10% of the Issue will be available for allocation to Retail Individual Bidders in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. Under-subscription, if any, in any category, except the QIB Portion, would be met with spill-over from any other category or categories, as applicable, at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, subject to valid Bids being received at or above the Issue Price and in accordance with applicable laws. Under-subscription, if any, in the Net QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.*

(3) *In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.*

(4) *Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Issue Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.*

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories. For further details, see "*Terms of the Issue*" on page 431.

ISSUE PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 issued by SEBI and the UPI Circulars ("**General Information Document**") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, including in relation to the process for Bids by UPI Bidders. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

*Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note ("**CAN**") and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) Designated Date; (viii) disposal of applications and electronic registration of bids; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint Bids in cases of individual, multiple Bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.*

*SEBI through the UPI Circulars, has introduced an alternate payment mechanism using UPI and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs 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 until June 30, 2019. Further, pursuant to the SEBI ICDR Master Circular, all individual bidders in initial public offerings whose application size are up to ₹0.50 million shall use the UPI Mechanism. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹0.20 million and up to ₹0.50 million, using the UPI Mechanism, shall provide their UPI ID in the Bid cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.*

*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 bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with the 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**"). Subsequently, however, 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. 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. Accordingly, 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 the SEBI ICDR Master Circular has prescribed certain additional measures for streamlining the process of initial public offers and redressing investor grievances.*

With the issuance of the SEBI ICDR Master Circular, all directions/instructions contained in the aforementioned circulars shall stand rescinded to the extent they relate to the SEBI ICDR Regulations. Furthermore, the SEBI RTA Master Circular consolidated the aforementioned circulars (excluding SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023) to the extent relevant for RTAs and rescinded these circulars (excluding and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023) to extent applicable to RTAs.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in the SEBI ICDR Master Circular and the 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 managers shall continue to coordinate with intermediaries involved in the said process.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated in accordance with applicable law. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders shall be entitled to compensation in the manner specified in the SEBI ICDR Master Circular, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus. The Book Running Lead Managers shall be the nodal entity for any issues arising out of public issuance process.

Book Building Procedure

The Issue is being made in terms of Rule 19(2)(b) of the SCRR, read with Regulation 31 of the SEBI ICDR Regulations through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations wherein not less than 75% of Issue shall be allocated on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company, in consultation with the BRLMs in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from 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% of the Net QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, in accordance with Regulation 40(3) of the SEBI ICDR Regulations, the QIB Portion will not be underwritten by the Underwriters pursuant to the Underwriting Agreement. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidder of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with a Bid size of more than ₹ 0.20 million and up to ₹ 1.00 million and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with a Bid size of more than ₹ 1.00 million and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion. Further, not more than 10% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received 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 on proportionate basis, at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange subject to applicable laws and receipt of valid Bids received at or above the Issue Price.

In accordance with Rule 19(2)(b) of the SCRR, the Issue will constitute at least [●] % of the post-Issue paid-up Equity Share capital of our Company.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press releases dated June 25, 2021 and September 17, 2021, CBDT circular no. 7 of 2022, dated March 30, 2022 and March 28, 2023, and any subsequent press releases in this regard.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including the DP ID and the Client ID and the PAN and UPI ID (for UPI Bidders), 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 the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of *inter alia* equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by UPI Bidders through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars and the Previous UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended until June 30, 2019. Under this phase, an RII had the option to submit the ASBA Form with any of the Designated Intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase was applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI pursuant to its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, had decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI pursuant to 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. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase.

Phase III: This phase became 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 SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Notification**"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The SEBI ICDR Master Circular, has consolidated and rescinded the aforementioned circulars, including the T+3 Notification, to the extent they relate to the SEBI ICDR Regulations. The Issue shall be undertaken pursuant to the processes and procedures as notified in the SEBI ICDR Master Circular as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by the SEBI.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation, in compliance with the SEBI RTA Master Circular and the SEBI ICDR Master Circular in a format as prescribed by SEBI, from time to time, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law.

All SCSBs offering the facility of making application in public issues shall also provide facility to make application using UPI.

NPCI through its circular (NPCI/UPI/OC No. 127/ 2021-22) dated December 9, 2021, read with SEBI ICDR Master Circular *inter alia*, has enhanced the per transaction limit from ₹ 0.20 million to ₹ 0.50 million for applications using UPI in initial public offerings.

Pursuant to the SEBI ICDR Master 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 SEBI ICDR Master Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send short message service ("**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 no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Further, in terms of the SEBI ICDR Master Circular, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post–Issue BRLMs will be required to compensate the concerned investor.

Our 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 UPI Bidders.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Further, in accordance with the SEBI ICDR Master Circular, all UPI Bidders shall provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

(i) a member of the syndicate;

(ii) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity);

(iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for this activity); or

(iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity).

Electronic registration of Bids

(a) The Designated Intermediary may register the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the online facilities for the Book Building process on a regular basis before the closure of the Issue.

(b) On the Bid / Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

(c) Only Bids that are uploaded on the Stock Exchanges' platform are considered for allocation / Allotment. The Designated Intermediaries are given till 5:00 pm on the Bid / Issue Closing Date to modify select fields uploaded in the Stock Exchanges' platform during the Bid / Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at the Bidding Centres and our Registered and Corporate Office. An electronic copy of the ASBA Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid / Issue Opening Date.

All Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Issue. Anchor Investors are not permitted to participate in this Issue through the ASBA process.

Bidders (other than Anchor Investors and UPI Bidders) must provide bank account details and authorisation by the ASBA account holder to block funds in their respective ASBA Accounts in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such details are liable to be rejected.

UPI Bidders submitting their Bid cum Application Form to any Designated Intermediary (other than SCSBs) shall be required to Bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bids submitted by UPI Bidders with any Designated Intermediary (other than SCSBs) without mentioning the UPI ID are liable to be rejected. UPI Bidders may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

Further, ASBA Bidders shall ensure that the Bids are submitted at the Bidding Centres only on ASBA Forms bearing the stamp of a Designated Intermediary (except in case of electronic ASBA Forms) and ASBA Forms not bearing such specified stamp maybe liable for rejection. Bidders using the ASBA process to participate in the Issue must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked therein. In order to ensure timely information to investors SCSBs are required to send SMS alerts to investors intimating them about the Bid Amounts blocked / unblocked.

Since the Issue is made under Phase III (on a mandatory basis), ASBA Bidders may submit the ASBA Form in the manner below:

(i) RIIs (other than RIIs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(ii) UPI Bidders may submit their ASBA Forms with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts) provided by certain brokers.

(iii) QIBs and NIIs not using the UPI Mechanism may submit their ASBA Forms with SCSBs, Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs.

ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked.

Anchor Investors are not permitted to participate in the Issue through the ASBA process. For Anchor Investors, the Anchor Investor Application Form will be available with the BRLMs.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis [1]	[●]
Non-Residents including FPIs, Eligible NRIs applying on a repatriation basis, FVCIs and registered bilateral and multilateral institutions [1]	[●]
Anchor Investors [2]	[●]

** Excluding electronic Bid cum Application Forms*
Notes:
(1) Electronic Bid cum Application Forms will also be available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com).
(2) Bid cum Application Forms for Anchor Investors will be made available at the offices of the BRLMs.

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details in the electronic bidding system of the Stock Exchanges. Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms (except Bid cum Application Forms submitted by UPI Bidders) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank(s). For UPI Bidders, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate a UPI Mandate Request to such UPI Bidders for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank(s), NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions / investor complaints to the Sponsor Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Issue shall provide the audit trail to the BRLMs for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details as specified in the SEBI ICDR Master Circulars.

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 5:00 pm on the Bid/Issue Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking of funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. Further, modification/cancellation of Bids (if any) shall be allowed in parallel during the Bid/Issue Period until the Cut-Off Time.

The Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid / Issue Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks / unblocks, performance of apps and UPI handles, down-time / network latency (if any) across intermediaries and any such processes having an impact / bearing on the Issue Bidding process.

Pursuant to NSE circular dated August 3, 2022 with reference no. 25/2022, the following is applicable to all initial public offers opening on or after September 1, 2022:

(a) Cut-off time for acceptance of UPI mandate shall be up to 5:00 p.m. on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrars to the issue and Depository Participants shall continue till further notice;

(b) There shall be no T+1 mismatch modification session for PAN-DP mismatch and bank/ location code on T+1 day for already uploaded bids. The dedicated window provided for mismatch modification on T+1 day shall be discontinued;

(c) Bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 4.00 p.m. for QIBs and Non-Institutional Investors categories and up to 5.00 p.m. for Retail Individual categories on the initial public offer closure day;

(d) QIBs and Non-Institutional Investors can neither revise their bids downwards nor cancel/withdraw their bids;

(e) The Stock Exchanges shall display Issue demand details on its website and for UPI bids the demand shall include/consider UPI bids only with latest status as RC 100–black request accepted by Investor/ client, based on responses/status received from the Sponsor Bank(s).

Participation by Promoters, Promoter Group, the BRLMs, associates and affiliates of the BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members shall not be allowed to purchase or subscribe to the Equity Shares in this Issue in any manner, except towards fulfilling their respective underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may Bid for Equity Shares in the Issue, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis or in any other manner as introduced under applicable laws, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the BRLMs nor any associate of the BRLMs can apply in the Issue under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associates of the BRLMs;

(ii) insurance companies promoted by entities which are associates of the BRLMs;

(iii) AIFs sponsored by the entities which are associates of the BRLMs;

(iv) FPIs other than individuals, corporate bodies and family offices which are associates of the BRLMs; or

(v) Pension funds, with minimum corpus of ₹250 million and registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, and sponsored by entities which are associates of the BRLMs.

Further, an Anchor Investor shall be deemed to be an "associate of the Book Running Lead Manager" if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLMs.

Further, the Promoters and members of the Promoter Group shall not participate by applying for Equity Shares in the Issue, except in accordance with applicable law. Furthermore, persons related to the Promoters and the Promoter Group shall not apply in the Issue under the Anchor Investor Portion.

For the purposes of the above, a QIB who has any of the following rights shall be deemed to be a "person related to our Promoters or Promoter Group": (a) rights under a shareholders' agreement or voting agreement entered into with our Promoters or Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, the Company in consultation with BRLMs 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, subject to applicable law.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour). Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment.

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their respective SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders) to block their NRE accounts, or foreign currency non-resident accounts, and eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorize their respective SCSBs (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders) to block their NRO accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Eligible NRIs applying on a non-repatriation basis in the Issue through the UPI Mechanism are advised to enquire with their relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Participation of Eligible NRI(s) in the Issue shall be subjected to the FEMA Rules. In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up Equity Share capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued of an Indian company listed on a recognised stock exchange 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 issued by an Indian company listed on a recognised stock exchange or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants of an Indian company listed on a recognised stock exchange. Provided that such aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company. Pursuant to a special resolution dated August 9, 2021 passed by our Shareholders, the aggregate ceiling was raised from 10% to 24%.

For further details of restrictions on investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 460.

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 as follows: "Name of sole or first Bidder/applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids by HUFs will be considered at par with Bids from individuals.

Bids by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, *i.e.*, the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control)) shall be below 10% of our post-Issue Equity Share capital on a fully diluted basis. In case the total holding of an FPI or investor group increase beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together can be up to the sectoral cap applicable to the sector in which our Company operates (*i.e.*, up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLMs, reserve 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 colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Issue to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

(a) such offshore derivative instruments are issued only by persons registered as Category I FPIs;

(b) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;

(c) such offshore derivative instruments are issued after compliance with the 'know your client' norms as specified by SEBI; and

(d) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (a) to (d)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager structure;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level / sub fund level where a collective investment scheme or fund has multiple investment strategies / sub-funds with identifiable differences and managed by a single investment manager.
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Collecting Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids shall be rejected. Participation of FPIs in the Issue shall be subject to the FEMA Rules.

There is no reservation for Eligible NRI Bidders, AIFs and FPIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

Bids by SEBI registered Alternative Investment Funds, Venture Capital Funds and Foreign Venture Capital Investors

The SEBI AIF Regulations, as amended prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, venture capital funds which have not re-registered as AIFs under the SEBI AIF Regulations shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations as amended prescribe the investment restrictions on FVCIs.

The Category I and II AIFs cannot invest more than 25% of their investible funds in one investee company. A Category III AIF cannot invest more than 10% of its investible funds in one investee company. An FVCI can invest only up to 33.33% of its investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering of a venture capital undertaking or an investee company (as defined under the SEBI AIF Regulations) whose shares are proposed to be listed.

Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA Rules.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the BRLMs 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 BRLMs, reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee is required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 ("**Banking Regulation Act**"), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, as per the last audited balance sheet or a subsequent balance sheet, whichever is less. Further, the aggregate equity investment in subsidiaries and other entities engaged in financial and non-financial services, including overseas investments cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if: (a) the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or (b) the additional acquisition is through restructuring of debt, or to protect the bank's interest on loans / investments made to a company, provided that the bank is required to submit a time-bound action plan for disposal of such shares (in this sub-clause (b)) within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Issue are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013 issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, the Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason thereof. The exposure norms for insurers are prescribed under Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("**IRDA Investment Regulations**"), and are based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important NBFCs registered with RBI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to must be attached to the Bid-cum Application Form. Failing this, our Company in consultation with BRLMs, reserve the right to reject any Bid, without assigning any reason thereof. NBFC-SI participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹250 million, registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, 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 reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company in consultation with the BRLMs, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company in consultation with the BRLMs, may deem fit.

Bids by provident funds / pension funds

In case of Bids made by provident funds / pension funds, subject to applicable laws, with minimum corpus of ₹250 million, registered with the Pension Fund Regulatory and Development Authority established under section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be attached to the Bid cum Application Form. Failing this, our Company in consultation with BRLMs reserve the right to reject any Bid, without assigning any reason therefor.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below.

(a) Anchor Investor Application Forms to be made available for the Anchor Investor Portion at the offices of the BRLMs.

(b) The Bids are required to be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹100 million.

(c) One-third of the Anchor Investor Portion is reserved for allocation to domestic Mutual Funds.

(d) Bidding for Anchor Investors will open one Working Day before the Bid / Issue Opening Date, and will be completed on the same day.

(e) Our Company in consultation with the BRLMs will finalise allocation to the Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company, in consultation with the BRLMs, provided that the minimum number of Allottees in the Anchor Investor Portion is not less than:

- maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹100 million;

- minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million, subject to a minimum Allotment of ₹50 million per Anchor Investor; and

- in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum Allotment of ₹50 million per Anchor Investor.

(f) Allocation to Anchor Investors is required to 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 will be made, is required to be made available in the public domain by the BRLMs before the Bid / Issue Opening Date, through intimation to the Stock Exchanges.

(g) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(h) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

(i) Neither the BRLMs nor any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies and family offices which are associate of the BRLMs or pension funds with minimum corpus of ₹250 million and registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, and sponsored by entities which are associates of the BRLMs) can apply in the Issue under the Anchor Investor Portion.

(j) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered as multiple Bids.

(k) 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 Issue Price will be payable by the Anchor Investors on the Anchor Investor Pay-In Date specified in the CAN. If the Issue Price is lower than the Anchor Investor Issue Price, Allotment to successful Anchor Investors will be at the higher price.

The above information is given for the benefit of the Bidders. Our Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus, when filed. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation and as specified in the Red Herring Prospectus, when filed.

In accordance with RBI regulations, OCBs cannot participate in the Issue.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated / Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he / she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

Pre-Issue and Price Band Advertisement

Subject to Section 30 of the Companies Act, our Company will, after filing the Red Herring Prospectus with the RoC, publish a pre-Issue and price band advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of [●], a widely circulated English national daily newspaper, all editions of [●], a widely circulated Hindi national daily newspaper, and [●] editions of [●], a widely circulated Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located). Our Company shall, in the pre-Issue and price band advertisement state the Bid / Issue Opening Date, the Bid / Issue Closing Date and the QIB Bid / Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Signing of Underwriting Agreement and filing of Prospectus with the RoC

Our Company intend to enter into an Underwriting Agreement with the Underwriters on or after the determination of the Issue Price. After signing the Underwriting Agreement, the Company will file the Prospectus with the RoC. The Prospectus would have details of the Issue Price, Anchor Investor Issue Price, Issue size and underwriting arrangements and would be complete in all material respects.

General Instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise or withdraw their Bid(s) until the Bid / Issue Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

***Do's*:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. Ensure that you have Bid within the Price Band;

3. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than UPI Bidders) in the Bid cum Application Form (with a maximum length of 45 characters) and such ASBA account belongs to you and no one else. UPI Bidders must mention their correct UPI ID and shall use only his / her own bank account which is linked to such UPI ID;

4. UPI Bidders shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;

5. UPI Bidders shall make Bids only through the SCSBs, mobile applications and UPI handles whose name appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;

6. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

7. Ensure that the details about the PAN, DP ID, Client ID and UPI ID (where applicable) are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in dematerialized form only;

8. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. UPI Bidders, may submit their ASBA Forms with Syndicate, Sub-Syndicate Members, Registered Brokers, RTA or CDP;

9. In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Bid cum Application Form;

10. UPI Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and not with any other Designated Intermediary;

11. Ensure that they have correctly signed the authorisation / undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank(s), 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 UPI Bidders submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank(s) for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

12. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

13. 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;

14. Bidders should ensure that they receive the Acknowledgment Slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application Form;

15. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;

16. Ensure that you submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

17. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral / bilateral institutions, which may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

18. Ensure that the Demographic Details are updated, true and correct in all respects;

19. 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;

20. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

21. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;

22. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

23. UPI Bidders, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank(s) to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

24. Note that in case the DP ID, UPI ID (where applicable), Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, UPI ID (where applicable), Client ID and PAN available in the Depository database, then such Bids are liable to be rejected;

25. 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;

26. Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

27. In case of QIBs and NIIs (other than for Anchor Investor and UPI Bidder), ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in);

28. 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 the Sponsor Bank(s), as applicable via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

29. UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his / her UPI PIN. Upon the authorization of the mandate using his / her UPI PIN, the UPI Bidder shall be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank(s) to issue a request to block the Bid Amount mentioned in the Bid Cum Application Form in his / her ASBA Account;

30. UPI Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the First Bidder (in case of joint account) in the Bid cum Application Form;

31. UPI Bidders, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in his / her account and subsequent debit of funds in case of allotment in a timely manner;

32. UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in the ASBA Account;

33. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs.

