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**TRAFIKSOL ITS TECHNOLOGIES LIMITED**  
(Formerly known as Trafiksol Its Technologies Private Limited)  
CIN: U72900UP2018PLC101608

**Draft Red Herring Prospectus**  
**Dated:** May 31, 2024  
Please read Section 26 and 32 of the Companies Act, 2013  
(This Draft Red Herring Prospectus will be Updated upon filing with the RoC)  
**100% Book Built Issue**

REGISTERED OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
2 <sup>nd</sup> Floor, B 68, Sector 63, Noida, Gautam Buddha Nagar, Noida 201 301, Uttar Pradesh, India.	<b>Dipak Kumar Pandey</b> Company Secretary and Compliance Officer	<b>E-mail:</b> <a href="mailto:info@trafiksol.com">info@trafiksol.com</a> <b>Tel No:</b> +91- 87440 50058	<a href="http://www.trafiksol.com">www.trafiksol.com</a>

#### PROMOTERS OF THE COMPANY

Jitendra Narayan Das and Poonam Das are the Promoters of the Company.

#### DETAILS OF THE ISSUE

TYPE	FRESH ISSUE SIZE (IN ₹ LAKHS)	OFFERS SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹)	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	Issue of upto 64,10,000 equity shares upto ₹[●] Lakh	Nil	₹[●] Lakhs	The Issue is being made pursuant to Regulation 229(2) of SEBI ICDR Regulations as the Company's post issue face value capital exceeds ₹10.00 Crores but does not exceed ₹25.00 Crores.

**DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES.**

#### RISK IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is ₹10 each. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under *"Basis for Issue Price"* beginning on page 96 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

#### GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section *"Risk Factors"* beginning on page 28 of this Draft Red Herring Prospectus.


#### ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of 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 offered through this Draft Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received an In-Principle approval letter dated [●] from BSE Limited.

#### BOOK RUNNING LEAD MANAGER TO THE ISSUE

NAME AND LOGO	CONTACT PERSON	EMAIL & TELEPHONE
 <b>EKADRISHT CAPITAL PRIVATE LIMITED</b>	Krunal Pipalia / Sakshi Manhas	<b>Telephone:</b> +91 89286 31037; +91 83838 78744 <b>E-mail:</b> <a href="mailto:info@ekadrisht.com">info@ekadrisht.com</a>

#### REGISTRAR TO THE ISSUE

NAME AND LOGO	CONTACT PERSON	EMAIL & TELEPHONE
 <b>Maashitla</b> Creating Successful People <b>Maashitla Securities Private Limited</b>	Mukul Agrawal	<b>Telephone:</b> 011-45121795 <b>E-mail:</b> <a href="mailto:ipo@maashitla.com">ipo@maashitla.com</a>

#### ISSUE PROGRAMME

ANCHOR INVESTOR BID/ISSUE PERIOD*: [●]	BID/ISSUE OPENS ON*: [●]	BID/ISSUE CLOSES ON**: [●]***
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\*Our Company may in consultation with the BRLM may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

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

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



**TRAFIKSOL ITS TECHNOLOGIES LIMITED**  
*(Formerly known as Trafiksol Its Technologies Private Limited)*  
CIN: U72900UP2018PLC101608

Our Company was originally incorporated on March 05, 2018, as a private limited Company under the name and style of Trafiksol ITS Technologies Private Limited under the provisions of Companies Act, 2013 with the Registrar of Companies, Kanpur Uttar-Pradesh bearing Registration No. 101608. Thereafter, our Company was converted from private limited to public limited and the name of our Company was changed from "Trafiksol ITS Technologies Private Limited" to "Trafiksol ITS Technologies Limited" vide fresh certificate of incorporation dated May 18, 2024 issued by the Central Processing Centre, Gurgaon, Haryana. The Corporate Identification Number of our Company is U72900UP2018PLC101608.

**Registered Office:** 2<sup>nd</sup> Floor, B 68, Sector 63, Noida, Gautam Buddha Nagar, Noida 201 301, Uttar Pradesh, India.

**Contact Person:** Dipak Kumar Pandey

**Tel No:** +91 - 8744050058 | **E-mail:** [info@trafiksol.com](mailto:info@trafiksol.com) | **Website:** [www.trafiksol.com](http://www.trafiksol.com)

**Promoters of our Company:** Jitendra Narayan Das and Poonam Das.

**DETAILS OF THE ISSUE**

**INITIAL PUBLIC OFFER OF UPTO 64,10,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (THE "EQUITY SHARES") OF TRAFIKSOL ITS TECHNOLOGIES LIMITED ("OUR COMPANY" OR "TITL" OR "THE ISSUER") AT AN ISSUE PRICE OF ₹[●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹[●] LAKHS ("PUBLIC ISSUE") OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH, AT AN ISSUE PRICE OF ₹[●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹[●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH, AT AN ISSUE PRICE OF ₹[●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹[●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE [●] AND [●] % RESPECTIVELY OF THE POST - ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN [●] EDITION OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND [●] EDITION OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, , HINDI ALSO BEING THE REGIONAL LANGUAGE 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 SME PLATFORM OF BSE ("BSE SME") FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE.**

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

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, 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 will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" beginning on page 232 of this Draft Red Herring Prospectus.

**RISK IN RELATION TO THE FIRST ISSUE**

The face value of the Equity Shares is ₹10 each. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "Basis for Issue Price" beginning on page 96 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 28 of this Draft Red Herring Prospectus.

**ISSUER'S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of 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 issued through the Draft Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited. Our Company has received an 'in principle' approval letter dated [●] from BSE Limited for using its name in this offer document for listing our shares on the SME Platform of BSE Limited. For the purpose of this Offer, the Designated Stock Exchange will be BSE Limited.

**BOOK RUNNING LEAD MANAGER TO THE ISSUE**

**REGISTRAR TO THE ISSUE**



**EKADRISHT CAPITAL PRIVATE LIMITED**  
406, Summitt Business Bay, Chakala, Andheri Kurla Road, Andheri East,  
Chakala MIDC, Mumbai, 400 093, Maharashtra.  
**Tel. No.:** +91 89286 31037; +91 83838 78744.  
**Email:** [info@ekadrisht.com](mailto:info@ekadrisht.com)  
**Investor Grievance Email:** [grievances@ekadrisht.com](mailto:grievances@ekadrisht.com)  
**Website:** [www.ekadrisht.com](http://www.ekadrisht.com)  
**Contact Person:** Krupal Pipalia / Sakshi Manhas  
**Designation:** Vice President/ Company Secretary and Compliance Officer  
**SEBI Registration Number:** INM000013040  
**CIN No:** U66190MH2023PTC401863



**MAASHITLA SECURITIES PRIVATE LIMITED**  
451, Krishna Apra Business Square, Netaji Subhash Place,  
Pitampura, Delhi 110 034, India.  
**Telephone:** 011 - 4512 1795  
**Email:** [ipo@maashitla.com](mailto:ipo@maashitla.com)  
**Investor Grievance e-mail:** [investor.ipo@maashitla.com](mailto:investor.ipo@maashitla.com)  
**Website:** [www.maashitla.com](http://www.maashitla.com)  
**Contact Person:** Mukul Agarwal  
**Designation:** Director  
**SEBI Registration Number:** INR000004370  
**CIN No:** U67100DL2010PTC208725

**ISSUE PROGRAMME**

<b>ANCHOR INVESTOR BID/ISSUE PERIOD: [●]*</b>	<b>BID/ISSUE OPENS ON: [●]*</b>	<b>BID/ISSUE CLOSES ON: [●]**</b>
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\*The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

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

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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 legislation, act, regulations, rules, guidelines or policies shall be to such legislation, act, regulations, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

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

Notwithstanding the foregoing, the terms not defined but used in the chapters titled “*Statement of Possible Tax Benefits*”, “*Restated Financial Statements*”, “*Outstanding Litigations and Material Developments*”, “*Key Industry Regulations*” and section titled “*Main Provisions of the Articles of Association*” beginning on page no. 104, 174, 195, 142 and 264 respectively of this Draft Red Herring Prospectus, shall have the meanings ascribed to such terms in the respective sections.