34. Ensure that ASBA bidders shall ensure that bids above ₹0.50 million, are uploaded only by the SCSBs;

35. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank(s) prior to 5:00 p.m. on the Bid / Issue Closing Date.

36. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020, and press releases dated June 25, 2021, and September 17, 2021.

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 or in the list displayed on SEBI's website is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;

3. Do not Bid for a Bid Amount exceeding ₹ 0.20 million, for Bids by RIIs;

4. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;

5. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;

6. Do not send Bid cum Application Forms by post, instead submit the same to the Designated Intermediary only;

7. Bids by HUFs not mentioned correctly as provided in "- *Bids by HUFs*" on page 447;

8. Anchor Investors should not Bid through the ASBA process;

9. Do not submit multiple Bid application forms with same application form number;

10. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centres;

11. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

12. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

13. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);

14. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;

15. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid / Issue Closing Date (for online applications) and after 12:00 p.m. on the Bid/ Issue Closing Date (for Physical Applications);

16. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

17. If you are a UPI Bidders, do not submit more than one Bid cum Application Form for each UPI ID;

18. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹ 0.50 million;

19. Do not submit the General Index Register (GIR) number instead of the PAN;

20. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;

21. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of UPI Bidders, in the UPI-linked bank account where funds for making the Bid are available;

22. 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 Investors. Retail Individual Investors can revise or withdraw their Bids until the Bid / Issue Closing Date;

23. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

24. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders;

25. 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;

26. 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);

27. Do not submit more than one Bid cum Application Form per ASBA Account. If you are a UPI Bidder, do not submit Bids through an SCSB and/or mobile application and/or UPI handle that is not listed on the website of SEBI;

28. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

29. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;

30. Do not submit the Bid cum Application Form to any non-SCSB Bank or our Company;

31. Do not submit a Bid cum Application Form with third party UPI ID or using a third party bank account (in case of Bids submitted by UPI Bidders); and

32. Do not Bid if you are an OCB.

For helpline details of the BRLMs in accordance with the SEBI ICDR Master Circular, see "*General Information – Book Running Lead Managers*" on page 89.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

In case of any pre-Issue or post Issue related issues regarding demat credit / refund orders / unblocking, etc., investors shall reach out to the Company Secretary and Compliance Officer, and the Registrar. For details of the Company Secretary and Compliance Officer and the Registrar, see "*General Information - Company Secretary and Compliance Officer*" on page 89.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid / Issue Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manner specified in the SEBI ICDR Master Circular, in case of delays in resolving investor grievances in relation to blocking / unblocking of funds.

For details of grounds for technical rejection of a Bid cum Application Form, please see the General Information Document.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLMs and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Equity Shares offered through the Issue through the Issue document except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the offer to public may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to Bidders other than to the Retail Individual Investors, Non-Institutional Investors and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to the availability of Equity Shares in Retail Individual Investor category, and the remaining available

Equity Shares, if any, shall be allotted on a proportionate basis. Not more than 15% of the Issue shall be available for allocation to Non-Institutional Investors. The Equity Shares available for allocation to Non-Institutional Investors under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Investors shall be reserved for applicants with a Bid size of more than ₹ 0.20 million and up to ₹ 1.00 million and (ii) two-third of the portion available to Non-Institutional Investors shall be reserved for applicants with a Bid size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors. The allotment to each Non-Institutional Investors shall not be less than the Minimum NII application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares.

Payment into Escrow Account(s) for Anchor Investors

Our Company, in consultation with the BRLMs, in their absolute discretion, will decide the list of Anchor Investors to whom the Allotment Advice will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Issue through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Accounts. The payment instruments for payment into the Escrow Accounts should be drawn in favour of:

(i) In case of resident Anchor Investors: "[●]"
(ii) In case of non-resident Anchor Investors: "[●]"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Bankers to the Issue and the Registrar to the Issue to facilitate collections from Anchor Investors.

Allotment Advertisement

Our Company, the BRLMs and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of a widely circulated English national daily newspaper, [●], all editions of a widely circulated Hindi national daily newspaper, [●] and [●] editions of a widely circulated Marathi daily newspaper [●] (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located).

Depository Arrangements

The Allotment of the Equity Shares in the Issue shall be only in a dematerialised form, (*i.e.*, not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite agreement dated August 6, 2021, amongst our Company, NSDL and Registrar to the Issue.
- Tripartite agreement dated August 3, 2021, amongst our Company, CDSL and Registrar to the Issue.

Undertaking by our Company

Our Company undertakes the following:

(i) that the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;

(ii) that if the Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded / unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;

(iii) that all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within three Working Days from the Bid / Issue Closing Date or such other time as may be prescribed;

(iv) that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;

(v) where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

(vi) that if our Company does not proceed with the Issue after the Bid / Issue Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid / Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue and price band advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

(vii) that if our Company in consultation with the BRLMs, withdraw the Issue after the Bid / Issue Closing Date, our Company shall be required to file a fresh draft offer document with SEBI, in the event our Company subsequently decide to proceed with the Issue thereafter;

(viii) that adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors; and

(ix) Except for the Issue (including the Pre-IPO Placement) and any issuance of Equity Shares pursuant to exercise of employee stock options under ESOP 2024, no further issue of Equity Shares shall be made from the date of this Draft Red Herring Prospectus till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc. other than as disclosed in accordance with the SEBI ICDR Regulations.

Utilisation of Issue Proceeds

Our Board certifies that:

- all monies received out of the 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;
- details of all monies utilized out of the 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 Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

Impersonation

Attention of the Bidders 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 for fraud involving an amount of at least ₹ 1.00 million or one per cent of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1.00 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5.00 million or with both.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment ("**FDI**") through press notes and press releases. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The DPIIT, issued the Consolidated FDI Policy Circular of 2020 ("**Consolidated FDI Policy**"), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. The Consolidated FDI Policy will be valid until the DPIIT issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Issue shall be on the basis of the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India.

As per the Consolidated FDI Policy, FDI in companies engaged in IT/ITES sector is permitted up to 100% of the paid-up share capital of such company under the automatic route.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For further details, see "*Issue Procedure*" on page 440.

The above information is given for the benefit of the Bidders. Our Company and the BRLMs 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, seek independent legal advice about its ability to participate in the Issue and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION X - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013

(PUBLIC COMPANY LIMITED BY SHARES)

ARTICLES OF ASSOCIATION

OF

ESDS SOFTWARE SOLUTION LIMITED

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1. CONSTITUTION OF THE COMPANY

a) *The regulations contained in table "F" of schedule I to the Companies Act, 2013 shall apply only in so far as the same are not provided for or are not inconsistent with any of the provisions contained in these Articles or modifications thereof or are not expressly or by implication excluded from these Articles.*

b) *The regulations for the management of the Company and for the observance of the Shareholders thereof and their representatives shall be such as are contained in these Articles, subject however to the exercise of the statutory powers of the Company in respect of repeal, additions, alterations, substitution, modifications and variations thereto by a special resolution as prescribed by the Companies Act, 2013, as amended.*

2. INTERPRETATION

A. DEFINITIONS

Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modifications thereof in force at the date at which the Articles become binding on the Company. In these Articles, all capitalised items not defined herein below shall have the meanings assigned to them in the other parts of these Articles when defined for use.

a. "**Act**" means the Companies Act, 2013 (to the extent that such enactment is in force and applicable to the context in which such term is used herein), and all rules and clarifications issued thereunder, and shall include all amendments, modifications and re-enactments of the foregoing. Reference to Act shall also include the Secretarial Standards issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980.

b. "**Annual General Meeting**" shall mean a general meeting of the holders of Equity Shares held in accordance with the applicable provisions of the Act.

c. **"Articles"** shall mean these articles of association as adopted or as from time to time altered in accordance with the provisions of the Act.

d. **"Auditor(s)"** shall mean and include those persons appointed as such for the time being by the Company.

e. **"Beneficial Owner"** shall mean beneficial owner as defined in Clause (a) of sub-section (1) of Section 2 of the Depositories Act.

f. **"Board" or "Board of Directors"** shall mean the board of directors of the Company, as constituted from time to time, in accordance with law and the provisions of these Articles.

g. **"Board Meeting"** shall mean any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with law and the provisions of these Articles.

h. **"Business Day"** shall mean a day, not being a Saturday or a Sunday or public holiday,on which banks are open for business in Mumbai, India and, in the context of a payment being made to or from a scheduled commercial bank in a place other than India, in such other place.

i. **“Capital” or “Share Capital”** shall mean the share capital for the time being, raised or authorised to be raised for the purpose of the Company.

j. **“Chairman”** shall mean such person as is nominated or appointed in accordance withArticle 36 herein below.

k. **“Company”** or **“this Company”** shall mean ESDS Software Solution Limited.

l. **“Committees”** shall mean a committee constituted in accordance with Article 72.

m. **“Debenture”** shall have the meaning assigned to it under the Act.

n. **“Depositories Act”** shall mean The Depositories Act, 1996 and shall include anystatutory modification or re-enactment thereof.

o. **“Depository”** shall mean a depository as defined in Clause (e) of sub-section (1) ofSection 2 of the Depositories Act.

p. **“Director”** shall mean any director of the Company, including alternate directors, independent directors and nominee directors appointed, from time to time, in accordance with law and the provisions of these Articles.

q. **“Dividend”** shall include interim dividends and final dividends paid to the Shareholders.

r. “**Equity Share Capital**” shall mean the total issued and paid-up equity share capital of the Company.

s. “**Equity Shares**” shall mean the equity shares of the Company having a face value of such amount as specified in Clause V of the Memorandum of Association.

t. **“Executor”** or **“Administrator”** shall mean a person who has obtained probate or letters of administration, as the case may be, from a court of competent jurisdiction and shall include the holder of a succession certificate authorising the holder thereof to negotiate or transfer the Securities of the deceased Shareholder and shall also include the holder of a certificate granted by the Administrator-General appointed under the Administrator Generals Act, 1963.

u. **“Extraordinary General Meeting”** shall mean an extraordinary general meeting of the holders of Equity Shares duly called and constituted in accordance with the provisions of the Act.

v. “**Financial Year**” shall mean any fiscal year of the Company, beginning on April 1 ofeach calendar year and ending on March 31 of the following calendar year.

w. “**Independent Director**” shall mean an independent director as defined under the Act and under the SEBI Listing Regulations, as applicable.

x. **“India”** shall mean the Republic of India.

y. **“Law”** shall mean all applicable provisions of all (i) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, circulars, ordinances or orders of any governmental authority and SEBI, including the Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 2015, (ii) governmental approvals or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing, by any governmental authority having jurisdiction over the matter in question, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any governmental authority or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing by any governmental authority having jurisdiction over the matter in question, (iv) rules, policy, regulations or requirements of any stock exchanges, (v) international treaties, conventions and protocols, and (vi) Indian GAAP or any other generally accepted accounting principles.

z. “**Managing Director**” shall have the meaning assigned to it under the Act.

aa. **“MCA”** shall mean the Ministry of Corporate Affairs, Government of India.

bb. **“Memorandum” or “MoA” or “Memorandum of Association”** shall mean the memorandum of association of the Company, as amended from time to time.

cc. **“Office”** shall mean the registered office for the time being of the Company.

dd. “**Officer**” shall have the meaning assigned thereto by Section 2(59) of the Act.

ee. **“Ordinary Resolution”** shall have the meaning assigned thereto by Section 114 of the Act.

ff. **“Paid up”** shall include the amount credited as paid up.

gg. **“Person”** shall mean any natural person, sole proprietorship, unincorporated association, unincorporated organisation, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal personality).

hh. **“Promoters”** shall mean persons identified in accordance with the definition ascribed to such term in the Act and the regulations prescribed by SEBI, as applicable.

ii. **“Register of Members”** shall mean the register of shareholders to be kept pursuant to Section 88 of the Act.

jj. “**Registrar**” shall mean the Registrar of Companies, from time to time having jurisdiction over the Company.

kk. “**Rules**” shall mean the rules made under the Act and notified from time to time.

ll. “**Seal**” shall mean the common seal(s) for the time being of the Company.

mm. “**SEBI**” shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992.

nn. “**SEBI Listing Regulations**” shall mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

oo. “**Secretary**” shall mean a company secretary as defined in Clause (c) of sub-section (1) of Section 2 of the Company Secretaries Act, 1980 who is appointed by the Company to perform the functions of a company secretary under the Act.

pp. “**Securities**” shall mean any Equity Shares and/or any other securities, debentures, warrants or options whether or not, directly or indirectly convertible into, or exercisable or exchangeable into or for Equity Shares.

qq. “**Share Equivalents**” shall mean any Debentures, preference shares, foreign currency convertible bonds, floating rate notes, options (including options to be approved by the Board (whether or not issued) pursuant to an employee stock option plan) or warrants or other Securities or rights which are by their terms convertible or exchangeable into Equity Shares.

rr. “**Shareholder**” shall mean any shareholder of the Company, from time to time.

ss. “**Shareholders’ Meeting**” shall mean any meeting of the Shareholders of the Company, including Annual General Meetings as well as Extraordinary General Meetings of the Shareholders of the Company, convened from time to time in accordance with Law and the provisions of these Articles.

tt. “**Special Resolution**” shall have the meaning assigned to it under Section 114 of the Act.

uu. “**Transfer**” shall mean (i) any, direct or indirect, transfer or other disposition of any shares, securities (including convertible securities), or voting interests or any interest therein, including, without limitation, by operation of Law, by court order, by judicial process, or by foreclosure, levy or attachment; (ii) any, direct or indirect, sale, assignment, gift, donation, redemption, conversion or other disposition of such shares, securities (including convertible securities) or voting interests or any interest therein, pursuant to an agreement, arrangement, instrument or understanding by which legal title to or beneficial ownership of such shares, securities (including convertible securities) or voting interests or any interest therein passes from one Person to another Person or to the same Person in a different legal capacity, whether or not for value; (iii) the granting of any security interest or encumbrance in, or extending or attaching to, such shares, securities (including convertible securities) or voting interests or any interest therein, and the word "Transferred" shall be construed accordingly.

vv. "**Tribunal**" shall mean the National Company Law Tribunal constituted under Section 408 of the Act.

B. CONSTRUCTION

In these Articles (unless the context requires otherwise):

(i) References to a party shall, where the context permits, include such party's respective successors, legal heirs and permitted assigns.

(ii) The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.

(iii) References to articles and sub-articles are references to Articles and sub-articles of and to these Articles unless otherwise stated and references to these Articles include references to the articles and sub-articles herein.

(iv) Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.

(v) Wherever the words "include," "includes," or "including" is used in these Articles, such words shall be deemed to be followed by the words "without limitation".

(vi) The terms "hereof", "herein", "hereto", "hereunder" or similar expressions used in these Articles mean and refer to these Articles and not to any Article of these Articles, unless expressly stated otherwise.

(vii) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of such period is not a Business Day; and whenever any payment is to be made or action to be taken under these Articles is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next Business Day following.

(viii) A reference to a party being liable to another party, or to liability, includes, but is not limited to, any liability in equity, contract or tort (including negligence).

(ix) Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.

(x) References made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the MCA.

(xi) In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail.

3. EXPRESSIONS IN THE ACT AND THESE ARTICLES

Save as aforesaid, any words or expressions defined in the Act or the Depositories Act or the SEBI

Listing Regulations, shall, as the case may be, if not inconsistent with the subject or context, bear the same meaning in these Articles.

4. SHARE CAPITAL

i. The authorised Share Capital of the Company shall be as stated under Clause V of the Memorandum of Association of the Company from time to time.

ii. The Company has power, from time to time, to increase its authorised or issued and paid up Share Capital in accordance with the Act, applicable Law and these Articles.

iii. The Share Capital of the Company may be classified into: (a) Equity Shares with voting rights and/ or with differential rights as to dividend, voting or otherwise in accordance with the applicable provisions of the Act, Rules and Laws, from time to time; and (b) preference shares, non-convertible or convertible into Equity Shares, as permitted and in accordance with the applicable provisions of the Act, Rules and Laws, from time to time.

iv. Subject to Article 4(iii), all Equity Shares shall be of the same class and shall be alike in all respects and the holders thereof shall be entitled to identical rights and privileges including without limitation to identical rights and privileges with respect to dividends, voting rights, and distribution of assets in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company.

v. The Board may allot and issue shares of the Company as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in or about the formation of the Company or the acquisition and/or in the conduct of its business or for any goodwill provided to the Company; and any shares which may be so allotted may be issued as fully/partly paid up shares and if so issued shall be deemed as fully/partly paid up shares. However, the aforesaid shall be subject to the approval of shareholders under the relevant provisions of the Act and Rules.

vi. The amount payable on application on each share shall not be less than 5 per cent of the nominal value of the share or, as may be specified by SEBI or under applicable Law.

vii. Nothing herein contained shall prevent the Board from issuing fully paid-up shares either on payment of the entire nominal value thereof in cash or in satisfaction of any outstanding debt or obligation of the Company.

viii. 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.

ix. All of the provisions of these Articles shall apply to the Shareholders.

x. Any 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 of Members shall for the purposes of these Articles be a Shareholder.

xi. 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 immediately on the insertion of the name of the allottee, in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

5. PREFERENCE SHARES

(a) Redeemable Preference Shares

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

(b) Convertible Redeemable Preference Shares

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible redeemable preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for redemption at a premium or otherwise and/or conversion of such shares into such Securities on such terms as they may deem fit.

6. PROVISIONS IN CASE OF PREFERENCE SHARES

Upon the issue of preference shares pursuant to Article 5 above, the following provisions shall apply:

a) No such preference shares shall be redeemed except out of profits of the Company which would otherwise be available for Dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption;

b) No such preference shares shall be redeemed unless they are fully paid;

c) 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 securities premium account, before the preference shares are redeemed;

d) Where any such preference shares are proposed to be redeemed out of the profits of the Company, there shall, out of such profits, be transferred, a sum equal to the nominal amount of the preference shares to be redeemed, to a reserve, to be called the **"Capital Redemption Reserve Account"** and the applicable provisions of the Act relating to the reduction of the Share Capital of the Company shall, except as provided by Section 55 of the Act, apply as if the Capital Redemption Reserve Account were Paid up Share Capital of the Company;

e) The redemption of preference shares under this Article by the Company shall not be taken as reduction of Share Capital;

f) The Capital Redemption Reserve Account may, notwithstanding anything in these Articles, be applied by the Company, in paying up un-issued shares of the Company to be issued to the Shareholders as fully paid bonus shares; and

g) Whenever the Company shall redeem any redeemable preference shares or cumulative convertible redeemable preference shares, the Company shall, within 30 (thirty) days thereafter or such other time as may be prescribed under Law, give notice thereof to the Registrar of Companies as required by Section 64 of the Act.

7. SHARE EQUIVALENT

The Company shall, subject to the applicable provisions of the Act, compliance with Law and the consent of the Board, have the power to issue Share Equivalents on such terms and in such manner as the Board deems fit including their conversion, repayment, and redemption whether at a premium or otherwise.

8. SWEAT EQUITY SHARES

Subject to the provisions of the Act and other applicable provisions of Law, the Company may with the approval of the shareholders by a resolution as prescribed by the Act in general meeting of the Company issue sweat equity shares in accordance with such applicable rules and guidelines issued by the SEBI and/or other competent authorities for the time being and further subject to such conditions as may be prescribed in that behalf.

9. ALTERATION OF SHARE CAPITAL

Subject to these Articles and Section 61 of the Act, the Company may, by Ordinary Resolution in Shareholders Meeting from time to time, alter the conditions of its Memorandum as follows, that is to say, it may:

a) increase its Share Capital by such amount as it thinks expedient;

b) consolidate and divide all or any of its authorised Share Capital into shares of larger or smaller amount than its existing shares;

Provided that no consolidation and division which results in changes in the voting percentage of Shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner;

c) convert all or any of its fully paid up shares into stock and reconvert that stock into fully paid up shares of any denomination;

d) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and

e) cancel shares which, at the date of the passing of the resolution in that behalf, 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. A cancellation of shares in pursuance of these Articles shall not be deemed to be a reduction of Share Capital within the meaning of the Act.

10. REDUCTION OF SHARE CAPITAL

The Company may, subject to the applicable provisions of the Act, from time to time, reduce its Capital, any capital redemption reserve account and the securities premium account in any manner for the time being authorised by Law. This Article is not to derogate any power the Company would have under Law, if it were omitted.

11. POWER OF COMPANY TO PURCHASE ITS OWN SECURITIES

Pursuant to a resolution of the Board or a Special Resolution of the Shareholders, as required under the Act, the Company may purchase its own shares or other Securities, as may be specified by the Act read with the Rules made thereunder from time to time, and as may be prescribed by the MCA or the SEBI, by way of a buy-back arrangement, in accordance with Sections 68, 69 and 70 of the Act, the Rules and subject to compliance with the Law.

12. POWER TO MODIFY RIGHTS

Where, the Capital, is divided (unless otherwise provided by the terms of issue of the shares of that class) into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 48 of the Act and the Law, and whether or not the Company is being wound up, be modified, commuted, affected or abrogated or dealt with by agreement between the Company and any Person purporting to contract on behalf of that class, provided the same is effected with consent in writing and by way of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class. Subject to provisions of the Act and applicable Law, all provisions hereafter contained as to Shareholders' Meetings (including the provisions relating to quorum at such meetings) shall mutatis mutandis apply to every such meeting.

13. BRANCH OFFICES

The Company shall have the power to establish one or more branch offices, in addition to the Office, in such places at its Board may deem fit.

14. REGISTERS TO BE MAINTAINED BY THE COMPANY

(a) The Company shall, in terms of the provisions of Section 88 of the Act and the provisions of the Depositories Act, cause to be kept the following registers in terms of the applicable provisions of the Act:

i. A Register of Members indicating separately for each class of Equity Shares and preference shares held by each Shareholder residing in or outside India;

ii. A register of Debenture holders; and

iii. A register of any other security holders.

(b) The Company shall also be entitled to keep in any country outside India, a part of the registers referred above, called "foreign register" containing names and particulars of the Shareholders, Debenture holders or holders of other Securities or beneficial owners residing outside India.

(c) The registers mentioned in this Article shall be kept and maintained in the manner prescribed under the Companies (Management and Administration) Rules, 2014.

15. SHARES AND SHARE CERTIFICATES

a) The Company shall issue and re-issue duplicate share certificates in accordance with the provisions of the Act and in the form and manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014.

b) A duplicate certificate of shares may be issued, if such certificate:

i. is proved to have been lost or destroyed; or
ii. has been defaced, mutilated or torn and is surrendered to the Company.

c) The Company shall be entitled to dematerialize its existing shares, rematerialize its shares held in the depository and/or to offer its fresh shares in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any and the Act.

d) A certificate, issued under the common seal of the Company, specifying the shares held by any Person shall be prima facie evidence of the title of the Person to such shares. Where the shares are held in dematerialized form, the record of Depository shall be the prima facie evidence of the interest of the beneficial owner.

e) 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 is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate, within a period of 30 days from the receipt of such lodgment or such time as may be prescribed under Law. Every certificate under the Articles shall be issued without payment of fees if the Board so decides, or on payment of such fees (not exceeding Rupees twenty for each certificate) as the Board shall prescribe. Provided that, no fee shall be charged for issue of a new certificate in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Board shall comply with the applicable provisions of the Act and Law, including the rules or regulations or requirements of any stock exchange, or the rules made under the Securities Contracts (Regulation) Act, 1956, or any statutory modification or re-enactment thereof, for the time being in force.

f) The provisions of this Article shall mutatis mutandis apply to Debentures and other Securities of the Company.

g) When a new share certificate has been issued in pursuance of sub-article (e) of this Article, it shall be in the form and manner stated under the Companies (Share Capital and Debentures) Rules, 2014.

h) Where a new share certificate has been issued in pursuance of sub-articles (e) or (f) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates maintained in the form and manner specified under the Companies (Share Capital and Debentures) Rules, 2014.

i) All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine–numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may authorise for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.

j) The Secretary shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates including the blank forms of the share certificate referred to in sub-article (i) of this Article.

k) All books referred to in sub-article (h) of this Article, shall be preserved in the manner specified in the Companies (Share Capital and Debentures) Rules, 2014.

l) The details in relation to any renewal or duplicate share certificates shall be entered into the register of renewed and duplicate share certificates, as prescribed under the Companies (Share Capital and Debentures) Rules, 2014.

m) If any Share stands in the names of 2 (two) or more Persons, the Person first named in the Register of Members shall as regards receipt of Dividends or bonus, or service of notices and all or any other matters connected with the Company except voting at meetings and the transfer of shares, be deemed the sole holder thereof, but the joint holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such shares, and for all incidents thereof according to these Articles.

n) Except as ordered by a court of competent jurisdiction or as may be required by Law, the Company shall be entitled to treat the Shareholder whose name appears on the Register of Members as the holder of such share or whose name appears as the beneficial owner of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not be bound to recognise any benami, trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other Person whether or not such Shareholder shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any shares in the joint names of any 2 (two) or more Persons or the survivor or survivors of them.

o) The Company shall effect issuance of certificates or receipts or advices, as applicable, of subdivision, split, consolidation, renewal, exchanges, endorsements, issuance of duplicates thereof or issuance of new certificates or receipts or advices, as applicable, in cases of loss or old decrepit or worn out certificates or receipts or advices, as applicable in dematerialised form within a period of thirty days from the date of such lodgement or such other time as may be prescribed under applicable Law.

16. SHARES AT THE DISPOSAL OF THE DIRECTORS

a) Subject to the provisions of Section 62 and other applicable provisions of the Act, and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased Capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to Persons in such proportion and on such terms and conditions and either at a premium or at par or at discount (subject to compliance with Section 53 of the Act) at such time as they may, from time to time, think fit, to give to any person or persons the option or right to call for any shares either at par or premium or at a discount (subject to compliance with Section 53 of the Act), subject to the provisions of the Act 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 be so allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid up shares. Further, the option or right to call on shares shall not be given to any Person or Persons without the sanction of the Company in the Shareholders' Meeting.

b) Subject to applicable Law, the Directors are hereby authorised to issue Equity Shares or Debentures (whether or not convertible into Equity Shares) for offer and allotment to such of the officers, employees and workers of the Company as the Directors may decide or the trustees of such trust as may be set up for the benefit of the officers, employees and workers in accordance with the terms and conditions of such scheme, plan or proposal as the Directors may formulate. Subject to the consent of the stock exchanges and SEBI, the Directors may impose the condition that the Equity Shares or Debentures of the Company so allotted shall not be transferable for a specified period.

c) If, by the conditions of allotment of any share, the whole or part of the amount thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who, for the time being, shall be the registered holder of the shares or by his Executor or Administrator.

d) Every Shareholder, or his heirs, Executors, or Administrators 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 Articles require or fix for the payment thereof.

e) In accordance with Section 56 and other applicable provisions of the Act and the Rules:

i. Every Shareholder or allottee of shares shall be entitled without payment, to receive one or more certificates specifying the name of the Person in whose favour it is issued, the shares to which it relates and the amount paid up thereon. Such certificates 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 coupon of requisite value, save in cases of issue of share certificates against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. Every such certificate shall be issued in the manner prescribed under Section 46 of the Act and the Rules framed thereunder. 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.

ii. Every Shareholder 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 the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within 2 (two) months from the date of allotment, or within 15 (fifteen) days of the receipt of instrument of transfer, sub-division, consolidation or renewal of its shares as the case may be and for transmission requests for securities held in dematerialised mode and physical mode must be processed within seven days and twenty one days respectively, after receipt of the specified documents. Every certificate of shares shall be in the form and manner as specified in Article 15 above and 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 the first named joint holders shall be sufficient delivery to all such holders. For any further certificate, the Board shall be entitled, but shall not be bound to prescribe a charge not exceeding Rupees twenty.

iii. the Board may, at their absolute discretion, refuse any applications for the sub-division of share certificates or debenture certificates, into denominations less than marketable lots except where sub-division is required to be made to comply with any statutory provision or an order of a competent court of law or at a request from a Shareholder or to convert holding of odd lot into transferable/marketable lot.

iv. 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.

17. UNDERWRITING AND BROKERAGE

(a) Subject to the applicable provisions of the Act, the Company may at any time pay a commission to any Person in consideration of his subscribing or agreeing to subscribe or procuring or agreeing to procure subscription, (whether absolutely or conditionally), for any shares or Debentures in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

(b) The Company may also, on any issue of shares or Debentures, pay such brokerage as may be lawful.

(c) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

18. CALLS

(a) Subject to the provisions of Section 49 of the Act, 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 circular resolution), make such call as it thinks fit upon the Shareholders in respect of all money unpaid on the shares held by them respectively and each Shareholder shall pay the amount of every call so made on him to the Person or Persons and Shareholders and at the times and places appointed by the Board. A call may be made payable by installments. Provided that the Board shall not give the option or right to call on shares to any Person except with the sanction of the Company in the Shareholders' Meeting.

(b) Such days' notice in writing as permitted under the Act, at the least of every call (otherwise than on allotment) shall be given by the Company specifying the time and place of payment and if payable to any Person other than the Company, the name of the person to whom the call shall be paid, provided that before the time for payment of such call, the Board may by notice in writing to the Shareholders revoke the same.

(c) The Board may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call and thereupon the call shall be deemed to have been made on the date so determined and if no date is determined, the call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be made payable by the Shareholders whose names appear on the Register of Members on such date or at the discretion of the Board on such subsequent date as shall be fixed by the Board. A call may be revoked or postponed at the discretion of the Board.

(d) The joint holder of a share shall be jointly and severally liable to pay all instalments and calls due in respect thereof.

(e) 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 Shareholders who, from residence at a distance or other cause the Board may deem fairly entitled to such extension; but no Shareholders shall be entitled to such extension save as a matter of grace and favour.

(f) If any Shareholder or allottee fails to pay the whole or any part of any call or installment, 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 but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Shareholder.

(g) Any sum, which by the terms of issue of a share or otherwise, becomes payable on allotment or at any fixed date or by installments at a fixed time whether on account of the nominal value of the share or by way of premium shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue or otherwise the same became payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of call, interest, expenses, forfeiture or otherwise shall apply as if such sum became payable by virtue of a call duly made and notified.

(h) On the trial or hearing of any action or suit brought by the Company against any Shareholder or his legal representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Shareholder in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder, or one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the shares; that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Shareholder or his representatives so sued in pursuance of these Articles; and 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, nor that the meeting 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.

(i) Neither a judgment nor a decree in favour of the Company for calls or other money due in respect of any share 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 Shareholder to 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 a forfeiture of such shares as hereinafter provided.

(j) The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act) agree to and receive from any Shareholder willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or so much thereof as 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 in respect of which such advance has been made, the Company may pay interest, as the Shareholder paying such sum in advance and the Board agree upon in accordance with the provisions of the Act, provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

(k) No Shareholder shall be entitled to voting rights in respect of the money(ies) so paid by him until the same would but for such payment, become presently payable.

(l) The provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company.

19. COMPANY'S LIEN:

i. On shares:

(a) The Company shall have a first and paramount lien on every share (not being a fully paid share), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that share.

Provided that the Board may, at any time, declare any shares wholly or in part to be exempt from the provisions of this Article.

(b) Company's lien, if any, on such partly paid shares, shall extend to all Dividends payable and bonuses declared from time to time in respect of such shares.

(c) Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The fully Paid up shares shall be free from all lien and that in case of partly paid shares, the Company's lien shall be restricted to money called or payable at a fixed time in respect of such shares.

(d) For the purpose of enforcing such lien, the Board may sell the shares, subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their Shareholders to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Provided that no sale shall be made:

(i) unless a sum in respect of which the lien exists is presently payable; or

(ii) until the expiration of 14 days or such period as may be prescribed under applicable Law after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the Person entitled to the shares at the date of the sale.

(e) No Shareholder shall exercise any voting right 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 of lien.

ii. On Debentures:

(a) The Company shall have a first and paramount lien on every Debenture (not being a fully paid Debenture), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that Debenture;

Provided that the Board may, at any time, declare any Debentures wholly or in part to be exempt from the provisions of this Article.

(b) Company's lien, if any, on the Debentures, shall extend to all interest and premium payable in respect of such Debentures.

(c) Unless otherwise agreed, the registration of a transfer of Debentures shall operate as a waiver of the Company's lien, if any, on such Debentures. The fully paid up Debentures shall be free from all lien and that in case of partly paid Debentures, the Company's lien shall be restricted to money called or payable at a fixed price in respect of such Debentures.

(d) For the purpose of enforcing such lien, the Board may sell the Debentures, subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such Debentures and may authorise the debenture trustee acting as trustee for the holders of Debentures or one of the holder of Debentures to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Debentures be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Provided that no sale shall be made:

(i) unless a sum in respect of which the lien exists is presently payable; or

(ii) until the expiration of 14 days or such period as may be prescribed under applicable Law after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Debenture or the Person entitled thereto by reason of his death or insolvency.

The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the Debentures before the sale) be paid to the Person entitled to the Debentures at the date of the sale.

(e) No holder of Debentures shall exercise any voting right in respect of any Debentures 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 of lien.

20. FORFEITURE OF SHARES

(a) If any Shareholder fails to pay any call or installment or any part thereof or any money 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 or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or installment or any part thereof or other money remain unpaid or a judgment or decree in respect thereof remain unsatisfied, give notice to him or his legal representatives requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

(b) The notice shall name a day, (not being less than 14 (fourteen) days or such other period prescribed under Laws from the date of the notice), and a place or places on or before which such call or installment or such part or other money as aforesaid and interest thereon, (at such rate as the Board shall determine and payable from the date 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 non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or installment is payable, will be liable to be forfeited.

(c) If the requirements of any such notice as aforesaid are not to be complied with, any share in respect of which such notice has been given, may at any time, thereafter before payment of all calls, installments, other money due in respect thereof, interest and expenses as required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all Dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act. There shall be no forfeiture of unclaimed Dividends before the claim becomes barred by Law.