#### GENERAL TERMS

Term	Description
TITSTL/ Our Company/ we/ us/ our / the Company/ the Issuer Company/ or the Issuer.	Trafiksol ITS Technologies Limited, A Public Limited Company, Registered Under the Companies Act, 2013 and having its Registered Office at 2 <sup>nd</sup> Floor, B-68, Sector 63, Gautam Buddha Nagar, Noida 201 301, Uttar Pradesh, India.
We/ us/ our / Group	Unless the context otherwise indicates or implies, refers to our Company.
You/ your or yours	Prospective Investors in this Issue.
Our Promoter	Jitendra Narayan Das and Poonam Das
Promoters’ Group	Companies, Individuals and entities (other than companies) as defined under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled “ <i>Our Promoters and Promoter’s Group</i> ” beginning on page no. 165 of this Draft Red Herring Prospectus.

#### COMPANY RELATED TERMS

Term	Description
Articles / Articles of Association / AOA	Articles of Association of our Company.
Audit Committee	The Audit Committee of our Company, constituted on May 18, 2024 in accordance with Section 177 of the Companies Act, 2013, For details refer section titled “ <i>Our Management</i> ” beginning on page no. 150 of this Draft Red Herring Prospectus.
Auditor of our Company / Statutory Auditor / Peer Review Auditor	The Statutory Auditors of our Company, being M/s Vijay Darji and Associates, Chartered Accountants holding a valid peer review certificate as mentioned in the section titled “ <i>General Information</i> ” beginning on page no. 72 of this Draft Red Herring Prospectus.
Bankers to the Company	HDFC Bank Ltd
Board of Directors / Board / BOD	The Board of Directors of Trafiksol ITS Technologies Limited unless otherwise specified.
Companies Act	The Companies Act, 2013, as amended from time to time.
Corporate Social Responsibility Committee	The Corporate Social Responsibility Committee of our Company, constituted on May 18, 2024 in accordance with Section 135 of the Companies Act, 2013. For details refer section titled “ <i>Our Management</i> ” beginning on page no. 150 of this Draft Red Herring Prospectus.
CIN	Corporate Identification Number of our Company i.e. U72900UP2018PLC101608.
CMD	Chairman and Managing Director.
Chief Financial Officer (CFO)	The Chief Financial officer of our Company, being Pankaj Kumar Jain.
Company Secretary and Company Officer	The Company Secretary and Company Officer of our Company, being Dipak Kumar Pandey.

Term	Description
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Directors Identification Number.
Equity Shares	Equity Shares of our Company of Face Value of ₹10/- each unless otherwise specified in the context thereof.
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company.
ED	Executive Director
Group Companies	Group Companies as defined under Regulation 2(1)(t) of the SEBI (ICDR) Regulations, 2018, “Group companies shall include such companies (other than our Promoters and Subsidiary) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and as disclosed in “ <i>Our Group Companies</i> ” beginning on page no. 171 of this Draft Red Herring Prospectus.
Independent Director	A Non-Executive Independent Director as per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
Indian GAAP	Generally Accepted Accounting Principles in India.
ISIN	INEOROQ01011
Key Managerial Personnel / Key Managerial Employees	The officer vested with executive power and the officers at the level immediately Below the Board of Directors as described in the section titled “ <i>Our Management</i> ” beginning on page no. 150 of this Draft Red Herring Prospectus.
Key Performance Indicators” or “KPIs”	Key financial and operational performance indicators of our Company, as included in “ <i>Basis for Issue Price</i> ” beginning on page no. 96 of this Draft Red Herring Prospectus.
Materiality Policy	The policy adopted by our Board on May 18, 2024 for identification of Group Companies, material outstanding litigation and outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations
MD	Managing Director.
MOA / Memorandum of Association	Memorandum of Association of our Company as amended from time to time.
Non Residents	A person resident outside India, as defined under FEMA.
Nomination and Remuneration Committee	The Nomination and Remuneration Committee, constituted on May 18, 2024 in accordance with Section 178 of the Companies Act, 2013. For details refer section titled “ <i>Our Management</i> ” beginning on page no. 150 of this Draft Red Herring Prospectus.
Non-Executive Director	A Director not being an Executive Director or an Independent Director.
NRIs / Non Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Outside India Regulation, 2000.
Peer Review Auditors	Auditor having a valid Peer Review certificate in our case being M/s Vijay Darji and Associates, Chartered Accountants.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoters	Shall mean promoters of our Company i.e., Jitendra Narayan Das and Poonam Das. For further details, please refer to section titled “ <i>Our Promoters and Promoter Group</i> ” beginning on page no. 165 of this Draft Red Herring Prospectus.
Promoters Group	Includes such Persons and entities constituting our promoter group covered under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations as enlisted in the section titled “ <i>Our Promoter and Promoter Group</i> ” beginning on page no. 165 of this Draft Red Herring Prospectus.
Registered Office	The Registered office of our Company located at 2 <sup>nd</sup> Floor, B- 68, Sector 63, Noida, Gautam Buddha Nagar, Noida 201 301, Uttar Pradesh, India.
Restated Financial Statements	The Restated Financial information of our Company, which comprises the Restated Statement of Assets and Liabilities, the Restated Statement of Profit and Loss, the Restated statement of cash flows for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 and the summary statement of significant accounting policies read together with the annexures and notes thereto and other

Term	Description
	restated financial information, prepared in terms of the requirements of Section 26 of the Companies Act, the SEBI (ICDR) Regulations, 2018 and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.
ROC/Registrar of Companies	Registrar of Companies, Kanpur.
Shareholders	Shareholders of our Company.
Stock Exchange	Unless the context requires otherwise, refers to, Bombay Stock Exchange/ BSE SME.
Subscriber to MOA/Initial Promoters	Initial Subscriber to MOA & AOA being Praveen Kumar Dubey and Indira Kammila.
Stakeholders' Relationship Committee	The Stakeholders' Relationship Committee, constituted on May 18, 2024 in accordance with Section 178 of the Companies Act, 2013. For details refer section titled "Our Management" beginning on page no. 150 of this Draft Red Herring Prospectus.
WTD	Whole-Time Director

### KEY PERFORMANCE INDICATORS

Key Financial Performance	Explanations
Revenue from Operations	Revenue from Operations is used by the management to track the revenue profile of the business and in turn helps to assess the overall financial performance of the Company and volume of the business.
EBITDA	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin	PAT Margin (%) is an indicator of the overall profitability and financial performance of the business.
Return on Equity Ratio	Return on equity (ROE) is a measure of financial performance.
Return on Capital Employed	Return on capital employed is a financial ratio that measures our company's profitability in terms of all of its capital.
Net fixed asset turnover ratio	Net fixed asset turnover ratio is indicator of the efficiency with which our company is able to leverage its assets to generate revenue from operations.
Current Ratio	The current ratio is a liquidity ratio that measures our company's ability to pay short-term obligations or those due within one year.
Net profit ratio	Net Profit Margin (also known as "Profit Margin" or "Net Profit Margin Ratio") is a financial ratio used to calculate the percentage of profit our company produces from its total revenue.

### ISSUE RELATED TERMS

Term	Description
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Draft Red Herring Prospectus.
Abridged Prospectus	Abridged Prospectus means a memorandum containing such salient features of a Prospectus as may be specified by SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company.
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorizing a SCSB to block the application amount in the ASBA Account maintained with the SCSB.
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants.
Allottee	The successful applicant to whom the Equity Shares are being / have been issued.

<b>Term</b>	<b>Description</b>
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who had Bid for an amount of at least ₹200 Lakhs.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Book Running Lead Manager during the Anchor Investor Bid/Issue Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Bid/Issue Period or Anchor Investor Bidding Date	The 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 Book Running Lead Manager 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 Book Running Lead Manager.
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 Manager, to the 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 accordance with the SEBI ICDR Regulations.
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in the section “ <i>Issue Procedure</i> ” beginning on page no. 232 of this Draft Red Herring Prospectus.
Bankers to the Issue, Sponsor and Refund Banker	[●].
Bidding Centers	Centers at which the Designated Intermediaries shall accept the Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid	An indication to make an Issue 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 Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid 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 Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids, which shall be notified in in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Hindi edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Issue closing Date also to be notified on the website and terminals of the Syndicate, SCSB’s and Sponsor Bank, as required under the SEBI (ICDR) Regulations.  Our Company, in consultation with the BRLM, may, consider closing the Bid/Issue Period for QIBs One Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended

Term	Description
	Bid/ Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations.
Bid/ Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Hindi edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI (ICDR) Regulations.
Bid/ Issue Period	<p>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 the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. Our Company, in consultation with the Book Running Book Running Lead Manager may consider closing the Bid/Issue Period for the QIB Portion One Working Day prior to the Bid/Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, in accordance with the SEBI ICDR Regulations.</p> <p>In cases of force majeure, banking strike or similar circumstances, our Company may, in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days.</p>
Bidder/ Investor	Any prospective investor who makes a bid for Equity Shares in terms of this Draft Red Herring Prospectus.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Bid cum Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Draft Red Herring Prospectus.
Bid cum Application Form	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Draft Red Herring Prospectus.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
BRLM / Book Running Book Running Lead Manager	Book Running Lead Manager to the Issue, in this case being Ekadrisht Capital Private Limited.
Bidding	The process of making a Bid.
Business Day	Monday to Friday (except public holidays).
Broker Centers	Broker centers notified by the Stock Exchanges where investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
BSE	BSE Limited
BSE SME Platform	The BSE SME for listing of equity shares offered under Chapter IX of the SEBI (ICDR) Regulations, 2018.
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.



Term	Description
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price and the Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.
Cut-off Price	The Issue Price, finalised by our Company in consultation with the Book Running Book Running Lead Managers, which shall be any price within the Price Band. Only Retail Individual Bidders Bidding in the Retail Portion are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.
Designated Date	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Draft Red Herring Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA Applicant and a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognized-Intermediaries">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognized-Intermediaries</a> or at such other website as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants.  The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a> .
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a> .
Demographic Details	The demographic details of the Applicants such as their Address, PAN, name of the applicant father / husband, investor status, occupation and Bank Account details.
Designated Intermediaries/ Collecting Agent	The members of the Syndicate, sub-syndicate / agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
DP ID	Depository Participant's Identity Number.
Designated Market Maker	SS Corporate Securities Limited will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
Draft Red Herring Prospectus or DRHP	This Draft Red Herring Prospectus dated May 31, 2024 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.
Designated Stock Exchange	BSE Limited ("BSE SME") (SME Platform).
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Draft Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Equity Shares	Equity Shares of our Company of face value ₹10.00/- each.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an offer or

Term	Description
	invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Escrow Account	Accounts opened with the Banker to the Issue.
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First Bidder/ Applicant/ Bidders	Bidder(s) 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.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI.
GIR Number	General Index Registry Number.
Issue Opening Date	The date on which the Issue opens for subscription.
Issue Closing date	The date on which the Issue closes for subscription.
Issue Period	The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their application.
IPO	Initial Public Offering.
Issue / Issue Size / Public Issue	Public issue of upto 64,10,000 Equity Shares of face value of ₹10 each of our Company for cash at a price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating to ₹[●] Lakhs and [●] Equity Shares of face value ₹10 each for cash at a price of ₹[●] per Equity Share aggregating to ₹[●] Lakhs will be reserved for the subscription by the Market Maker.
Issue Closing Date	The date after which the Book Running Book Running Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●].
Issue Opening Date	The date on which the Book Running Book Running Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●].
Issue Price	The price at which the Equity Shares are being issued by our Company through this Draft Red Herring Prospectus, being ₹[●] (including share premium of ₹[●] per Equity Share.
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled “Objects of the Issue” beginning on page no. 84 of this Draft Red Herring Prospectus.
BRLM /Book Running Book Running Lead	Book Running Lead Manager to the Issue, in this case being Ekadrisht Capital Private Limited.

Term	Description
Manager	
Listing Agreement	Unless the context specifies otherwise, this means the SME Equity Listing Regulation to be signed between our company and the SME Platform of BSE Limited (“BSE SME”) (“BSE”).
Market Maker	The Market Maker to the Issue, in this case being SS Corporate Securities Limited.
Market Making Agreement	The Market Making Agreement dated May 20, 2024 between our Company, Book Running Book Running Lead Manager and Market Maker.
Market Maker Reservation Portion	The reserved portion of [●] Equity Shares of ₹10 each at an Issue price of ₹[●] each aggregating to ₹[●] Lakhs to be subscribed by Market Maker in this issue.
Memorandum of Understanding / MOU	The Memorandum of Understanding dated May 20, 2024 between our Company and BRLM.
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] Equity Shares of ₹10 each at ₹[●] per Equity Share including share premium of ₹[●] per Equity Share aggregating to ₹[●] Lakhs by Trafiksol ITS Technologies Limited.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] equity Shares of ₹10.00 each at a price of ₹[●] per Equity Share (the “Issue Price”), including a share premium of ₹[●] per equity share aggregating to ₹[●] Lakhs.
Net Proceeds	The proceeds from the Issue less the Issue related expenses applicable to the Fresh Issue.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors.
Non-Institutional Investors/ Applicant	Investors other than Retail Individual Investors, NRIs and QIBs who apply for the Equity Shares of a value of more than ₹2,00,000/-.
NPCI	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI.
NSE	National Stock Exchange of India Limited.
Non Retail Portion including Qualified Institution Buyers (NRII)	The remaining portion of the Net Issue, after retails portion, being not more than 50% of the Net issue which shall be available for allocation to NRIIs in accordance with the SEBI ICDR Regulations.
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body/ OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB’s) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Pay-in-Period	The period commencing on the Bid/Issue Opening date and extended till the closure of the Anchor Investor Pay-in-Date.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus	The Prospectus, to be filed with the ROC containing, inter alia, the Issue opening and closing dates and other information.
Price Band	The price band of a minimum price of ₹[●] per Equity Share (Floor Price) and the