(d) When any share shall have been so forfeited, notice of the forfeiture shall be given to the Shareholder on whose name it stood immediately prior to the forfeiture or if any of his legal representatives or to any of the Persons entitled to the shares by transmission, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

(e) Any share 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 shall think fit.

(f) Any Shareholder 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 and other money 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, (if it thinks fit), payment thereof as if it were a new call made at the date of forfeiture.

(g) The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.

(h) A duly verified declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has 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.

(i) 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 purchaser 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.

(j) Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relevant shares shall, (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Shareholder), stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in respect of the said shares to the Person or persons entitled thereto.

(k) The Board may, at any time, before any share so forfeited shall have been sold, re- allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

21. FURTHER ISSUE OF SHARE CAPITAL

(a) Where at any time, the Company proposes to increase its subscribed Capital by the issue of further shares, such shares shall be offered—

(i) to Persons who, at the date of the offer or a record date, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the Paid up Share Capital on those shares by sending a letter of offer subject to the following conditions, namely:

a. the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 7 (seven) days and not exceeding 30 (thirty) days from the date of the offer or such other periods as may be prescribed under applicable Law, within which the offer, if not accepted, shall be deemed to have been declined;
b. the offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the shares offered to him or any of them in favour of any other Person; and the notice referred to in sub-clause a. above shall contain a statement of this right;
c. after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company;

(ii) to employees under a scheme of employees' stock option, subject to Special Resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under Law; or

(iii) to any Persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in clause (i) or clause (ii) above, either for cash or for a consideration other than cash, at such price as may be determined in accordance with Law, subject to the compliance with the applicable provisions of the Act and any other conditions as may be prescribed under Law.

(b) The notice referred to in sub-clause a. of clause (i) of sub-article (a) shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders at least 3 (three) days before the opening of the issue or such other period as prescribed under applicable Law.

(c) Nothing in this Article shall apply to the increase of the subscribed Capital of a Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company:

Provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution passed by the Company in a Shareholders' Meeting.

(d) Notwithstanding anything contained in sub-clause (c) above, where any debentures have been issued or loan has been obtained from any Government by the Company, and if that Government considers it necessary in the public interest to do so, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion.

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to the Tribunal which shall after hearing the company and the Government pass such order as it deems fit.

(e) Where the Government has, by an order made under sub-clause (d), directed that any debenture or loan or any part thereof shall be converted into shares in the Company and where no appeal has been preferred to the Tribunal under sub-clause (d) or where such appeal has been dismissed, the Memorandum of Association of the Company shall, where such order has the effect of increasing the authorised Share Capital of the Company, be altered and the authorised share capital of the Company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into.

(f) The provisions contained in this Article shall be subject to the provisions of Section 42 and Section 62 of the Act, the Rules and the applicable provisions of the Act.

22. TRANSFER AND TRANSMISSION OF SHARES

(a) The Company shall maintain a "Register of Transfers" and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any Share, Debenture or other Security held in a material form.

(b) In accordance with Section 56 of the Act, the Rules and such other conditions as may be prescribed under Law, every instrument of transfer of shares held in physical form shall be in writing. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialised form, the provisions of the Depositories Act shall apply.

(c) (i) An application for the registration of a transfer of shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act.

(ii) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice.

(d) Every such instrument of transfer shall be executed by both, the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof.

(e) The Board shall have power on giving not less than 7 (seven) days or such other period prescribed under Laws previous notice by advertisement in a vernacular newspaper and in an English newspaper having wide circulation in the city, town or village in which the Office of the Company is situated, and publishing the notice on the website as may be notified by the Central Government and on the website of the Company, to close the transfer books, the Register of Members and/or Register of Debenture-holders at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year or such other period prescribed under Laws, as it may deem expedient.

(f) Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any securities or interest of a Shareholder in the Company. The Company shall, within (i) fifteen days, in case of transfer of shares; or (ii) seven days in case of transmission of shares, or such other time period as prescribed under applicable laws for transfer or transmission of securities, from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the Person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except where the Company has a lien on shares..

(g) Subject to the applicable provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and shall not be bound to give any reason for such refusal and in particular may also decline in respect of shares upon which the Company has a lien.

(h) Subject to the provisions of these Articles, any transfer of shares in whatever lot should not be refused, though there would be no objection to the Company refusing to split a share certificate into several scripts of any small denominations or, to consider a proposal for transfer of shares comprised in a share certificate to several Shareholders, involving such splitting, if on the face of it such splitting/transfer appears to be unreasonable or without a genuine need. The Company should not, therefore, refuse transfer of shares in violation of the stock exchange listing requirements on the ground that the number of shares to be transferred is less than any specified number.

(i) In case of the death of any one or more Shareholders named in the Register of Members as the joint-holders of any shares, the survivors shall be the only Shareholder or Shareholders recognised by the Company as having any title to or interest in such shares, but nothing therein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other Person.

(j) The Executors or Administrators or holder of the succession certificate or the legal representatives of a deceased Shareholder, (not being one of two or more joint-holders), shall be the only Shareholders recognised by the Company as having any title to the shares registered in the name of such Shareholder, and the Company shall not be bound to recognise such Executors or Administrators or holders of succession certificate or the legal representatives unless such Executors or Administrators or legal representatives shall have first obtained probate or letters of administration or succession certificate, as the case may be, from a duly constituted court in India, provided that the Board may in its absolute discretion dispense with production of probate or letters of administration or succession certificate, upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit and may under Article 22(a) of these Articles register the name of any Person who claims to be absolutely entitled to the shares standing in the name of a deceased Shareholder, as a Shareholder.

(k) The Board shall not knowingly issue or register a transfer of any share to a minor or insolvent or Person of unsound mind, except fully paid shares through a legal guardian.

(l) Subject to the provisions of Articles, any Person becoming entitled to shares in consequence of the death, lunacy, bankruptcy of any Shareholder or Shareholders, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board, (which it 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 his title, as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some Person nominated by him and approved by the Board, registered as such holder; provided nevertheless, that if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares.

(m) A Person becoming entitled to a share by reason of the death or insolvency of a Shareholder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a Shareholder in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Board shall, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the shares, and if such notice is not complied with within 90 (ninety) days or such other period prescribed under Laws, the Board may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the shares until the requirements of the notice have been complied with.

(n) Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require, to prove the title of the transferor, his right to transfer the shares. Every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.

Where any instrument of transfer of shares has been received by the Company for registration and the transfer of such shares has not been registered by the Company for any reason whatsoever, the Company shall transfer the Dividends in relation to such shares to a special account unless the Company is authorised by the registered holder of such shares, in writing, to pay such Dividends to the transferee and will keep in abeyance any offer of right shares and/or bonus shares in relation to such shares.

In case of transfer and transmission of shares or other marketable Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act shall apply.

(o) Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with a properly stamped and executed instrument of transfer in accordance with the provisions of Section 56 of the Act.

(p) No fee shall be payable to the Company, in respect of the registration of transfer or transmission of shares, or for registration of any power of attorney, probate, letters of administration and succession certificate, certificate of death or marriage or other similar documents, sub division and/or consolidation of share certificates and Debentures and sub-divisions of letters of allotment, renounceable letters of right and split, consolidation, renewal and genuine transfer receipts into denomination corresponding to the market unit of trading.

(q) 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 of Members), to the prejudice of a Person or Persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had any 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 required to regard or attend or give effect to any notice which may be given to it 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 Board shall so think fit.

(r) The Company shall not register the transfer of its Securities in the name of the transferee(s) when the transferor(s) objects to the transfer.

Provided that the transferor serves on the Company, within sixty working days of raising the objection or such other period prescribed under Laws, a prohibitory order of a Court of competent jurisdiction.

(s) The Board may delegate the power of transfer of Securities to a committee or to compliance officer or to the registrar to an issue and/or share transfer agent(s).

Provided that the Board and/or the delegated authority shall attend to the formalities pertaining to transfer of securities at least once in a fortnight.

Provided that the Board/ delegated authority shall report on transfer of Securities to the Board in each meeting.

(t) There shall be a common form of transfer in accordance with the Act and Rules.

(u) The provision of these Articles shall be subject to the applicable provisions of the Act, the Rules and any requirements of Law. Such provisions shall mutatis mutandis apply to the transfer or transmission by operation of Law to other Securities of the Company.

23. DEMATERIALISATION OF SECURITIES

(a) Dematerialisation:

Notwithstanding anything contained in these Articles, and subject to the applicable provisions of the Act, the Company shall be entitled to dematerialise its existing Securities, rematerialise its Securities held in the Depositories and/or to offer its fresh Securities in a dematerialised form pursuant to the Depositories Act, and the rules framed thereunder, if any.

(b) Subject to the applicable provisions of the Act, instead of issuing or receiving certificates for the Securities, as the case maybe, either the Company or the investor may exercise an option to issue, dematerialise, hold the Securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialised, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act as amended from time to time or any statutory modification thereto or re-enactment thereof.

(c) Notwithstanding anything contained in these Articles to the contrary, in the event the Securities of the Company are dematerialised, the Company shall issue appropriate instructions to the Depository not to transfer the Securities of any Shareholder except in accordance with these Articles. The Company shall cause the Promoters to direct their respective Depository participants not to accept any instruction slip or delivery slip or other authorisation for transfer in contravention of these Articles.

(d) If a Person opts to hold his Securities with a Depository, then notwithstanding anything to the contrary contained in these Articles the Company shall intimate such Depository the details of allotment of the Securities and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.

(e) Securities in Depositories to be in fungible form:

All Securities held by a Depository shall be dematerialised and be held in fungible form. Nothing contained in Sections 88, 89 and 186 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

(f) Rights of Depositories & Beneficial Owners:

(i) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the Registered Owner for the purposes of effecting transfer of ownership of Securities on behalf of the Beneficial Owner.

(ii) Save as otherwise provided in (i) above, the Depository as the Registered Owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.

(iii) Every Person holding shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Shareholder of the Company.

(iv) The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository on their behalf.

(g) Except as ordered by a court of competent jurisdiction or as may be required by Law required and subject to the applicable provisions of the Act, the Company shall be entitled to treat the Person whose name appears on the Register as the holder of any share or whose name appears as the Beneficial Owner of any share in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognise any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such shares or (except only as by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other Person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any share in the joint names of any two or more Persons or the survivor or survivors of them.

(h) Register and Index of Beneficial Owners:

The Company shall cause to be kept a register and index of members in accordance with all applicable provisions of the Companies Act and Depositories Act with details of shares and Debentures held in materialised and dematerialised forms in any medium as may be permitted by Law including any form of electronic media.

The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India a branch register of Beneficial Owners residing outside India.

(i) Cancellation of Certificates upon surrender by Person:

Upon receipt of certificate of Securities on surrender by a Person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name of the Depository as the registered owner in respect of the said Securities and shall also inform the Depository accordingly.

(j) Service of Documents:

Notwithstanding anything contained in the Act or these Articles to the contrary, where Securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

(k) Transfer of Securities:

i. Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

ii. In the case of transfer or transmission of shares or other marketable Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.

(l) Allotment of Securities dealt with in a Depository:

Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details of allotment of relevant Securities thereof to the Depository immediately on allotment of such Securities.

(m) Certificate Number and other details of Securities in Depository:

Nothing contained in the Act or these Articles regarding the necessity of having certificate number/distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.

(n) Register and Index of Beneficial Owners:

The Register and Index of Beneficial Owners maintained by a Depository under the Depositories Act, shall be deemed to be the Register and Index (if applicable) of Shareholders and Security-holders for the purposes of these Articles.

(o) Provisions of Articles to apply to Shares held in Depository:

Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act.

(p) Depository to furnish information:

Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by Law and the Company in that behalf.

(q) Option to opt out in respect of any such Security:

If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of Securities to the Beneficial Owner or the transferee as the case may be.

(r) Overriding effect of this Article:

Provisions of this Article will have full effect and force not withstanding anything to the contrary or inconsistent contained in any other Articles.

24. NOMINATION BY SECURITIES HOLDERS

(a) Every holder of Securities of the Company may, at any time, nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as his nominee in whom the Securities of the Company held by him shall vest in the event of his death.

(b) Where the Securities of the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as their nominee in whom all the rights in the Securities Company shall vest in the event of death of all the joint holders.

(c) Notwithstanding anything contained in any other Law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the Securities of the Company, where a nomination made in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, purports to confer on any Person the right to vest the Securities of the Company, the nominee shall, on the death of the holder of Securities of the Company or, as the case may be, on the death of the joint holders become entitled to all the rights in Securities of the holder or, as the case may be, of all the joint holders, in relation to such Securities of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014.

(d) Where the nominee is a minor, the holder of the Securities concerned, can make the nomination to appoint in prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014, any Person to become entitled to the Securities of the Company in the event of his death, during the minority.

(e) The transmission of Securities of the Company by the holders of such Securities and transfer in case of nomination shall be subject to and in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014.

25. NOMINATION FOR FIXED DEPOSITS

A depositor (who shall be the member of the Company) may, at any time, make a nomination and the provisions of Section 72 of the Act shall, as far as may be, apply to the nominations made in relation to the deposits made subject to the provisions of the Rules as may be prescribed in this regard.

26. NOMINATION IN CERTAIN OTHER CASES

Subject to the applicable provisions of the Act and these Articles, any Person becoming entitled to Securities in consequence of the death, lunacy, bankruptcy or insolvency of any holder of Securities, or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board (which it 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 such title as the Board thinks sufficient, either be registered himself as the holder of the Securities or elect to have some Person nominated by him and approved by the Board registered as such holder; provided nevertheless that, if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the Securities.

27. COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO SHAREHOLDERS

Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent by the Company to every Shareholder at his request within 7 (seven) days of the request or such other period as may be prescribed under Law on payment of such sum as prescribed under the Companies (Incorporation) Rules, 2014.

28. BORROWING POWERS

(a) Subject to the provisions of Sections 73, 179 and 180, and other applicable provisions of the Act and these Articles, the Board may, from time to time, at its discretion by resolution passed at the meeting of a Board:

i. accept or renew deposits from Shareholders;

ii. borrow money by way of issuance of Debentures;

iii. borrow money otherwise than on Debentures;

iv. accept deposits from Shareholders either in advance of calls or otherwise; and

v. generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.

Provided, however, that where the money to be borrowed together with the money already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid-up Capital, free reserves and securities premium of the Company, the Board shall not borrow such money without the consent of the Company by way of a Special Resolution in a Shareholders' Meeting unless otherwise permitted under Laws.

(b) Subject to the provisions of these Articles, the payment or repayment of money borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the resolution of the Board shall prescribe including by the issue of bonds, perpetual or redeemable Debentures or debenture–stock, or any mortgage, charge, hypothecation, pledge, lien or other security on the undertaking of the whole or any part of the property of the Company, both present and future. Provided however that the Board shall not, except with the consent of the Company by way of a Special Resolution in Shareholders' Meeting mortgage, charge or otherwise encumber, the Company's uncalled Capital for the time being or any part thereof and Debentures and other Securities may be assignable free from any equities between the Company and the Person to whom the same may be issued.

(c) Any bonds, Debentures, debenture-stock or other Securities may if permissible in Law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, attending (but not voting) at the general meeting, allotment of shares, appointment of Directors or otherwise. Provided that Debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in Shareholders' Meeting accorded by a Special Resolution.

(d) Subject to the applicable provisions of the Act and these Articles, if any uncalled Capital of the Company is included in or charged by any mortgage or other security, the Board shall make calls on the Shareholders in respect of such uncalled Capital in trust for the Person in whose favour such mortgage or security is executed, or if permitted by the Act, may by instrument under seal authorise the Person in whose favour such mortgage or security is executed or any other Person in trust for him to make calls on the Shareholders in respect of such uncalled Capital and the provisions hereinafter contained in regard to calls shall mutatis mutandis apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally or either presently or contingently and either to the exclusion of the Board's power or otherwise and shall be assignable if expressed to be so.

(e) The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, Debentures and charges specifically affecting the property of the Company; and shall cause the requirements of the relevant provisions of the Act in that behalf to be duly complied with within the time prescribed under the Act or such extensions thereof as may be permitted under the Act, as the case may be, so far as they are required to be complied with by the Board.

(f) Any capital required by the Company for its working capital and other capital funding requirements may be obtained in such form as decided by the Board from time to time.

(g) The Company shall also comply with the provisions of the Companies (Registration of Charges) Rules, 2014 in relation to the creation and registration of aforesaid charges by the Company.

29. CONVERSION OF SHARES INTO STOCK AND RECONVERSION

(a) The Company in Shareholders' Meeting may, by Ordinary Resolution, convert any paid-up shares into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interests, in the same manner and subject to the same regulations as those subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstances will admit. The Company may, by an Ordinary Resolution, at any time reconvert any stock into paid-up shares of any denomination. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however such minimum shall not exceed the nominal account from which the stock arose.

(b) The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards Dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose, but no such privileges or advantages, (except participation in the Dividends and profits of the Company and in the assets on winding-up), shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) Where the shares are converted into stock, such of the Articles as are applicable to paid- up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock -holder" respectively.

30. ANNUAL GENERAL MEETING

In accordance with the provisions of the Act, the Company shall in each year hold a general meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings. Further, not more than 15 (fifteen) months gap shall exist between the date of one Annual General Meeting and the date of the next Annual General Meeting. All general meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

31. WHEN ANNUAL GENERAL MEETING TO BE HELD

Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96(1) of the Act to extend the time within which any Annual General Meeting may be held.