Term	Description
	<p>maximum price of ₹[●] per Equity Share (Cap Price) including any revisions thereof.</p> <p>The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the Book Running 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 regional edition of [●], a Hindi newspaper, Hindi being the regional language of Noida, where our Registered and Corporate Office is located, each with wide circulation and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites</p>
Public Issue Account	An Account of the Company under Section 40 of the Companies Act, 2013 where the funds shall be transferred by the SCSBs from bank accounts of the ASBA Investors
Qualified Institutional Buyers / QIBs	The qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Red Herring Prospectus / RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto.
Refund Account (s)	Account(s) opened / to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount, if any, shall be made.
Registrar / Registrar to the Issue	Registrar to the Issue being Maashitla Securities Private Limited.
Registrar Agreement	The agreement dated May 20, 2024 entered into between our Company, and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
Retail Individual Investors / (RII)	Individual investors (including HUFs applying through their Karta and Eligible NRI Bidders) who applies or bids for the Equity Shares of a value of not more than ₹2,00,000/-.
Registered Broker	Individuals or companies registered with SEBI as “ <b>Trading Members</b> ” (except Syndicate/ Sub-Syndicate Members) who hold valid membership of either BSE or NSE having right to trade in stocks listed on Stock Exchanges ,through which investors can buy or sell securities listed on stock exchanges, a list of which is available on <a href="https://www.bseindia.com/static/markets/Derivatives/DeriReports/membership.aspx">https://www.bseindia.com/static/markets/Derivatives/DeriReports/membership.aspx</a>
Retail Portion	The portion of the Net Issue being not less than 50% of the Net Equity Shares which shall be available for allocation to RIIs in accordance with the SEBI ICDR Regulations.
Revision Form	<p>The Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s). 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.</p> <p>Retail Individual Bidders can revise their Bid during the Issue Period or withdraw their Bids until Bid / Issue Closing Date.</p>
SEBI SCORES	SEBI Complaints Redress System, a centralized web-based complaints redressal system launched by SEBI.
SEBI Master Circular	The SEBI Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Red Herring Prospectus or	The Red Herring Prospectus to be issued by our Company in accordance with

Term	Description
RHP	Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the Issue Price 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 .
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
Self-Certified Syndicate Bank(s) / SCSB(s)	<p>The banks registered with SEBI, offering services, (i) in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or such other website as updated from time to time, and (ii) in relation to ASBA through the UPI Mechanism, a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time.</p> <p>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 Forms from the members of the Syndicate is available on the website of the SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> and updated from time to time.</p> <p>In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, UPI Bidders using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> and <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> respectively, as updated from time to time.</p>
SME Exchange/ BSE SME	<p>SME Platform of the BSE i.e. BSE SME.</p> <p>SME Platform of BSE for listing of equity shares offered under Chapter IX of the SEBI ICDR Regulations.</p>
Specified Locations	The Bidding Centres where the Syndicate shall accept ASBA Forms from Bidders and in case of RIBs only ASBA Forms with UPI.
Sponsor Bank	The Banker to the Issue registered with SEBI and appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the Retail Individual Bidders into the UPI and carry out other responsibilities, in terms of the UPI Circulars.
Securities laws	Means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board.
Sub Syndicate Member	A SEBI Registered member of BSE appointed by the BRLM and/ or syndicate member to act as a Sub Syndicate Member in the Issue.
Syndicate	Includes the BRLM, Syndicate Members and Sub Syndicate Members.
Syndicate Agreement	The agreement dated [●] entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Issue.
Syndicate ASBA Bidding Locations	Bidding Centers where an ASBA Bidder can submit their Bid in terms of SEBI Circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely Mumbai, Chennai, Kolkata, Delhi.
Syndicate Members/ Members of the Syndicate	Intermediaries registered with SEBI eligible to act as a syndicate member and who is permitted to carry on the activity as an underwriter, in this case being [●].
Systemically Important Non-	Systemically important non-banking financial company as defined under Regulation

<b>Term</b>	<b>Description</b>
Banking Financial Company	2(1)(iii) of the SEBI ICDR Regulations.
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the applicants, as proof of registration of the Application.
Underwriter	The BRLM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time. i.e. Ekadrisht Capital Private Limited.
Underwriting Agreement	The Agreement entered into between the Underwriter and our Company dated May 20, 2024.
Unified Payments Interface (UPI)	Unified payment Interface, which is an instant payment mechanism, developed by NPCI.
UPI Bidders	Collectively, individual investors applying as Retail Individual Bidders in the Retail Portion, and individuals applying as Non-Institutional Bidders with a Bid Amount of up to ₹500,000 in the Non-Institutional Portion.  Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹500,000 shall use the UPI Mechanism and shall provide their UPI ID in the Bid cum Application Form submitted with: (i) a Syndicate Member, (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 Circular	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and any subsequent circulars or notifications issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the Retail Individual Bidder by way of a notification on the Mobile App and by way of a SMS directing the Retail Individual Bidder to such Mobile App) to the Retail Individual Bidder initiated by the Sponsor Bank to authorize blocking of funds on the Mobile App equivalent to Bid Amount and Subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by a RII to make a Bid in the Issue in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transactions.
U.S. Securities Act	U.S. Securities Act of 1933, as amended.
Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Willful Defaulter or Fraudulent Borrower	As defined under Regulation 2(1)(III) of SEBI (ICDR) Regulations, 2018 which means a person or an issuer who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulation, working day means all days on which commercial banks in the city as specified in the Draft Red Herring Prospectus are open for business:

Term	Description
	<ol style="list-style-type: none"> <li>1. However, in respect of announcement of price band and Issue Period, working day shall mean all days, excluding Saturday, Sundays and Public holidays, on which commercial banks in the city as notified in this Draft Red Herring Prospectus are open for business.</li> <li>2. In respect to the time period between the Issue closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holiday in accordance with circular issued by SEBI.</li> </ol>