32. VENUE, DAY AND TIME FOR HOLDING ANNUAL GENERAL MEETING

(a) Every Annual General Meeting shall be called during business hours, that is, between 9 A.M. and 6 P.M. on a day that is not a national holiday, and shall be held at the Office of the Company or at some other place within the city, town or village in which the Office of the Company is situated, as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.

(b) Every Shareholder of the Company shall be entitled to attend the Annual General Meeting either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any general meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table, the Directors' Report and Audited Statement of Accounts, Auditors' Report, (if not already incorporated in the Audited Statement of Accounts), the proxy Register with proxies and the Register of Directors' shareholdings wherein the latter Register shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the Annual Return and forward the same to the concerned Registrar of Companies, in accordance with Sections 92 and 137 of the Act. The Directors are also entitled to attend the Annual

General Meeting.

33. NOTICE OF SHAREHOLDERS' MEETINGS

(a) Number of days' notice of Shareholders' Meeting to be given: A Shareholders' Meeting of the Company may be called by giving not less than 21 (twenty one) days clear notice in writing or in electronic mode, excluding the day on which notice is served or deemed to be served (i.e., on expiry of 48 (forty eight) hours after the letter containing the same is posted). However, a Shareholders' Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95 (ninety five) percent of the Shareholders entitled to vote at that meeting.

The notice of every meeting shall be given to:

(a) every Shareholder, legal representative of any deceased Shareholder or the assignee of an insolvent member of the Company,
(b) Auditor or Auditors of the Company,
(c) all Directors, and
(d) Secretarial Auditor, if applicable.

(b) Notice of meeting to specify place, etc., and to contain statement of business: Notice of every meeting of the Company shall specify the place, date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat shall be given in the manner prescribed under Section 102 of the Act.

(c) Contents and manner of service of notice and Persons on whom it is to be served: Every notice may be served by the Company on any Shareholder thereof either personally or by sending it by post to their/its registered address in India and if there be no registered address in India, to the address supplied by the Shareholder to the Company for giving the notice to the Shareholder.

(d) Special Business: Subject to the applicable provisions of the Act, where any items of business to be transacted at the meeting are deemed to be special, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including any particular nature of the concern or interest if any therein of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid and where any item of special business relates to or affects any other company, the extent of shareholding interest in that other company of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid of the first mentioned company shall also be set out in the statement if the extent of such interest is not less than 2 per cent of the paid up share capital of that other company. All business transacted at any meeting of the Company shall be deemed to be special and all business transacted at the Annual General Meeting of the Company with the exception of the business specified in Section 102 of the Act shall be deemed to be special.

(e) Resolution requiring Special Notice: With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 115 of the Act.

(f) Notice of Adjourned Meeting when necessary: When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting in accordance with the applicable provisions of the Act.

(g) Notice when not necessary: 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.

(h) The notice of the Shareholders' Meeting shall comply with the provisions of Companies (Management and Administration) Rules, 2014.

34. REQUISITION OF EXTRAORDINARY GENERAL MEETING

(a) The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition received from such number of Shareholders who hold, on the date of receipt of the requisition, not less than one-tenth of such of the paid up Share Capital of the Company as on that date carries the right of voting and such meeting shall be held at the Office or at such place and at such time as the Board thinks fit.

(b) Any valid requisition so made by Shareholders must state the object or objects of the meeting proposed to be called and must be signed by the requisitionists and be deposited at the Office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.

(c) Upon the receipt of any such valid requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within 21 (twenty-one) days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than 45 (forty-five) days from the date of deposit of the requisition, the requisitionists or such of their number as represent either a majority in value of the Paid up Share Capital held by all of them or not less than one-tenth of such of the paid-up Share Capital of the Company as is referred to in Section 100 of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.

(d) Any meeting called under the foregoing sub-articles by the requisitionists, shall be called in the same manner, as nearly as possible, as that in which a meeting is to be called by the Board.

(e) The accidental omission to give any such notice as aforesaid to any of the Shareholders, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.

(f) No general meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which has not been mentioned in the notice or notices by which it was convened.

(g) The Extraordinary General Meeting called under this Article shall be subject to and in accordance with the provisions contained under the Companies (Management and Administration) Rules, 2014.

35. NO BUSINESS TO BE TRANSACTED IN SHAREHOLDERS' MEETING IF QUORUM IS NOT PRESENT

The quorum for the Shareholders' Meeting shall be in accordance with Section 103 of the Act. Subject to the provisions of Section 103(2) of the Act, if such a quorum is not present within half an hour from the time set for the Shareholders' Meeting, the Shareholders' Meeting shall be adjourned to the same time and place or to such other date and such other time and place as the Board may determine and the agenda for the adjourned Shareholders' Meeting shall remain the same. If at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum and may transact the business for which the meeting was called.

36. CHAIRMAN OF THE SHAREHOLDERS' MEETING

The Chairman of the Board shall be entitled to take the Chair at every Shareholders' Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board or if at any meeting he shall not be 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 Directors present shall elect one of them as Chairman. If no Director is present or if all the Directors present decline to take the Chair, then the Shareholders present shall elect, on a show of hands or on a poll if properly demanded, one of their member to be the Chairman of the meeting. No business shall be discussed at any Shareholders' Meeting, except the election of a Chairman, while the Chair is vacant.

37. CHAIRMAN CAN ADJOURN THE SHAREHOLDERS' MEETING

The Chairman may, with the consent given in the meeting at which a quorum is present (and if so directed by the meeting) adjourn the Shareholders' Meeting from time to time and from place to place within the city, town or village in which the Office of the Company is situate but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

38. QUESTIONS AT SHAREHOLDERS' MEETING HOW DECIDED

(a) At any Shareholders' Meeting, a resolution put to the vote of the Shareholders' Meeting shall, unless a poll is demanded, be decided by a show of hands. Before or on the declaration of the result of the voting on any resolution by a show of hands, a poll may be carried out in accordance with the applicable provisions of the Act or the voting is carried out electronically. Unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, of passing of such resolution or otherwise.

(b) In the case of equal votes, the Chairman shall both on a show of hands and at a poll, (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a Shareholder.

(c) If a poll is demanded as aforesaid, the same shall subject to anything stated in these Articles be taken at such time, (not later than forty-eight hours from the time when the demand was made), and place within the City, Town or Village in which the Office of the Company is situated and either by a show of hands or by ballot or by postal ballot, as the Chairman shall direct and either at once or after an interval or adjournment, or otherwise and the result of the poll shall be deemed to be the decision of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.

(d) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutinisers to scrutinise the votes given on the poll and to report thereon to him. One of the scrutinisers so appointed shall always be a Shareholder, (not being an officer or employee of the Company), present at the meeting provided such a Shareholder is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared, to remove a scrutiniser from office and fill vacancies in the office of scrutiniser arising from such removal or from any other cause.

(e) Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment, shall be taken at the meeting forthwith. A poll demanded on any other question shall be taken at such time not later than 48 hours from the time of demand, as the Chairman of the meeting directs.

(f) The demand for a poll except on the question of the election of the 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.

(g) No report of the proceedings of any Shareholders' Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.

(h) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.

39. PASSING RESOLUTIONS BY POSTAL BALLOT

(a) Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the Shareholders' Meeting of the Company. Also, the Company may, in respect of any item of business other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact the same by way of postal ballot.

(b) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time and applicable Law.

40. VOTES OF SHAREHOLDERS

(a) No Shareholder shall be entitled to vote either personally or by proxy at any Shareholders' Meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any shares registered in his name on which calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.

(b) No shareholder shall be entitled to vote at a Shareholders' Meeting unless all calls or other sums presently payable by him have been paid, or in regard to which the Company has lien and has exercised any right of lien.

(c) Subject to the provisions of these Articles, without prejudice to any special privilege or restrictions as to voting for the time being attached to any class of shares for the time being forming a part of the Capital of the Company, every Shareholder not disqualified by the last preceding Article, shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands, every Shareholder present in person shall have one vote and upon a poll, the voting right of such Shareholder present, either in person or by proxy, shall be in proportion to his share of the Paid Up Share Capital of the Company held alone or jointly with any other Person or Persons.

Provided however, if any Shareholder holding preference shares be present at any meeting of the Company, save as provided in Section 47(2) of the Act, he shall have a right to vote only on resolutions placed before the Meeting, which directly affect the rights attached to his preference shares.

(d) On a poll taken at a meeting of the Company, a Shareholder entitled to more than one vote, or his proxy, or any other Person entitled to vote for him (as the case may be), need not, if he votes, use or cast all his votes in the same way.

(e) A Shareholder of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, through a committee or through his legal guardian; and any such committee or guardian may, on a poll vote by proxy. If any Shareholder be a minor his vote in respect of his Share(s) shall be exercised by his guardian(s), who may be selected (in case of dispute) by the Chairman of the meeting.

(f) If there be joint registered holders of any shares, any one of such Persons may vote at any meeting or may appoint another Person, (whether a Shareholder or not) as his proxy in respect of such shares, as if he were solely entitled thereto; but the proxy so appointed shall not have any right to speak at the meeting and if more than one of such joint-holders be present at any meeting, then one of the said Persons so present whose name stands higher in the Register of Members shall alone be entitled to speak and to vote in respect of such shares, but the other joint- holders shall be entitled to be present at the meeting. Several Executors or Administrators of a deceased Shareholder in whose name shares stand shall for the purpose of these Articles be deemed joint-holders thereof.

(g) Subject to the provision of these Articles, votes may be given personally or by an attorney or by proxy. A body corporate, whether or not a Company within the meaning of the Act, being a Shareholder may vote either by a proxy or by a representative duly authorised in accordance with Section 113 of the Act and such representative shall be entitled to exercise the same rights and powers, (including the right to vote by proxy), on behalf of the body corporate which he represents as that body could have exercised if it were an individual Shareholder.

(h) Any Person entitled to transfer any shares of the Company may vote at any Shareholders' Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least 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 Board of his right to such shares and give such indemnity (if any) as the Board may require unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

(i) Every proxy, (whether a Shareholder or not), shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the common seal of such corporation or be signed by an officer or an attorney duly authorised by it, and any committee or guardian may appoint proxy. The proxy so appointed shall not have any right to speak at a meeting.

(j) An instrument of proxy may appoint a proxy either for (i) the purposes of a particular meeting (as specified in the instrument) or (ii) for any adjournment thereof or (iii) it may appoint a proxy for the purposes of every meeting of the Company, or (iv) of every meeting to be held before a date specified in the instrument for every adjournment of any such meeting.

(k) A Shareholder present by proxy shall be entitled to vote only on a poll.

(l) An instrument appointing a proxy and a power of attorney or other authority (including by way of a Board Resolution, (if any),) under which it is signed or a notarially certified copy of that power or authority or resolution as the case may be, shall be deposited at the Office not later than forty-eight hours before the time for holding the meeting at which the Person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date of its execution or such other period prescribed under Laws. An attorney shall not be entitled to vote unless the power of attorney or other instrument or resolution as the case may be appointing him or a notarially certified copy thereof has either been registered in the records of the Company at any time not less than forty-eight hours before the time for holding the meeting at which the attorney proposes to vote, or is deposited at the Office of the Company not less than forty-eight hours before the time fixed for such meeting as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may, by notice in writing addressed to the Shareholder or the attorney, given at least 48 (forty eight) hours before the meeting, require him to produce the original power of attorney or authority or resolution as the case may be and unless the same is deposited with the Company not less than forty-eight hours before the time fixed for the meeting, the attorney shall not be entitled to vote at such meeting unless the Board in their absolute discretion excuse such non-production and deposit.

(m) Every instrument of proxy whether for a specified meeting or otherwise should, as far as circumstances admit, be in any of the forms set out under Section 105 and other provisions of the Act and in the Companies (Management and Administration) Rules, 2014.

(n) If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meetings of the Company it shall remain permanently or for such time as the Board may determine in the custody of the Company; if embracing other objects a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.

(o) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office before the meeting.

(p) No objection shall be made to the validity of any vote, except at the Meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

(q) The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be in the sole judge of the validity of every vote tendered at such poll.

   (i) The Company shall cause minutes of all proceedings of every Shareholders' Meeting to be kept by making within 30 (thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.

   (ii) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of 30 (thirty) days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for that purpose.

   (iii) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(iv) The Minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

(v) All appointments of Directors of the Company made at any meeting aforesaid shall be included in the minutes of the meeting.

(vi) Nothing herein contained shall require or be deemed to require the inclusion in any such Minutes of any matter which in the opinion of the Chairman of the Meeting (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the Minutes on the aforesaid grounds.

(vii) Any such Minutes shall be evidence of the proceedings recorded therein.

(viii) The book containing the Minutes of proceedings of Shareholders' Meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge.

(ix) The Company shall cause minutes to be duly entered in books provided for the purpose of: -

a) the names of the Directors and Alternate Directors present at each Shareholders' Meeting;

b) all Resolutions and proceedings of Shareholders' Meeting.

(r) The Shareholders shall vote (whether in person or by proxy) all of the shares owned or held on record by them at any Annual or Extraordinary General Meeting of the Company called for the purpose of filling positions to the Board, appointed as a Director of the Company under Sections 152 and 164(1) of the Act in accordance with these Articles.

(s) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.

(t) All matters arising at a Shareholders' Meeting of the Company, other than as specified in the Act or these Articles if any, shall be decided by a majority vote.

(u) The Shareholders shall exercise their voting rights as Shareholders of the Company to ensure that the Act or these Articles are implemented and acted upon by the Shareholders, and by the Company and to prevent the taking of any action by the Company or by any Shareholder, which is contrary to or with a view or intention to evade or defeat the terms as contained in these Articles.

(v) Any corporation which is a Shareholder of the Company may, by resolution of the Board or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Shareholder in the Company (including the right to vote by proxy).

(w) The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, the SEBI Listing Regulations or any other Law, if applicable to the Company.

41. DIRECTORS

(a) Subject to the applicable provisions of the Act, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen) provided that the Company may appoint more than 15 (fifteen) directors after passing a Special Resolution. The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the SEBI Listing Regulations. The Board shall have an optimum combination of executive, non-executive and Independent Directors with at least 1 (one) woman Director, as may be prescribed by Law from time to time.

(b) The subscribers to the Memorandum of Association are the first Directors of the Company.

42. CHAIRMAN OF THE BOARD OF DIRECTORS

(a) The members of the Board shall elect any one of them as the Chairman of the Board. The Chairman shall preside at all meetings of the Board and the Shareholders' Meeting of the Company. The Chairman shall have a casting vote in the event of a tie.

(b) If for any reason the Chairman is not present at the meeting or is unwilling to act as Chairman, the members of the Board shall appoint any one of the remaining Directors as the Chairman for the said Meeting.

(c) The same individual may, at the same time, be appointed as the Chairman of the Company as well as the Managing Director or Chief Executive Officer of the Company, subject to the provisions of the Act and the SEBI Listing Regulations.

43. APPOINTMENT OF ALTERNATE DIRECTORS

Subject to Section 161 of the Act, any Director shall be entitled to nominate an alternate director to act for him during his absence for a period of not less than 3 (three) months from India (hereinafter called "the **Original Director**"). The Board may appoint such a person as an Alternate Director (hereinafter called "the **Alternate Director**"), not being a person holding any alternate directorship for any other Director or holding directorship in the Company, to act for and in place of the Original Director during the Original Director's absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of the office of the Original Director is determined before he so returns to India, any provisions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director. Provided no person shall be appointed or continue as an alternate director for an independent director.

44. CASUAL VACANCY AND ADDITIONAL DIRECTORS

Subject to the applicable provisions of the Act and these Articles, the Board shall have the power at any time and from time to time to appoint any qualified Person to be a Director either as an addition to the Board or to fill a casual vacancy but so that the total number of Directors shall not at any time exceed the maximum number fixed under Article 41 Any Person so appointed as an addition shall hold office only up to the earlier of the date of the next Annual General Meeting or at the last date on which the Annual General Meeting should have been held but shall be eligible for appointment by the Company as a Director at that meeting subject to the applicable provisions of the Act.

45. DEBENTURE DIRECTORS

If it is provided by a trust deed, securing or otherwise, in connection with any issue of Debentures of the Company, that any Person/lender or Persons/lenders shall have power to nominate a Director of the Company, then in the case of any and every such issue of Debentures, the Person/lender or Persons/lenders having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to a Debenture Director. A Debenture Director may be removed from office at any time by the Person/lender or Persons/lenders in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. Subject to applicable laws, a Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The trust deed may contain ancillary provisions as may be arranged between the Company and the trustees and all such provisions shall have effect notwithstanding any other provisions contained herein.

46. INDEPENDENT DIRECTORS

The Company shall have such number of Independent Directors on the Board or Committees of the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, SEBI Listing Regulations or any other Law, as may be applicable. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under the SEBI Listing Regulations.

47. EQUAL POWER TO DIRECTOR

Except as otherwise provided in these Articles, the Act and the applicable Law, all the Directors of the Company shall have in all matters, equal rights and privileges and shall be subject to equal obligations and duties in respect of the affairs of the Company.

48. NOMINEE DIRECTORS

Whenever the Board enters into a contract with any lenders for borrowing any money or for providing any guarantee or security or enter into any other arrangement, the Board shall have, subject to the provisions of Section 152 of the Act the power to agree that such lenders shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the common loan agreement/ facility agreement. The nominee director representing lenders shall not be required to hold qualification shares and not be liable to retire by rotation, subject to applicable laws. The Directors may also agree that any such Director, or Directors may be removed from time to time by the lenders entitled to appoint or nominate them and such lenders may appoint another or other or others in his or their place and also fill in any vacancy which may occur as a result of any such Director, or Directors ceasing to hold that office for any reason whatsoever. The nominee director shall hold office only so long as any monies remain owed by the Company to such lenders.