#### TECHNICAL AND INDUSTRY RELATED TERMS

Term	Description
AAI	Airport Authority of India
ATMS	Advanced Traffic Management Systems
ALPR	automated license plate recognition
AUM	Assets Under Management
AVI	Automatic Vehicle Identification
BIS	Bureau of Indian Standards
BOT	Build–operate–transfer
CPI-C	Consumer Price Index-Combined
DL	Driving License
DPIIT	Department for Promotion of Industry and Internal Trade Policy
EPA	Environment (Protection) Act
EPC	Engineering, Procurement, and Construction
ETC	Electronic Toll Collection
FIRMS	Foreign Investment Reporting and Management System
FRE	First Revised Estimates
GNSS	Global Navigation Satellite System
GW	Gigawatts
HAM	Hybrid Annuity Mode
HFI	High-Frequency Indicators
HRBC	Hooghly River Bridge Commissioners
HQ	Headquarters
InvITs	Infrastructure Investment Trusts
ISDLAN	Integrated services Digital Local Network
ITS	Intelligent Transportation Systems
IWT	Inland Waterway Terminals
LMT	Lakh Metric Tonnes
MoPSW	Ministry of Ports, Shipping and Waterways
MoSPI	Ministry of Statistics & Programme Implementation
MSRDC	Maharashtra State Road Development Corporation Limited
MJPRCL	Mumbai JNPT Port Road Company Limited
NASSCOM	National Association of Software and Service Companies
NHAI	National Highways Authority of India
NHAI InvIT	National Highways Infra Trust
NHDP	National Highways Development Project
NH	National Highways
NIIF	National Investment and Infrastructure Fund
NIP	National Infrastructure Pipeline
NP	National Projects
OMS	Operation & Maintenance Service
O&M	Operations & Maintenance
PIUs	Project Implementation Units
PLI	Production-Linked Incentives
PMGSY	Pradhan Mantri Gram Sadak Yojana

Term	Description
AAI	Airport Authority of India
PPP	Public-Private Partnership
RAP	Reclaimed Asphalt Pavement
RIDCOR	Road Infrastructure Development Co of Rajasthan Ltd
ROs	Regional Offices
RSRDC	Rajasthan State Road Development & Construction Corporation Limited
TMS	Toll Management System
TNMS	Tunnel Management System
WSA	Wayside Amenities
YoY	Year-Over-Year

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## CONVENTIONAL AND GENERAL TERMS/ ABBREVIATIONS

Term	Description
A/c	Account.
Act or Companies Act	Companies Act, 2013, as amended from time to time.
AGM	Annual General Meeting.
AO	Assessing Officer.
ASBA	Application Supported by Blocked Amount.
AS	Accounting Standards issued by the Institute of Chartered Accountants of India.
AY	Assessment Year.
BG	Bank Guarantee.
CAGR	Compounded Annual Growth Rate.
CAN	Confirmation Allocation Note.
CDSL	Central Depository Services (India) Limited.
CIN	Corporate Identity Number.
CIT	Commissioner of Income Tax.
CRR	Cash Reserve Ratio.
Depositories	NSDL and CDSL.
Depositories Act	The Depositories Act, 1996 as amended from time to time.
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time.
DIN	Director's identification number.
DP/ Depository Participant	A Depository Participant as defined under the Depository Participant Act, 1996.
DP ID	Depository Participant's Identification.
EBIDTA	Earnings Before Interest, Depreciation, Tax and Amortization.
ECS	Electronic Clearing System.
EGM	Extra-ordinary General Meeting.
EPS	Earnings Per Share i.e. profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year.
Financial Year / Fiscal Year / FY	The period of twelve months ended March 31 of that particular year.
FDI	Foreign Direct Investment.
FDR	Fixed Deposit Receipt
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder and as amended from time to time.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended.
FII	Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India.
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.
FIs	Financial Institutions.
FIPB	Foreign Investment Promotion Board.
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
GDP	Gross Domestic Product.
GIR Number	General Index Registry Number.
Gov/ Government/GoI	Government of India.
HUF	Hindu Undivided Family.
IFRS	International Financial Reporting Standard.
ICSI	Institute of Company Secretaries of India.
ICAI	Institute of Chartered Accountants of India.
Indian GAAP	Generally Accepted Accounting Principles in India.
I.T. Act	Income Tax Act, 1961, as amended from time to time.
ITAT	Income Tax Appellate Tribunal.
INR/ Rs./ Rupees / ₹	Indian Rupees, the legal currency of the Republic of India.

Term	Description
Ltd.	Limited.
Pvt. Ltd.	Private Limited.
MCA	Ministry of Corporate Affairs.
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended.
MOF	Ministry of Finance, Government of India.
MOU	Memorandum of Understanding.
NA	Not Applicable.
NAV	Net Asset Value.
NEFT	National Electronic Fund Transfer.
NOC	No Objection Certificate.
NR/ Non Residents	Non Resident.
NRE Account	Non Resident External Account.
NRI	Non Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations.
NRO Account	Non Resident Ordinary Account.
NSDL	National Securities Depository Limited.
NTA	Net Tangible Assets.
p.a.	Per annum.
P/E Ratio	Price/ Earnings Ratio.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time.
PAT	Profit After Tax.
PBT	Profit Before Tax.
PIO	Person of Indian Origin.
PLR	Prime Lending Rate.
R & D	Research and Development.
RBI	Reserve Bank of India.
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time.
RoNW	Return on Net Worth.
RTGS	Real Time Gross Settlement.
SAT	Security appellate Tribunal.
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time.
SCR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SCSBs	Self-Certified Syndicate Banks.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time.
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI ICDR Regulations / ICDR Regulations / SEBI ICDR / ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
SEBI Rules and Regulations	SEBI (ICDR) Regulations, 2018, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time.
Sec.	Section.
Securities Act	The U.S. Securities Act of 1933, as amended.
S&P BSE SENSEX	S&P Bombay Stock Exchange Sensitive Index.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time.
SME	Small and Medium Enterprises.
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time.
State Government	The Government of a State of India.

Term	Description
Stock Exchanges	Unless the context requires otherwise, refers to, the BSE SME.
STT	Securities Transaction Tax.
TDS	Tax Deducted at Source.
TIN	Tax payer Identification Number.
TRS	Transaction Registration Slip.
UIN	Unique Identification Number.
U.S. GAAP	Generally accepted accounting principles in the United States of America.
VCFs	<p>Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations.</p> <p>In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.</p>

The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in “Main Provisions of The Articles of Association of Our Company”, “Statement of Possible Tax Benefits”, “Industry Overview”, “Regulations and Policies”, “Restated Financial Statements”, “Outstanding Litigations and Material Developments” and “Issue Procedure”, will have the meaning ascribed to such terms in these respective sections.

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## PRESENTATION OF FINANCIAL INDUSTRY AND MARKET DATA

### CERTAIN CONVENTIONS

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

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time ("IST").

Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus. In this Draft Red Herring Prospectus, our Company has presented numerical information in "lakhs" units. One lakh represents 1,00,000.

### FINANCIAL DATA

Unless stated otherwise, the financial data in the Draft Red Herring Prospectus is derived from our restated audited financial statements financial year ended on March 31, 2024; March 31, 2023 and March 31, 2022 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP which are included in the Draft Red Herring Prospectus, and set out in the section titled "*Restated Financial Information*" beginning on page no. 174 of the Draft Red Herring Prospectus. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Years are to the twelve-month period ended March 31 of that year. In the Draft Red Herring Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the restated financial statements included in the Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the Draft Red Herring Prospectus should accordingly be limited.