The nominee director shall be entitled to all the rights and privileges of other Directors including the sitting fees and expenses as payable to other Directors but, if any other fees, commission, monies or remuneration in any form are payable to the Directors, the fees, commission, monies and remuneration in relation to such nominee director shall accrue to the lenders and the same shall accordingly be paid by the Company directly to the lenders.

Provided that if any such nominee director is an officer of any of the lenders, the sittings fees in relation to such nominee director shall also accrue to the lenders concerned and the same shall accordingly be paid by the Company directly to that lenders.

Any expenditure that may be incurred by the lenders or the nominee director in connection with the appointment or directorship shall be borne by the Company.

The nominee director shall be entitled to receive all notices, agenda, etc. and to attend all Shareholders' Meetings and Board meetings and meetings of any committee(s) of the Board of which he is a member and to receive all notices, agenda and minutes, etc. of the said meeting.

If at any time, the nominee director is not able to attend a meeting of Board or any of its committees, of which he is a member, the lenders may depute an observer to attend the meeting. The expenses incurred by the lenders in this connection shall be borne by the Company.

49. NO QUALIFICATION SHARES FOR DIRECTORS

A Director shall not be required to hold any qualification shares of the Company.

50. REMUNERATION OF DIRECTORS

(a) Subject to the applicable provisions of the Act, the Rules, Law including the provisions of the SEBI Listing Regulations, a Managing Director or Managing Directors, and any other Director/s who is/are in the whole time employment of the Company may be paid remuneration either by a way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.

(b) Subject to the applicable provisions of the Act, a Director (other than a Managing Director or an executive Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act from time to time for each meeting of the Board or any Committee thereof attended by him.

(c) The remuneration payable to each Director for every meeting of the Board or Committee of the Board attended by them shall be such sum as may be determined by the Board from time to time in accordance with applicable provisions of the Act.

(d) Subject to the provisions of the Act and these Articles, all fees/compensation to be paid to non-executive Directors including Independent Directors shall be as fixed by the Board and shall require the prior approval of the Shareholders in a Shareholders' Meeting. Such approval shall also specify the limits for the maximum number of stock options that can be granted to a non-executive Director, in any financial year, and in aggregate. However, such prior approval of the Shareholders shall not be required in relation to the payment of sitting fees to non-executive Directors if the same is made within the prescribed limits under the Act. Notwithstanding anything contained in this Article, the Independent Directors shall not be eligible to receive any stock options.

51. REMUNERATION OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

The remuneration of the Managing Director(s) / whole time director(s) / executive director(s) / manager shall (subject to Sections 196, 197 and 203 and other applicable provisions of the Act and of these Articles and of any contract between him and the Company) be fixed by the Directors, from time to time and may be by way of fixed salary and/or perquisites or commission or profits of the Company or by participation in such profits, or by any or all these modes or any other mode not expressly prohibited by the Act.

52. SPECIAL REMUNERATION FOR EXTRA SERVICES RENDERED BY A DIRECTOR

If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board. Such remuneration may either be in addition, to or in substitution for his remuneration otherwise provided, subject to the applicable provisions of the Act.

53. TRAVEL EXPENSES OF DIRECTORS

The Board may allow and pay to any Director, who is not a bona fide resident of the place where the meetings of the Board/Committee meetings are ordinarily held; and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation for travelling, lodging and/ or other expenses, in addition to his fee for attending such Board / Committee meetings as above specified; and if any Director be called upon to go or reside out of his ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed travelling and other expenses incurred in connection with the business of the Company in accordance with the provisions of the Act.

54. CONTINUING DIRECTORS

The continuing Directors may act notwithstanding any vacancy in the Board, but if, and so long as their number is reduced below the minimum number fixed by Article 41 hereof, the continuing Directors not being less than two may act for the purpose of increasing the number of Directors to that number, or for summoning a Shareholders' Meeting, but for no other purpose.

55. VACATION OF OFFICE BY DIRECTOR

(a) Subject to relevant provisions of Sections 167, and 188 other relevant provisions of the Act, the office of a Director, shall ipso facto be vacated if:

(i) he is found to be of unsound mind by a court of competent jurisdiction; or

(ii) he applies to be adjudicated an insolvent; or

(iii) he is adjudged an insolvent; or

(iv) he is convicted by a court of any offence involving moral turpitude or otherwise, and is sentenced in respect thereof to imprisonment for not less than 6 (six) months; or

(v) he fails to pay any calls made on him in respect of shares of the Company held by him whether alone or jointly with others, within 6 (six) months from the date fixed for the payment of such call; or

(vi) he absents himself from 3 (three) consecutive meetings of the Board or from all Meetings of the Board for a continuous period of 12 (twelve) months, whichever is longer, without obtaining leave of absence from the Board; or

(vii) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; or

(viii) he acts in contravention of Section 184 of the Act; or

(ix) he becomes disqualified by an order of a court or the Tribunal; or

(x) he is removed in pursuance of Section 169 of the Act; or

(xi) he is disqualified under Section 164(2) of the Act.

Subject to the applicable provisions of the Act, a Director may resign his office at any time by notice in writing addressed to the Board and such resignation shall become effective upon its acceptance by the Board.

56. RELATED PARTY TRANSACTIONS

(a) Except with the consent of the Board or the Shareholders, as may be required in terms of the provisions of Section 188 of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014, no company shall enter into any contract or arrangement with a ‘related party’ with respect to:

(i) sale, purchase or supply of any goods or materials;

(ii) selling or otherwise disposing of, or buying, property of any kind;

(iii) leasing of property of any kind;

(iv) availing or rendering of any services;

(v) appointment of any agent for purchase or sale of goods, materials, services or property;

(vi) such Director's or its relative’s appointment to any office or place of profit in the company, its subsidiary company or associate company; and

(vii) underwriting the subscription of any securities or derivatives thereof, of the company:

without the consent of the Shareholders by way of a resolution in accordance with Section 188 of the Act.

(b) save as otherwise provided under applicable Law, no Shareholder of the Company shall vote on such resolution, to approve any contract or arrangement which may be entered into by the Company, if such Shareholder is a related party.

(c) nothing in this Article shall apply to any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis.

(d) The Director, so contracting or being so interested shall not be liable to the Company for any profit realised by any such contract or the fiduciary relation thereby established.

(e) The terms "office of profit" and "arm's length basis" shall have the meaning ascribed to them under Section 188 of the Act.

(f) The term 'related party' shall have the same meaning as ascribed to it under the Act.

(g) The compliance of the Companies (Meetings of Board and its Powers) Rules, 2014 shall be made for the aforesaid contracts and arrangements.

57. DISCLOSURE OF INTEREST

(a) A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184 of the Act; Provided that it shall not be necessary for a Director to disclose his concern or interest in any such contract or arrangement entered into or to be entered into with any other company where any of the Directors of the company or two or more of them together holds or hold not more than 2% (two per cent) of the paid-up share capital in the other company or the Company as the case may be. A general notice given to the Board by the Director, to the effect that he is a director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the Financial Year in which it is given but may be renewed for a further period of one Financial Year at a time by a fresh notice given in the last month of the Financial Year in which it would have otherwise expired. No such general notice, and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

(b) No Director shall as a Director, take any part in the discussion of, vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangements; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other body corporate where the Director of the Company either himself or in association with any other Director hold or holds less than 2 % (Two per cent) of the shareholding in such other body corporate

Subject to the provisions of Section 188 of the Act and other applicable provisions, if any, of the Act, any Director of the Company, any partner or relative of such Director, any firm in which such Director or a relative of such Director is a partner, any private company of which such Director is a director or member, and any director or manager of such private company, may hold any office or place of profit in the Company.

(c) The Company shall keep a Register in accordance with Section 189 of the Act and shall within the time specified therein enter therein such of the particulars as may be. The Register aforesaid shall also specify, in relation to each Director of the Company, the names of the bodies corporate and firms of which notice has been given by him under sub-article (a). The Register shall be kept at the Office of the Company and shall be open to inspection at such Office, and extracts may be taken therefrom and copies thereof may be required by any Shareholder of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 94 of the Act shall apply accordingly.

(d) A Director may be or become a Director of any company promoted by the Company, or on which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as director or shareholder of such company except in so far as Section 188 or Section 197 of the Act as may be applicable.

58. ONE-THIRD OF DIRECTORS TO RETIRE EVERY YEAR

In accordance with Section 152 of the Act, at the Annual General Meeting of the Company to be held in every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-election. Provided nevertheless that the Director(s) appointed as nominee Director(s), or the Director(s) appointed as a Debenture Director(s), or the Director(s) appointed as Independent Director(s) under Articles hereto shall not retire by rotation under this Article, nor shall Independent Director(s) be included in calculating the total number of Directors of whom one thirds shall be liable to retire by rotation from office in terms of Section 152 of the Act.

The Directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.

59. PROCEDURE, IF PLACE OF RETIRING DIRECTORS IS NOT FILLED UP

(a) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a national holiday, at the same time and place.

(b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting, unless:-

(i) at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;

(ii) retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be so reappointed;

(iii) he is not qualified or is disqualified for appointment; or

(iv) a resolution, whether special or ordinary, is required for the appointment or reappointment by virtue of any applicable provisions of the Act; or

(v) These Articles shall be subject to Section 162 of the Act.

60. COMPANY MAY INCREASE OR REDUCE THE NUMBER OF DIRECTORS.

Subject to Article 41 and Sections 149, 152 and 164 of the Act, the Company may, by Ordinary Resolution, from time to time, increase or reduce the number of Directors, and may alter their qualifications and the Company may, (subject to the provisions of Section 169 of the Act), remove any Director before the expiration of his period of office and appoint another qualified in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

61. REGISTER OF DIRECTORS ETC.

The Company shall keep at its Office, a Register containing the particulars of its Directors, Managing

Directors, Manager, Secretaries and other Persons mentioned in Section 170 of the Act and shall otherwise comply with the provisions of the said Section in all respects.

The Company shall in respect of each of its Directors and key managerial personnel keep at its Office a Register, as required by Section 170 of the Act, and shall otherwise duly comply with the provisions of the said Section in all respects.

62. DISCLOSURE BY DIRECTOR OF APPOINTMENT TO ANY OTHER BODY CORPORATE

Every Director shall in accordance with the provisions of Companies (Meeting of Board and its Powers) Rules, 2014 shall disclose his concern or interest in any company or companies or bodies corporate (including shareholding interest), firms or other association of individuals by giving a notice in accordance with such rules.

63. MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S) / MANAGER

Subject to the provisions of Sections 196, 197, 203 and Schedule V of the Act and of these Articles, the Board shall have the power to appoint from time to time any full time employee of the Company as Managing Director/ whole time director or chief financial officer (CFO) or executive director or manager of the Company. The Managing Director(s) or the whole time director(s), CFO, manager or executive director(s), as the case may be, so appointed, shall be responsible for and in charge of the day to day management and affairs of the Company and subject to the applicable provisions of the Act and these Articles, the Board shall vest in such Managing Director/s or the whole time director(s), CFO or manager or executive director(s), as the case may be, all the powers vested in the Board generally. The remuneration of a Managing Director/ whole time director or executive director or manager may be by way of monthly payment, fee for each meeting or participation in profits, or by any or all those modes or any other mode not expressly prohibited by the Act. Board, subject to the consent of the shareholders of the Company shall have the power to appoint Chairman of the Board as the Managing Director / whole time director or executive director of the Company or vice versa. The Directors may whenever they appoint more than one Managing Director, designate one or more of them as joint Managing Director or "Joint Managing Directors' or "Deputy Managing Directors" as the case may be.

The Managing Directors, by whatever designation given and whole time directors shall also be liable, to retire by rotation. A Managing Director / whole time director reappointed as a director immediately on retirement by rotation, shall continue to hold his office of managing director or whole time director, and such reappointment as such director shall not be deemed to constitute a break in this appointment as Managing Director / whole time director.

64. PROVISIONS TO WHICH MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / CHIEF FINANCIAL OFFICER/ EXECUTIVE DIRECTOR(S)/ MANAGER ARE SUBJECT

Notwithstanding anything contained herein, a Managing Director(s) / whole time director(s) / chief financial officer/ executive director(s) / manager shall, subject to the provisions of any contract between him/ her and the Company, be subject to the same provisions as to resignation and removal as the other Directors of the Company, and if he/ she ceases to hold the office of a Director he shall ipso facto and immediately cease to be a Managing Director(s) / whole time director(s) / Chief Financial Officer / executive director(s) / manager, and if he ceases to hold the office of a Managing Director(s) / whole time director(s) / executive director(s)/ manager he shall ipso facto and immediately cease to be a Director.

65. POWER AND DUTIES OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / CHIEF FINANCIAL OFFICER / EXECUTIVE DIRECTOR(S)/ MANAGER

Subject to the superintendence, control and direction of the Board, the day-to-day management of the Company shall be in the hands of the Managing Director(s)/ whole time director(s) / Chief Financial Officer / executive director(s)/ manager in the manner as deemed fit by the Board and subject to the applicable provisions of the Act, and these Articles, the Board may by resolution vest any such Managing Director(s)/ whole time director(s) / Chief Financial Officer / executive director(s)/ manager with such of the powers hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to the applicable provisions of the Act, and these Articles confer such power either collaterally with or to the exclusion of or in substitution for all or any of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

66. POWER TO BE EXERCISED BY THE BOARD ONLY BY MEETING

The Board shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolutions passed at the meeting of the Board: -

(a) to make calls on Shareholders in respect of money unpaid on their shares;

(b) to authorise buy-back of Securities under Section 68 of the Act;

(c) to issue Securities, including Debentures, whether in or outside India;

(d) to borrow money(ies);

(e) to invest the funds of the Company;

(f) to grant loans or give guarantee or provide security in respect of loans;

(g) to approve financial statements and the Board's report;

(h) to diversify the business of the Company;

(i) to approve amalgamation, merger or reconstruction;

(j) to take over a company or acquire a controlling or substantial stake in another company;

(k) fees/ compensation payable to non-executive directors including independent directors of the Company; and

(l) any other matter which may be prescribed under the Companies (Meetings of Board and its Powers) Rules, 2014 and the SEBI Listing Regulations.

The Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, or to any person permitted by Law the powers specified in sub-articles (d) to (f) above.

The aforesaid powers shall be exercised in accordance with the provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and shall be subject to the provisions of Section 180 of the Act.

In terms of and subject to the provisions of Section 180 of the Act, the Board may exercise the following powers subject to receipt of consent by the Company by way of a Special Resolution:

(a) to sell, lease or otherwise dispose of the whole or substantial part of the undertaking of the Company;

(b) to borrow money; and

(c) any such other matter as may be prescribed under the Act, the SEBI Listing Regulations and other applicable provisions of Law.

67. PROCEEDINGS OF THE BOARD OF DIRECTORS

(a) Board Meetings shall be held at least once in every 3 (three) month period and there shall be at least 4 (four) Board Meetings in any calendar year and there should not be a gap of more than 120 (one hundred twenty) days between two consecutive Board Meetings. Meetings shall be held at the Registered Office, or such a place as may be decided by the Board.

(b) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio-visual means, as may be prescribed, which are capable of recording and recognising the participation of the Directors and of recording and storing the proceedings of such meetings along with date and time. Any meeting of the Board held through video conferencing or other audio visual means shall only be held in accordance with the Companies (Meetings of Board and its Powers) Rules, 2014.

(c) The Company Secretary or any other Director shall, as and when directed by the Chairman or a Director convene a meeting of the Board by giving a notice in writing to every Director in accordance with the provisions of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014.

(d) The Board may meet either at the Office of the Company, or at any other location in India or outside India as the Chairman or Director may determine.

(e) At least 7 (seven) days' notice of every meeting of the Board shall be given in writing to every Director for the time being at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. A meeting of the Board may be convened in accordance with these Articles by a shorter notice in case of any emergency as directed by the Chairman or the Managing Director or the Executive Director, as the case may be, subject to the presence of 1 (one) Independent Director in the said meeting. If an Independent Director is not present in the said meeting, then decisions taken at the said meeting shall be circulated to all the Directors and shall be final only upon ratification by one independent Director. Such notice or shorter notice may be sent by post or by fax or e-mail depending upon the circumstances.

(f) At any Board Meeting, each Director may exercise 1 (one) vote. The adoption of any resolution of the Board shall require the affirmative vote of a majority of the Directors present at a duly constituted Board Meeting.

68. QUORUM FOR BOARD MEETING

Subject to the provisions of Section 174 of the Act, the quorum for each Board Meeting shall be one-third of its total strength or two directors, whichever is higher, including at least one (1) Independent Director and the presence of Directors by video conferencing or by other audio-visual means shall also be counted for the purposes of calculating quorum. Provided that where at any time the number of interested Directors exceeds or is equal to two- thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested present at the meeting being not less than two, shall be the quorum during such meeting.

If any duly convened Board Meeting cannot be held for want of a quorum, then such a meeting shall automatically stand adjourned for 7 (seven) days after the original meeting at the same time and place, or if that day is a national holiday, on the succeeding day which is not a public holiday to the same time and place. Provided however, the adjourned meeting may be held on such other date and such other place as may be unanimously agreed to by all the Directors in accordance with the provisions of the Act.

69. QUESTIONS AT THE BOARD MEETINGS HOW DECIDED

(a) Questions arising at any meeting of the Board, other than as specified in these Articles and the Act, if any, shall be decided by a majority vote. In the case of an equality of votes, the Chairman shall have a second or casting vote.

(b) No regulation made by the Company in Shareholders' Meeting, shall invalidate any prior act of the Board, which would have been valid if that regulation had not been made.

70. ELECTION OF CHAIRMAN OF BOARD

(a) The Board may elect a chairman of its meeting and determine the period for which he is to hold office.

(b) If no such chairman is elected, or at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting the Directors present may choose one among themselves to be the chairman of the meeting.

71. POWERS OF THE BOARD

Subject to the applicable provisions of the Act, these Articles and other applicable provisions of Law: -

(a) The Board shall be entitled to exercise all such power and to do all such acts and things as the Company is authorised to exercise and do under the applicable provisions of the Act or by the Memorandum and Articles of Association of the Company.

(b) The Board is vested with the entire management and control of the Company, including as regards any and all decisions and resolutions to be passed, for and on behalf of the Company.

(c) Provided that the Board shall not, except with the consent of the Company by a Special Resolution:-

i. Sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking. The term 'undertaking' and the expression 'substantially the whole of the undertaking' shall have the meaning ascribed to them under the provisions of Section 180 of the Act;

ii. Remit, or give time for repayment of, any debt due by a Director;

iii. Invest otherwise than in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation; and

iv. Borrow money(ies) where the money(ies) to be borrowed together with the money(ies) already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of businesses), will exceed the aggregate of the paid-up Capital, free reserves and securities premium of the Company.

72. COMMITTEES AND DELEGATION BY THE BOARD

The Board of Directors of the Company shall constitute such Committees as may be required under the Act, applicable provisions of Law and the SEBI Listing Regulations. Without prejudice to the powers conferred by the other Articles and so as not to in any way to limit or restrict those powers, the Board may, subject to the provisions of Section 179 of the Act, delegate any of its powers to the Managing Director(s), the executive director(s) or manager or the chief financial officer, Company Secretary, chief executive officer of the Company. The Managing Director(s), the executive director(s) or the manager or the chief financial officer, Company Secretary, chief executive officer(s) as aforesaid shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on them by the Board and all acts done by them in exercise of the powers so delegated and in conformity with such regulations shall have the like force and effect as if done by the Board.

Subject to the applicable provisions of the Act, the requirements of Law and these Articles, the Board may delegate any of its powers to Committees of the Board consisting of such member or members of the Board as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to Persons or purposes. Every Committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board 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.

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 regulation made by the Directors under the last preceding Article.

The Board of the Company shall in accordance with the provisions of the Companies (Meetings of the Board and its Powers) Rules, 2014 or any other Law and the provisions of the SEBI Listing Regulations, form such committees as may be required under such rules in the manner specified therein, if the same are applicable to the Company.

73. ACTS OF BOARD OR COMMITTEE VALID NOTWITHSTANDING INFORMAL APPOINTMENT

All acts undertaken at any meeting of the Board or of a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it may 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 . Provided that nothing in this Article shall be deemed to give validity to the acts undertaken by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.

74. PASSING OF RESOLUTION BY CIRCULATION

No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft form, together with the necessary papers, if any, to all the Directors, or members of the Committee, as the case may be, at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or members of the Committee, who are entitled to vote on the resolution. However, in case one-third of the total number of Directors for the time being require that any resolution under circulation must be decided at a meeting, the Chairman shall put the resolution to be decided at a meeting of the Board.

A resolution mentioned above shall be noted at a subsequent meeting of the Board or the Committee thereof, as the case may be, and made part of the minutes of such meeting.

75. MINUTES OF THE PROCEEDINGS OF THE MEETING OF THE BOARD

(a) The Company shall prepare minutes of each Board Meeting and the entries thereof in books kept for that purpose with their pages consecutively numbered. Such minutes shall contain a fair and correct summary of the proceedings conducted at the Board Meeting.

(b) The Company shall circulate the minutes of the meeting to each Director within 15 (fifteen) days after the Board Meeting.

(c) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.

(d) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

(e) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat and shall also contain: -

(i) all appointments of Officers;

(ii) the names of the Directors present at each meeting of the Board;

(iii) all resolutions and proceedings of the meetings of the Board;

(iv) the names of the Directors, if any, dissenting from, or not concurring in, any resolution passed by the Board.

(f) Nothing contained in sub Articles (a) to (e) above shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting: -

(i) is or could reasonably be regarded as defamatory of any person;

(ii) is irrelevant or immaterial to the proceedings; or

(iii) is detrimental to the interests of the Company.

(g) The Chairman shall exercise absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the ground specified in sub Article (f) above.

(h) Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

(i) The minutes kept and recorded under this Article shall also comply with the provisions of Secretarial Standard 1 issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980 and approved as such by the Central Government and applicable provisions of the Act and Law.

76. REGISTER OF CHARGES

The Directors shall cause a proper register to be kept, in accordance with the applicable provisions of the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the applicable provisions of the Act in regard to the registration of mortgages and charges therein specified.

77. CHARGE OF UNCALLED CAPITAL

Where any uncalled capital of the Company is charged as security or other security is created on such uncalled capital, the Directors may authorise, subject to the applicable provisions of the Act and these Articles, making calls on the Shareholders in respect of such uncalled capital in trust for the Person in whose favour such charge is executed.

78. SUBSEQUENT ASSIGNS OF UNCALLED CAPITAL

Where any uncalled capital of the Company is charged, all Persons taking any subsequent charge thereon shall take the same subject to such prior charges and shall not be entitled to obtain priority over such prior charge.

79. CHARGE IN FAVOUR OF DIRECTOR FOR INDEMNITY

If the Director or any Person, shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed, any mortgage, charge or security over or affecting the whole or part of the assets of the Company by way of indemnity to secure the Directors or other Persons so becoming liable as aforesaid from any loss in respect of such liability.

80. OFFICERS

(a) The Company shall have its own professional management and such officers shall be appointed from time to time as designated by its Board. The officers of the Company shall serve at the discretion of the Board.

(b) The officers of the Company shall be responsible for the implementation of the decisions of the Board, subject to the authority and directions of the Board and shall conduct the day to day business of the Company.

(c) The officers of the Company shall be the Persons in charge of and responsible to the Company for the conduct of the business of the Company and shall be concerned and responsible to ensure full and due compliance with all statutory laws, rules and regulations as are required to be complied with by the Company and/or by the Board of the Company.

(d) Qualified experienced managerial executives and other officers shall be appointed for the operation and conduct of the business of the Company.

(e) The Board shall appoint with the approval of the Chairman, the President and/or Chief Executive Officer and/or Chief Operating Officer of the Company, as well as persons who will be appointed to the posts of senior executive management.

81. THE SECRETARY

Subject to the provisions of Section 203 of the Act, the Board may, from time to time, appoint any individual as Secretary of the Company to perform such functions, which by the Act or these Articles for the time being of the Company are to be performed by the Secretary and to execute any other duties which may from time to time be assigned to him by the Board. The Board may confer upon the Secretary so appointed any powers and duties as are not by the Act or by these Articles required to be exercised by the Board and may from time to time revoke, withdraw, alter or vary all or any of them. The Board may also at any time appoint some individual (who need not be the Secretary), to maintain the Registers required to be kept by the Company.

82. DIRECTORS' & OFFICERS' LIABILITY INSURANCE

Subject to the provisions of the Act and Law, the Company shall procure, at its own cost, comprehensive directors and officers liability insurance for each Director which shall not form a part of the remuneration payable to the Directors in the circumstances described under Section 197 of the Act: -

(a) on terms approved by the Board;

(b) which includes each Director as a policyholder;

(c) is from an internationally recognised insurer approved by the Board; and

(d) for coverage for claims of an amount as may be decided by the Board, from time to time.

83. SEAL

(a) The Company shall also be at liberty to have an official Seal(s) in accordance with the provisions of the Act, for use in any territory, district or place outside India.

(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 authorised by it in that behalf, and except in the presence of at least two (2) directors or of one director and the secretary or of one director and such other person as the Board may appoint for the purpose; and those directors or secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

84. ACCOUNTS

(a) The Company shall prepare and keep at the Office books of accounts or other relevant books and papers and financial statements for every financial year which give a true and fair view of the state of affairs of the Company, including its branch office or offices, if any, in accordance with the Act, Rules and as required under the applicable Law, and explain the transactions effected both at the Office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting.

(b) Where the Board decides to keep all or any of the books of account at any place other than the Office, the Company shall, within 7 (seven) days of the decision, file with the Registrar, a notice in writing giving the full address of that other place. The Company may also keep such books of accounts or other relevant papers in electronic mode in accordance with the provisions of the Act.

(c) The Company shall preserve in good order the books of account relating to a period of not less than eight years preceding the current year.

(d) When the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper books of account relating to the transactions effected at the branch office are kept at the branch office and proper summarised returns made up to dates at intervals of not more than three months, are sent by the branch office to the Company at its office or at the other place in India, at which the Company's books of account are kept as aforesaid.

(e) No Shareholder (not being a Director) shall have any right of inspecting any account or books or documents of the Company except specified under the Act and Law.

(f) In accordance with the provisions of the Act, along with the financial statements laid before the Shareholders, there shall be laid a 'Board's report' which shall include:

(i) the extract of the annual return as provided under sub-section (3) of Section 92 of the Act;

(ii) number of meetings of the Board;

(iii) Directors' responsibility statement as per the provisions of Section 134 (5) of the Act;

(iv) a statement on declaration given by Independent Directors under sub-section (6) of Section 149 of the Act;

(v) in the event applicable, as specified under sub-section (1) of Section 178 of the Act, Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of Section 178 of the Act;

(vi) explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made-

1. by the auditor in his report; and

2. by the company secretary in practice in his secretarial audit report;

(vii) particulars of loans, guarantees or investments under Section 186 of the Act;

(viii) particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 in the prescribed form;

(ix) the state of the Company's affairs;

(x) the amounts, if any, which it proposes to carry to any reserves;

(xi) the amount, if any, which it recommends should be paid by way of Dividends;

(xii) material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report;

(xiii) the conservation of energy, technology absorption, foreign exchange earnings and outgo, in such manner as may be prescribed;

(xiv) a statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company;

(xv) the details about the policy developed and implemented by the Company on corporate social responsibility initiatives taken during the year;

(xvi) a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual Directors, as may be prescribed for listed companies; and

(xvii) such other matters as may be prescribed under the Law, from time to time.

(g) All the aforesaid books shall give a fair and true view of the affairs of the Company or its branch office, as the case may be, with respect to the matters herein and explain its transactions.

(h) The Company shall comply with the requirements of Section 136 of the Act.

85. AUDIT AND AUDITORS

(a) Auditors shall be appointed and their rights and duties shall be regulated in accordance with Sections 139 to 147 of the Act and as specified under Law.

(b) Every account of the Company when audited shall be approved by a Shareholders' Meeting, to the extent required under the Act and shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period the account shall forthwith be corrected, and henceforth shall be conclusive.

(c) Every balance sheet and profit and loss account shall be audited by one or more Auditors to be appointed as hereinafter set out.

(d) Where at an Annual General Meeting, no Auditors are appointed, the Central Government may appoint a person to fill the vacancy and fix the remuneration to be paid to him by the Company for his services.

(e) The Company shall within 7 (seven) days of the Central Government's power under sub-article (d) becoming exercisable, give notice of that fact to the Government.

(f) The Directors may fill any casual vacancy in the office of an Auditor but while any such vacancy continues, the remaining auditors (if any) may act. Where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in Shareholders' Meeting.

(g) A person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless special notice of a resolution of appointment of that person to the office of Auditor has been given by a Shareholder to the Company not less than 14 (fourteen) days before the meeting in accordance with Section 115 of the Act, and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the Shareholders in accordance with provisions of Section 115 of the Act and all the other provision of Section 140 of the Act shall apply in the matter. The provisions of this sub-article shall also apply to a resolution that a retiring auditor shall not be re-appointed.

(h) The persons qualified for appointment as Auditors shall be only those referred to in Section 141 of the Act.

(i) None of the persons mentioned in Section 141 of the Act as are not qualified for appointment as auditors shall be appointed as Auditors of the Company.

86. AUDIT OF BRANCH OFFICES

The Company shall comply with the applicable provisions of the Act and the Companies (Audit and Auditor) Rules, 2014 in relation to the audit of the accounts of branch offices of the Company.

87. REMUNERATION OF AUDITORS

The remuneration of the Auditors shall be fixed by the Company as authorised in Shareholders' Meeting from time to time in accordance with the provisions of the Act and the Companies (Audit and Auditor) Rules, 2014.

88. DOCUMENTS AND NOTICES

(a) A document or notice may be given or served by the Company to or on any Shareholder whether having his registered address within or outside India either personally or by sending it by post to him to his registered address or by email.

(b) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a Shareholder has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due or by cable and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall be deemed to be effected unless it is sent in the manner intimated by the Shareholder. Such service shall be deemed to have effected in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the document or notice is posted and in any case, at the time at which the letter would be delivered in the ordinary course of post or the cable would be transmitted in the ordinary course.

(c) A document or notice may be given or served by the Company to or on the joint-holders of a Share by giving or serving the document or notice to or on the joint-holder named first in the Register of Members in respect of the Share.

(d) Every Person, who by operation of Law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which previous to his name and address being entered on the Register of Members, shall have been duly served on or given to the Person from whom he derives his title to such Share.

(e) Any document or notice to be given or served by the Company may be signed by a Director or the Secretary or some Person duly authorised by the Board for such purpose and the signature thereto may be written, printed, photostat or lithographed.

(f) All documents or notices to be given or served by Shareholders on or to the Company or to any officer thereof shall be served or given by sending the same to the Company or officer at the Office by post under a certificate of posting or by registered post or by leaving it at the Office.

(g) Where a Document is sent by electronic mail, service thereof shall be deemed to be effected properly, where a shareholder has registered his electronic mail address with the Company and has intimated the Company that documents should be sent to his registered email address, without acknowledgement due. Provided that the Company, shall provide each shareholder an opportunity to register his email address and change therein from time to time with the Company or the concerned Depository. The Company shall fulfill all conditions required by Law, in this regard.

89. SHAREHOLDERS TO NOTIFY ADDRESS IN INDIA

Each registered Shareholder from time to time notify in writing to the Company such place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

90. SERVICE ON SHAREHOLDERS HAVING NO REGISTERED ADDRESS

If a Shareholder does not have registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighborhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

91. SERVICE ON PERSONS ACQUIRING SHARES ON DEATH OR INSOLVENCY OF SHAREHOLDERS

A document may be served by the Company on the Persons entitled to a share in consequence of the death or insolvency of a Shareholders by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased, assignees of the insolvent by any like description at the address (if any) in India supplied for the purpose by the Persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served as if the death or insolvency had not occurred.

92. NOTICE BY ADVERTISEMENT

Subject to the applicable provisions of the Act, any document required to be served or sent by the Company on or to the Shareholders, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district in which the Office is situated.

93. DIVIDEND POLICY

(a) The profits of the Company, subject to any special rights relating thereto being created or authorised to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the Shareholders in proportion to the amount of Capital paid-up or credited as paid-up and to the period during the year for which the Capital is paid-up on the shares held by them respectively. Provided always that, (subject as aforesaid), any Capital paid-up on a Share during the period in respect of which a Dividend is declared, shall unless the Directors otherwise determine, only entitle the holder of such Share to an apportioned amount of such Dividend as from the date of payment.

(b) Subject to the provisions of Section 123 of the Act the Company in Shareholders' Meeting may declare Dividends, to be paid to Shareholders according to their respective rights and interests in the profits. No Dividends shall exceed the amount recommended by the Board, but the Company in Shareholders' Meeting may, declare a smaller Dividend, and may fix the time for payments not exceeding 30 (thirty) days from the declaration thereof.

(c) (i) No Dividend shall be declared or paid otherwise than out of profits of the Financial Year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Act or out of the profits of the Company for any previous Financial Year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both, provided that in computing profits any amount representing unrealised gains, notional gains or revaluation of assets and any change in carrying amount of an asset or of a liability on measurement of the asset or the liability at fair value shall be excluded. The Company shall not declare Dividend unless carried over previous losses and depreciation not provided in previous Financial Year or years are set off against profit of the Company for the Financial Year for which the Dividend is proposed to be declared. Where the Company proposes to declare dividend out of the accumulated profits earned by it in previous years and transferred by the company to the free reserves, owing to inadequacy or absence of profits in the Financial Year for which the Dividends are proposed to be declared, such declaration of Dividend shall not be made except in accordance with provisions of the Act and the Rules.

(ii) The declaration of the Board as to the amount of the net profits shall be conclusive.

(d) The Board may, from time to time, pay to the Shareholders such interim Dividend as in their judgment the position of the Company justifies in accordance with the provisions of the Section 123 of the Act.

(e) Where any amount paid up in advance of calls on any share may carry interest, but such amount shall not whilst carrying interest, confer a right to participate in profits or right to Dividend.

(f) (i) Subject to the rights of Persons, if any, entitled to shares with special rights as to Dividend, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof Dividend is paid but if and so long as nothing is paid upon any shares in the Company, Dividends may be declared and paid according to the amount of the shares.

(ii) No amount paid or credited as paid on shares in advance of calls shall be treated for the purpose of the relevant regulation(s) as paid on shares.

(iii) All Dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the Dividend is paid, but if any shares are issued on terms providing that it shall rank for Dividend as from a particular date such shares shall rank for Dividend accordingly.

(g) Subject to the applicable provisions of the Act and these Articles, the Board may retain the Dividends payable upon shares in respect of any Person, until such Person shall have become a Shareholder, in respect of such shares or until such shares shall have been duly transferred to him.