Any percentage amounts, as set forth in the sections / chapters titled "*Risk Factors*", "*Business Overview*" and "*Management's Discussion And Analysis Of Financial Position And Results Of Operations*" beginning on page nos. 28, 117 and 184 respectively of this Draft Red Herring Prospectus and elsewhere in the Draft Red Herring Prospectus, unless otherwise indicated, have been calculated on the basis of our restated financial statements prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP.

### CURRENCY AND UNITS OF PRESENTATION

All references to "Rupees", "Rs." or "₹" are to Indian Rupees, the official currency of the Republic of India. All references to "US\$" or "US Dollars" or "USD" are to United States Dollars, the official currency of the United States of America, EUR or "€" are Euro currency.

All references to the word "Lakh" or "Lac", means "One hundred thousand" and the word "Million" means "Ten Lakhs" and the word "Crore" means "Ten Million" and the word "Billion" means "One thousand Million".

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 derived from our Restated Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

This Draft Red Herring Prospectus may contain conversions of certain US Dollar and 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 those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

## INDUSTRY AND MARKET DATA

Unless stated otherwise, industry data used throughout the Draft Red Herring Prospectus has been obtained or derived from industry and government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes that industry data used in the Draft Red Herring Prospectus is reliable, it has not been independently verified.

Further, the extent to which the industry and market data presented in the Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of, the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

## EXCHANGE RATES

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

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

Currency	Exchange Rate as on March 28, 2024*	Exchange Rate as on March 31, 2023	Exchange Rate as on March 31, 2022
1 USD	83.37	82.22	75.81
1 Euro	90.22	89.61	84.66

\* Since March 31, 2024 was Sunday and a holiday hence, we have taken March 28, 2024 last working day for Financial Year 2023-2024 as the exchange rate.

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. Source: [www.fbil.org.in](http://www.fbil.org.in).

## DEFINITIONS

For definitions, please refer the chapter titled “*Definitions and Abbreviations*” beginning on page no. 1 of this Draft Red Herring Prospectus. In the section titled “*Main Provisions of the Articles of Association*” beginning on page no. 264 of this Draft Red Herring Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

## FORWARD LOOKING STATEMENTS

All statements contained in the Draft Red Herring Prospectus that are not statements of historical facts constitute “*forward looking statements*”. All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward looking statements. These forward looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in the Draft Red Herring Prospectus regarding matters that are not historical facts. These forward looking statements and any other projections contained in the Draft Red Herring Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements or other projections.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward looking statement. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Competition from existing and new entities may adversely affect our revenues and profitability;
- Political instability or changes in the Government could adversely affect economic conditions in India and consequently our business may get affected to some extent.
- Our business and financial performance is particularly based on market demand and supply of our products/services;
- The performance of our business may be adversely affected by changes in, or regulatory policies of, the Indian national, state and local Governments;
- Any downgrading of India’s debt rating by a domestic or international rating agency could have a negative impact on our business and investment returns;
- Changes in Government Policies and political situation in India may have an adverse impact on the business and operations of our Company;
- The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.

For further discussion of factors that could cause the actual results to differ from the expectations, see the sections/chapters “*Risk Factors*”, “*Business Overview*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on page no. 28, 117 and 184 respectively of this Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward looking statements reflect the current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although our Company believes 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. None of our Company, the Directors, the LM, or 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. Our Company and the Directors will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.

In accordance with the SEBI ICDR Regulations, our Company, will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange for the Equity Shares pursuant to the Issue.

## SECTION II - SUMMARY OF ISSUE DOCUMENT

The following is a general summary of certain disclosures included in this Draft Red Herring Prospectus and is neither exhaustive, nor purports to contain a summary of all the disclosures in this Draft Red Herring Prospectus or the Red Herring Prospectus or the Prospectus, when filed, 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 “Risk Factors”, “The Issue”, “Capital Structure”, “Objects of the Issue”, “Industry Overview”, “Business Overview”, “Our Promoters and Promoter Group”, “Restated Financial Statements”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Outstanding Litigation and Material Developments”, “Issue Procedure” and “Main Provisions of The Articles Of Association” beginning on pages 28, 47, 56, 84, 108, 117, 165, 174, 184, 195, 232 and 264 respectively.

### SUMMARY OF OUR BUSINESS

Our Company was incorporate on March 05, 2018, under the provisions of the Companies Act, 2013 vide Certificate of Incorporation issued by the Registrar of Companies, Central Registration Centre, with an object of providing comprehensive solutions for Intelligent Transportation Systems and Automation, including software development, consultancy, and supply services. Our offerings encompass ready-made and customized software solutions, operating systems, business applications, and computer games across all platforms. Our consultancy services focus on analyzing user needs and problems to deliver tailored software solutions, including made-to-order software and ongoing maintenance. Our company excels in every aspect of Intelligent Transportation Systems, spanning from initial requirements assessment and solution identification to seamless implementation, business integration, and system fine-tuning. With a wealth of expertise and adaptable strategies, we assist our clients in revitalizing and reshaping their enterprises for unparalleled success. Later on, company was converted into public limited company, the name of our Company was changed to “Trafiksol ITS Technologies Limited” and fresh Certificate of Incorporation dated May 18, 2024 was issued by the Registrar of Companies, Central Processing Centre.

For more details, please refer chapter titled “Business Overview” beginning on page 117 of this Draft Red Herring Prospectus.

### SUMMARY OF OUR INDUSTRY

For more details, please refer chapter titled “Industry Overview” beginning on page 108 of this Draft Red Herring Prospectus.

### OUR PROMOTERS

The Promoters of our company are Jitendra Narayan Das and Poonam Das.

### SIZE OF ISSUE

The following table summarizes the details of the Issue. For further details, see “The Issue” and “Issue Structure” beginning on page 47 and 227 respectively.

<b>Issue of Equity Shares</b>	Up to 64,10,000 Equity shares of ₹10/- each for cash at a price of ₹[●] per Equity share (including a premium of [●] per Equity Share) aggregating to ₹[●] Lakhs.
<b>Out Of which:</b>	
<b>(i) Fresh Issue <sup>(1)</sup></b>	Up to [●] Equity Shares aggregating up to ₹ [●] Lakhs.
<b>Of which:</b>	
<b>Market Maker Reservation Portion</b>	Up to [●] Equity shares of ₹10/- each for cash at a price of ₹ [●] per Equity shares aggregating to ₹ [●] Lakhs.
<b>Net Issue</b>	Up to [●] Equity shares of ₹10/- each for cash at a price of ₹ [●] per Equity shares aggregating to ₹ [●] Lakhs.

<sup>(1)</sup> The Issue including the Fresh Issue only and has been authorized by our Board pursuant to resolutions passed at its meetings held on May 18, 2024 and by our Shareholders pursuant to a special resolution passed at their meetings held on May 18, 2024. The Issue and Net Issue shall constitute [●] % and [●] % of the post-issue paid-up Equity Share capital of our Company

## OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds for the following objects:

(₹ in Lakhs)

Sr. No	Particulars	Amount (₹ in Lakhs)	% Of Gross Proceeds*	% Of Net Proceeds*
1.	Purchase of Software	1,770.00	[●]%	[●]%
2.	Repayment/prepayment, in part or full, of certain of our borrowings	550.00	[●]%	[●]%
3.	To Meet Working Capital Requirements	1,040.00	[●]%	[●]%
4.	General Corporate Purposes <sup>#</sup>	[●]	[●]%	[●]%
	<b>Total*</b>	[●]	[●]%	[●]%

\*To be determined upon finalisation of the Issue Price and updated in the Prospectus prior to filing with the RoC.

# The amount to be utilised for general corporate purposes will not exceed 25% of the Gross Proceeds.

For further details, please refer to chapter titled “Objects of the Issue” beginning on page 84 of this Draft Red Herring Prospectus.

## PRE-ISSUE SHAREHOLDING OF OUR PROMOTERS, PROMOTER GROUP AS A PERCENTAGE OF THE PAID-UP SHARE CAPITAL OF THE COMPANY

Set forth is the Pre-Issue and Post-Issue shareholding of Our Promoters, Promoter group as a percentage of the paid-up share capital of the Company:

Category of Promoters	Pre-Issue		Post-Issue	
	No. of Shares	% of Pre-Issue Capital	No. of Shares	% of Post-Issue Capital
<b>Promoters</b>				
Poonam Das	96,76,650	53.98%	96,76,650	[●]%
Jitendra Narayan Das	12,06,185	6.73%	12,06,185	[●]%
<b>Promoter Group</b>				
Nil	NA	NA	NA	NA
<b>Total</b>	<b>1,08,82,835</b>	<b>60.71%</b>	<b>1,08,82,835</b>	<b>[●]%</b>

## SUMMARY OF RESTATED FINANCIAL STATEMENTS

The details of Restated Standalone Financials are as follows:

(₹ in lakhs)

Particulars	For the year ended March 31		
	2024	2023	2022
Share Capital	1,792.50	10.00	10.00
Net worth <sup>#</sup>	3,402.82	1,206.99	735.94
Total Revenue <sup>\$</sup>	6,581.12	3,629.59	2,791.21
Profit after Tax	1,201.30	471.05	210.31
Earnings per share (Basic & Diluted (Pre-Bonus) (₹) <sup>@</sup>	6.73	471.05	210.31
Earnings per share (Basic & Diluted (Post-Bonus) (₹) <sup>@</sup>	6.73	2.64	1.18
Net Asset Value per Equity Share (Pre-Bonus) (₹) <sup>*</sup>	19.05	1,206.99	735.94
Net Asset Value per Equity Share (Post-Bonus) (₹) <sup>*</sup>	19.05	6.76	4.12
Total borrowings <sup>^</sup>	1,050.24	798.70	506.42

The details of Restated Consolidated Financials are as follows:



(₹ in lakhs)

Particulars	For the year ended March 31		
	2024	2023	2022
Share Capital	1792.50	10.00	10.00
Net worth <sup>#</sup>	3412.62	1208.79	730.94
Total Revenue <sup>\$</sup>	6,581.12	3,629.59	2,791.21
Profit after Tax	1,209.30	477.85	205.19
Earnings per share (Basic & Diluted (Pre-Bonus) (₹) <sup>@</sup>	6.77	477.85	205.19
Earnings per share(Basic & Diluted (Post-Bonus) (₹) <sup>@</sup>	6.77	2.68	1.15
Net Asset Value per Equity Share (Pre-Bonus) (₹) <sup>*</sup>	19.11	1,208.79	730.94
Net Asset Value per Equity Share (Post-Bonus) (₹) <sup>*</sup>	19.11	6.77	4.10
Total borrowings <sup>^</sup>	1,050.24	798.70	506.42

**#Net Worth** = Restated Equity Share Capital plus Restated Reserves & Surplus.

**\$Total Revenue** = Restated Revenue from operations plus Restated Other Income.

**@Earnings per share (Basic & Diluted)** = Restated profit after tax for the period divided by Restated weighted average number of Equity Shares outstanding during the period.

**\*Net Asset Value per Equity Share** = Restated Net worth divided by Restated weighted average number of Equity Shares outstanding during the period.

**^Total Borrowings** = Restated Long-Term Borrowings Plus Restated Short-Term Borrowings.

Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.

## QUALIFICATIONS OF AUDITORS

There are no qualifications included by the Statutory Auditors in their audit reports and hence no effect is required to be given in the Restated Financial Statements.

## SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPMENTS

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (Rs in Lakhs)
<b>Company</b>						
By the Company	NA	NA	NA	NA	NA	NA
Against the Company	NA	5	NA	NA	NA	41.06
<b>Directors</b>						
By our Directors	NA	NA	NA	NA	NA	NA
Against the Directors	NA	NA	NA	NA	NA	NA
<b>Promoters*</b>						
By Promoters	NA	NA	NA	NA	NA	NA
Against Promoters	NA	NA	NA	NA	NA	NA
<b>Subsidiaries</b>						
By Subsidiaries	NA	NA	NA	NA	NA	NA

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (Rs in Lakhs)
Against Subsidiaries	NA	NA	NA	NA	NA	NA
<b>Group Companies</b>						
By Group Companies	NA	NA	NA	NA	NA	NA
Against Group Companies	NA	1	NA	NA	NA	1.57

For more details, please refer chapter titled “*Outstanding Litigations & Material Developments*” beginning on page 195 of this Draft Red Herring Prospectus.

## RISK FACTOR

For details relating to risk factors, please refer section titled “*Risk Factors*” beginning on page 28 of this Draft Red Herring Prospectus.

## SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

As per Standalone Restated Financial Statements for the financial years ended on March 31, 2024, March 31, 2023 and March 31, 2022 and Consolidated Restated Financial Statements for the financial years ended on March 31, 2024, March 31, 2023 and March 31, 2022, contingent liability on fixed deposit amounted to ₹265.55 Lakhs have been kept in lien with bankers in respect of bank guarantee of ₹265.55 Lakhs provided to clients to procure the work.

For details, please refer to Section titled “*Restated Financial Statements*” beginning on page 174 of this Draft Red Herring Prospectus.

## SUMMARY OF RELATED PARTY TRANSACTIONS

### *Annexure - 36: Restated Statement of Related Party Disclosures*

As required under Accounting Standard 18 “*Related Party Disclosures*” as notified pursuant to Company (Accounting Standard) Rules 2006, following are details of transactions during the year with related parties of the company as defined in AS 18.