(h) Any one of several Persons who are registered as the joint-holders of any Share may give effectual receipts for all Dividends or bonus and payments on account of Dividends or bonus or sale proceeds of fractional certificates or other money(ies) payable in respect of such shares.

(i) Subject to the applicable provisions of the Act, no Shareholder shall be entitled to receive payment of any interest or Dividends in respect of his Share(s), whilst any money may be due or owing from him to the Company in respect of such Share(s); either alone or jointly with any other Person or Persons; and the Board may deduct from the interest or Dividend payable to any such Shareholder all sums of money so due from him to the Company.

(j) Subject to Section 126 of the Act, a transfer of shares shall not pass the right to any Dividend declared thereon before the registration of the transfer.

(k) Unless otherwise directed any Dividend shall be paid through electronic mode of payment facility approved by the Reserve Bank of India. Where it is not possible to use electronic mode of payment, dividend may be paid by 'payable at par' cheques or warrants sent by post or courier or by any other legally permissible means to the registered address of the Shareholder or Person entitled or in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent and in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission, or for any Dividend lost to a Shareholder or Person entitled thereto, by a forged endorsement of any cheque or warrant or a forged signature on any pay slip or receipt of a fraudulent recovery of Dividend. If 2 (two) or more Persons are registered as joint-holders of any Share(s) any one of them can give effectual receipts for any money(ies) payable in respect thereof. Several Executors or Administrators of a deceased Shareholder in whose sole name any Share stands shall for the purposes of this Article be deemed to be joint-holders thereof.

(l) No unpaid Dividend shall bear interest as against the Company.

(m) Any Shareholders' Meeting declaring a Dividend may on the recommendation of the Board, make a call on the Shareholders of such amount as the Shareholders' Meeting fixes, but so that the call on each Shareholder shall not exceed the Dividend payable to him, and so that the call will be made payable at the same time as the Dividend; and the Dividend may, if so arranged as between the Company and the Shareholders, be set-off against such calls.

(n) Notwithstanding anything contained in this Article, the dividend policy of the Company shall be governed by the applicable provisions of the Act and Law.

(o) The Company may pay dividends on shares in proportion to the amount paid-up on each Share in accordance with Section 51 of the Act.

94. UNPAID OR UNCLAIMED DIVIDEND

(a) If the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, transfer the total amount of dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the Company in that behalf in any scheduled bank or private sector bank, to be called "ESDS-Unpaid or Unclaimed Dividend Account".

(b) Any money so transferred to the unpaid Dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. "Investors Education and Protection Fund".

(c) No unpaid or unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law and such forfeiture, if effected, shall be annulled in appropriate cases.

95. CAPITALISATION OF PROFITS

The Company in Shareholders' Meeting may, upon the recommendation of the Board, resolve:

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the Company's profit and loss account or otherwise, as available for distribution, and

(b) that such sum be accordingly set free from distribution in the manner specified herein below in sub-article (c) as amongst the Shareholders who would have been entitled thereto, if distributed by way of Dividends and in the same proportions.

(c) The sum aforesaid shall not be paid in cash but shall be applied either in or towards:

(i) paying up any amounts for the time being unpaid on any shares held by such Shareholders respectively;

(ii) paying up in full, un-issued shares of the Company to be allotted, distributed and credited as fully Paid up, to and amongst such Shareholders in the proportions aforesaid; or

(iii) partly in the way specified in sub-article (i) and partly in the way specified in sub- article (ii).

(d) A share premium account may be applied as per Section 52 of the Act, and a capital redemption reserve account may, duly be applied in paying up of unissued shares to be issued to Shareholders of the Company as fully paid bonus shares.

96. RESOLUTION FOR CAPITALISATION OF RESERVES AND ISSUE OF FRACTIONAL CERTIFICATE

(a) The Board shall give effect to a Resolution passed by the Company in pursuance of this Article.

(b) Whenever such a Resolution as aforesaid shall have been passed, the Board shall:

  (i) make all appropriation and applications of undivided profits (resolved to be capitalised thereby), and all allotments and issues of fully paid shares or Securities, if any; and

  (ii) generally do all acts and things required to give effect thereto.

(c) The Board shall have full power:

  i. to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or Debentures becoming distributable in fraction; and

  ii. to authorise any Person, on behalf of all the Shareholders entitled thereto, to enter into an agreement with the Company providing for the allotment to such Shareholders, credited as fully Paid up, of any further shares or Debentures to which they may be entitled upon such capitalisation or (as the case may require) for the payment of by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any parts of the amounts remaining unpaid on the shares.

(d) Any agreement made under such authority shall be effective and binding on all such shareholders.

97. DISTRIBUTION OF ASSETS IN SPECIE OR KIND UPON WINDING UP

(a) 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 shareholders, 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.

(b) 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 Shareholders or different classes of Shareholders.

(c) 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 Shareholder shall be compelled to accept any shares or other Securities whereon there is any liability.

98. DIRECTOR'S AND OTHER'S RIGHTS TO INDEMNITY

Subject to the provisions of Section 197 of the Act, every Director, manager and other Officer or employee of the Company shall be indemnified by the Company against any liability incurred by him in the ordinary course of business and it shall be the duty of the Directors to pay out from the funds of the Company all costs, losses and expenses which any Director, manager, Officer or employee may incur or become liable to by reason of any contact entered into by him on behalf of the Company or in any way in the discharge of his duties and in particular, and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, manager, Officer or employee in defending any proceedings, whether civil or criminal in which judgement is given in his favour or he is acquitted or in connection with any application under Section 463 of the Act in which relief is granted by the court and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the Shareholders over all the claims.

99. DIRECTOR'S ETC. NOT LIABLE FOR CERTAIN ACTS

Subject to the provision of Section 197 of the Act, no Director, manager, Officer or employee of the Company shall be liable for the acts, defaults, receipts and neglects of any other Director, manager, Officer or employee or for joining in any receipts or other acts for the sake of conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of any security in or upon which any of the monies of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any Person with whom any monies, securities or effects shall be deposited or for any loss occasioned by an error of judgement or oversight on his part, or for any other loss, damage or misfortune whatsoever which shall happen in the execution thereof unless the same shall happen through negligence, default, misfeasance, breach of duty or breach of trust. Without prejudice to the generality foregoing it is hereby expressly declared that any filing fee payable or any document required to be filed with the registrar of the companies in respect of any act done or required to be done by any Director or other Officer by reason of his holding the said office shall be paid and borne by the Company.

100. INSPECTION BY SHAREHOLDERS

The register of charges, register of investments, register of members, books of accounts and the minutes of the general meetings of the Company shall be kept at the Office of the Company and shall be open for inspection of any Shareholder without charge during business hours for such periods as determined by the Board, subject to applicable provisions of the Act. In the event such Shareholder conducting inspection of the abovementioned documents requires extracts of the same, the Company may charge a fee as may be prescribed under the Act or other applicable provisions of law. Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.

101. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION

The Company may amend its Memorandum of Association and Articles of Association in accordance with Sections 13, 14 and 15 of the Act and such other provisions of Law, as may be applicable from time-to-time. The shareholders shall vote for all the equity shares owned or held on record by such shareholders at any Annual or Extraordinary General meeting of the company in accordance with these Articles.

(a) The shareholders shall not pass any resolution or take any decision which is contrary to any of the terms of these Articles.

(b) The Articles of the company shall not be amended unless (i) Shareholders holding not less than 75% of the Equity shares (and who are entitled to attend and vote) cast votes in favour of each such amendment/s to the Articles.

102. SECRECY

Subject to applicable law, no Shareholder shall be entitled to inspect the Company's work without permission of the Managing Director/Directors or to require discovery of any information respectively any details of Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the Managing Director/Directors will be inexpedient in the interest of the Shareholders of the Company to communicate to the public.

103. DUTIES OF THE OFFICER TO OBSERVE SECRECY

Every Director, Managing Director(s), manager, Secretary, Auditor, trustee, members of the committee, Officer, servant, agent, accountant or other Persons employed in the business of the Company shall, if so required by the Director before entering upon his duties, or any time during his term of office, sign a declaration pledging himself to observe secrecy relating to all transactions of the Company and the state of accounts and in matters relating thereto and shall by such declaration pledge himself not to reveal any of such matters which may come to his knowledge in the discharge of his official duties except which are required to do so by the Directors or the Auditors, or by resolution of the Company in the Shareholders' Meeting or by a court of law and except so far as may be necessary in order to comply with any of the provision of these Articles or Law. Nothing herein contained shall affect the powers of the Central Government or any officer appointed by the government to require or to hold an investigation into the Company's affair.

104. GENERAL POWER

Wherever in the Act or Law, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorised by its articles, then and in that case this Article authorises and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act or Law, without there being any specific Article in that behalf herein provided.

At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the SEBI Listing Regulations, the provisions of the SEBI Listing Regulations shall prevail over the Articles to such extent and the Company shall discharge all its obligations as prescribed under the SEBI Listing Regulations, from time to time.

105. ARBITRATION

Whenever any differences or disputes arise between the Company on the one hand and any of the members or their heirs, executors, administrators or assigns interest touching the true intent or construction or touching anything then or thereafter done, executed, committed or suffered in pursuance of these presents or of the statues or touching any breach, or otherwise relating to the premises or to any affairs of the Company every such difference or dispute shall be referred to the decision of any arbitrator to be appointed by the parties to the dispute or in difference, or if they cannot agree upon a single arbitrator to the decision of two arbitrators, of whom one shall be appointed by each of the parties to the dispute. Such arbitration will be governed by the laws for the time being in force.

Notwithstanding anything contained in these Articles, the instructions / guidelines issued from time to time by the Ministry of Corporate Affairs or SEBI by way of circulars / notifications etc. in respect of any of the matters with regard to powers of the board/convening / conducting of board meetings / committee meetings / shareholders' meetings, minutes of the meetings, sending of annual report by e-mail, video- conferencing and maintenance of registers / records etc., shall have overriding effect on these Articles for compliance thereof.

SECTION XI - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which are, or may be deemed material, have been entered or to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus and Prospectus that will be filed with the Registrar of Companies (except for such documents and contracts executed after the Bid/Issue Closing Date). Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at our Registered Office and Corporate Office, from 10.00 a.m. to 5.00 p.m. on Working Days and will also be available on the website of our Company at www.esds.co.in/investor-relations/material-contracts, from the date of the Red Herring Prospectus until the Bid/Issue Closing Date (except for such documents or agreements that will be executed subsequent to the Bid/Issue Closing Date).

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A. Material Contracts for the Issue

1. Registrar agreement dated March 30, 2025 between our Company and the Registrar to the Issue.

2. Issue agreement dated March 30, 2025 between our Company and the BRLMs.

3. Cash Escrow and sponsor bank agreement dated [●] between our Company, the Registrar to the Issue, the BRLMs, the Syndicate Members and the Bankers to the Issue.

4. Syndicate agreement dated [●] between our Company, the Registrar to the Issue, the BRLMs and the Syndicate Members.

5. Monitoring agency agreement dated [●] between our Company and the Monitoring Agency.

6. Underwriting agreement dated [●] between our Company and the Underwriters.

B. Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association as amended from time to time.

2. Certificate of incorporation dated August 18, 2005 issued by the RoC and certificate of incorporation consequent upon conversion from private company to public company issued by the RoC on July 8, 2021.

3. Resolution of the Board of Directors and Shareholders dated December 20, 2024 and January 25, 2025, respectively approving the Issue and other related matters.

4. Resolution of the Board of Directors dated March 30, 2025, approving this Draft Red Herring Prospectus.

5. Industry report titled "*India Data Centre, Cloud Services and Managed Services Industry Outlook*" dated March 2025, prepared and issued by Nexdigm Private Limited, and the consent letter from Nexdigm Private Limited dated March 2025.

6. Consent dated March 30, 2025 from the Statutory Auditors, holding a valid peer review certificate from ICAI, to include their name as required under Section 26 of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an 'expert' as defined under Section 2(38) of Companies Act, 2013 in respect of the: (i) their examination report dated March 13, 2025 on the Restated Consolidated Financial Information; and (ii) the statement of possible special tax benefits available to our Company and Shareholders dated March 30, 2025 included in this Draft Red Herring Prospectus (iii) certificates issued by them in connection with the Issue.

7. Certificate dated March 30, 2025 issued by Apt Data Center Consultants India LLP, an independent

IT consultant in the field of data centre site infrastructure, with respect to our Data Centres and the proposed purchase of cloud computing equipment and other equipment and infrastructure for our Data Centres.

8. Consent dated March 30, 2025 from Apt Data Center Consultants India LLP, an independent IT consultant in the field of data centre infrastructure, to include their name as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an independent consultant with respect to the certificate issued by them with respect to our Data Centres and the proposed purchase of cloud computing equipment and other equipment and infrastructure for our Data Centres.

9. Valuation report dated June 1, 2024 issued by Omkar Ravindra Karambelkar, a registered valuer with registration number IBBI/RV/16/2023/15383, in relation to the divestment of ESDS Internet Services Private Limited, erstwhile subsidiary of the Company.

10. The examination report dated March 13, 2025 issued by our Statutory Auditors on our Restated Consolidated Financial Information, included in this Draft Red Herring Prospectus.

11. Resolution of the Board of Directors dated February 4, 2025 approving the terms of appointment of Jitendra Pathak.

12. The report dated March 30, 2025 on statement of possible special tax benefits available to our Company and Shareholders issued by our Statutory Auditors, included in this Draft Red Herring Prospectus.

13. The report dated March 26, 2025 on statement of possible special tax benefits available to ESDS Cloud FZ-LLC issued by NBN Auditing of Accounts, Chartered Accountants, consent to include their name as required under section 26(5) of the Companies Act, 2013 in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 in this Draft Red Herring Prospectus.

14. Certificate dated March 30, 2025 with respect to key performance indicators of our Company issued by our Statutory Auditors.

15. Resolution of the Audit Committee dated March 30, 2025 approving the KPIs.

16. Investment Agreement dated September 16, 2024 entered into by and between our Company, Piyush Prakashchandra Somani, South Asia Growth Fund II, L.P., GEF ESDS Partners LLC, South Asia Growth Fund II Holdings LLC, South Asia EBT Trust through Orbis Trusteeship Services Private Limited and the October 2024 Investors and the Waiver cum Amendment Agreement entered into between our Company, Piyush Prakashchandra Somani, and the October 2024 Investors dated March 27, 2025.

17. Investment Agreement dated December 10, 2024 and the Waiver cum Amendment Agreement dated March 26, 2025, entered into by and between our Company, Piyush Prakashchandra Somani and Mukul Mahavir Agrawal.

18. Service agreement dated October 1, 2024 between our Company and Piyush Prakashchandra Somani.

19. Service Agreement dated August 9, 2021 and a Supplementary Agreement to the Service Agreement dated September 30, 2024, between our Company and Komal Piyush Somani.

20. Copies of the annual report of our Company for the Fiscals 2024, 2023 and 2022.

21. Consent of the Directors, BRLMs, the legal counsel to our Company as to Indian law, independent practicing secretary, Registrar to the Issue, Syndicate Member(s), Bankers to the Issue, Bankers to our Company, Company Secretary and Compliance Officer, in their specific capacities.

22. Tripartite agreement dated August 6, 2021 among our Company, NSDL and the Registrar to the Issue.

23. Tripartite agreement dated August 3, 2021 amongst our Company, CDSL and the Registrar to the Issue.

24. Due diligence certificate dated March 30, 2025 addressed to SEBI from the BRLMs.

25. In-principle listing approvals dated [●] and [●] issued by BSE and NSE, respectively.

26. SEBI’s final observation letter bearing reference number [●] dated [●].

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines or regulations issued by the Government of India or the rules, guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement and disclosures 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. I further certify that all the statements and disclosures in this Draft Red Herring Prospectus are true and correct.

Signed by the Director of our Company

Piyush Prakashchandra Somani
Managing Director and Chairman
Place: Nashik
Date: March 30, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines or regulations issued by the Government of India or the rules, guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement and disclosures 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. I further certify that all the statements and disclosures in this Draft Red Herring Prospectus are true and correct.

Signed by the Director of our Company

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Komal Piyush Somani
Whole-time Director
Place: Nashik
Date: March 30, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines or regulations issued by the Government of India or the rules, guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement and disclosures 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. I further certify that all the statements and disclosures in this Draft Red Herring Prospectus are true and correct.

Signed by the Director of our Company

Jitendra Pathak
Additional Director (Executive)
Place: Nashik
Date: March 30, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines or regulations issued by the Government of India or the rules, guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement and disclosures 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. I further certify that all the statements and disclosures in this Draft Red Herring Prospectus are true and correct.

Signed by the Director of our Company

Thandankorai Ganapathy Dhandapani
Independent Director
Place: Chennai
Date: March 30, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines or regulations issued by the Government of India or the rules, guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement and disclosures 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. I further certify that all the statements and disclosures in this Draft Red Herring Prospectus are true and correct.

Signed by the Director of our Company

Pamela Kumar
Independent Director
Place: Bengaluru
Date: March 30, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines or regulations issued by the Government of India or the rules, guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement and disclosures 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. I further certify that all the statements and disclosures in this Draft Red Herring Prospectus are true and correct.

Signed by the Director of our Company

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Venkatesh Natarajan
Independent Director
Place: Chennai
Date: March 30, 2025

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, guidelines or regulations issued by the Government of India or the rules, guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement and disclosures 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. I further certify that all the statements and disclosures in this Draft Red Herring Prospectus are true and correct.

Signed by the Chief Financial Officer

Nadukuru Sita Ramaiah
Chief Financial Officer
Place: Nashik
Date: March 30, 2025