### Consolidated Financial Statements

#### *A. List of Related Parties where Control exists and Relationships*

Sr. No	Name of the Related Party	Relationship
1.	Praveen Kumar Dubey	Director
2.	Poonam Das	Director
3.	Jiterndra Narayan Das	Director
4.	Vipul Magon	Independent Director
5.	Radikha Dubey	Relative of Director
6.	Jiterndra Narayan Das	Relative of Director/Director
7.	Tam IT Service	Joint Venture
8.	Trafiksol Electromechanical Private Limited	Companies under same management (Common Directors)

#### *B. Transaction with Related Parties*

(₹ in lakhs)

Name of Party	Nature of Relation	Nature of Transaction	For the year ended March 31		
			2024	2023	2022
Praveen Kumar Dubey	Director	Reimbursement of expense incurred by Party in behalf of Company	0.57	3.74	-0.23
Praveen Kumar Dubey	Director	Director Remuneration	-	2.48	26.12
Poonam Das	Director	Reimbursement of expense incurred by Party in behalf of Company	0.02	-	-
Poonam Das	Director	Director Remuneration	31.50	2.48	26.12
Poonam Das	Director	Loan Taken	0.00	-	-
Jiterndra Narayan Das	Director	Director Remuneration	12.90	-	-
Jiterndra Narayan Das	Director	Loan Taken	190.00	-	-
Vipul Magon	Independent Director	Director Remuneration	0.10	-	-
Radikha Dubey	Relative of Director	Salary	-	6.55	6.55
Jiterndra Narayan Das	Relative of Director	Reimbursement of expense incurred by Party in behalf of Company	-	0.19	-0.16
Jiterndra Narayan Das	Relative of Director	Salary	-	6.21	6.55
Tam IT Service	Joint Venture	Advance taken	-	-	-
Tam IT Service	Joint Venture	Advance repaid	-	1.00	8.00
Tam IT Service	Joint Venture	Share Capital	-	1.00	-
Trafiksol Electromechanical Private Limited	Companies under same management (Common Directors)	Revenue	689.16	1.08	36.61
Trafiksol Electromechanical Private Limited	Companies under same management (Common Directors)	Purchase	971.38	758.08	691.64

### C. Outstanding Balance with Related Parties

(₹ in lakhs)

Name of Party	Nature of Relation	Nature of Transaction	For the year ended March 31		
			2024	2023	2022
Praveen Kumar Dubey	Director	Reimbursement of expense incurred by Party in behalf of Company	-	0.57	0.44
Poonam Das	Director	Director Remuneration	-	-	-
Poonam Das	Director	Payable	306.50	81.50	81.50
Jiterndra Narayan Das	Director	Loan Taken/ Repaid	190.00	-	-
Jiterndra Narayan Das	Director	Reimbursement of expense incurred by Party in behalf of Company	-	-	0.19

Name of Party	Nature of Relation	Nature of Transaction	For the year ended March 31		
			2024	2023	2022
Tam IT Service	Joint Venture	Payable	-	24.65	25.65
Trays Tunnel Solution Private Limited	Associate Company	Payable / (Receivable)	75.78	123.04	76.16
Trafiksol Electromechanical Private Limited	Associate Company (Common Directors)	Payable	472.23	298.38	555.10

### Standalone Financial Statements

#### A. List of Related Parties where Control exists and Relationships

Sr. No	Name of the Related Party	Relationship
1.	Praveen Kumar Dubey	Director
2.	Poonam Das	Director
3.	Jiterndra Narayan Das	Director
4.	Vipul Magon	Independent Director
5.	Radikha Dubey	Relative of Director
6.	Jiterndra Narayan Das	Relative of Director/Director
7.	Tam IT Service	Joint Venture
8.	Trays Tunnel Solution Private Limited	Associate Company
9.	Trafiksol Electromechanical Private Limited	Companies under same management (Common Directors)

#### B. Transaction with Related Parties

(₹ in lakhs)

Name of Party	Nature of Relation	Nature of Transaction	For the year ended March 31		
			2024	2023	2022
Praveen Kumar Dubey	Director	Reimbursement of expense incurred by Party in behalf of Company	0.57	3.74	(0.23)
Praveen Kumar Dubey	Director	Director Remuneration	-	2.48	26.12
Poonam Das	Director	Reimbursement of expense incurred by Party in behalf of Company	0.02	-	-
Poonam Das	Director	Director Remuneration	31.50	2.48	26.12
Poonam Das	Director	Loan Taken	0.00	-	-
Jiterndra Narayan Das	Director	Director Remuneration	12.90	-	-
Jiterndra Narayan Das	Director	Loan Taken	190.00	-	-
Vipul Magon	Independent Director	Director Remuneration	0.10	-	-
Radikha Dubey	Relative of Director	Salary	-	6.55	6.55
Jiterndra Narayan Das	Relative of Director	Reimbursement of expense incurred by Party in behalf of Company	-	0.19	-0.16
Jiterndra Narayan Das	Relative of Director	Salary	-	6.21	6.55
Tam IT Service	Joint Venture	Advance taken	-	-	-
Tam IT Service	Joint Venture	Advance repaid	-	1.00	8.00

Name of Party	Nature of Relation	Nature of Transaction	For the year ended March 31		
			2024	2023	2022
Tam IT Service	Joint Venture	Share Capital	-	1.00	-
Trays Tunnel Solution Private Limited	Companies under same management (Common Directors)	Revenue	-	24.41	37.85
Trays Tunnel Solution Private Limited	Companies under same management (Common Directors)	Purchase	246.41	642.18	295.41
Trays Tunnel Solution Private Limited	Companies under same management (Common Directors)	Advance repaid	-	-	-
Trays Tunnel Solution Private Limited	Companies under same management (Common Directors)	Share Capital	-	-	4.50
Trafiksol Electromechanical Private Limited	Associate Company (Common Directors)	Revenue	689.16	1.08	36.61
Trafiksol Electromechanical Private Limited	Associate Company (Common Directors)	Purchase	971.38	758.08	691.64

### C. Outstanding Balance with Related Parties

(₹ in lakhs)

Name of Party	Nature of Relation	Nature of Transaction	For the year ended March 31		
			2024	2023	2022
Praveen Kumar Dubey	Director	Reimbursement of expense incurred by Party in behalf of Company	-	0.57	0.44
Poonam Das	Director	Director Remuneration	-	-	-
Poonam Das	Director	Payable	306.50	81.50	81.50
Jiterndra Narayan Das	Director	Loan Taken/ Repaid	190.00	-	-
Jiterndra Narayan Das	Director	Reimbursement of expense incurred by Party in behalf of Company	-	-	0.19
Tam IT Service	Joint Venture	Payable	-	24.65	25.65
Trays Tunnel Solution Private Limited	Associate Company	Payable / (Receivable)	75.78	123.04	76.16
Trafiksol Electromechanical Private Limited	Associate Company (Common Directors)	Payable	472.23	298.38	555.10

For details, please refer to chapter titled “Restated Financial Statements” beginning on page 174 of this Draft Red Herring Prospectus.

## FINANCING ARRANGEMENTS

There have been no financing arrangements whereby our Promoter, 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 (6) months immediately preceding the date of this Draft Red Herring Prospectus.

## WEIGHTED AVERAGE PRICE OF EQUITY SHARES ACQUIRED BY OUR PROMOTERS

The weighted average cost of acquisition of Equity Shares by our Promoters in the last one year preceding the date of this Draft Red Herring Prospectus set forth in the table below:

Sr. No.	Name of Promoters	No. of Shares acquired in last one year	Weighted Average Cost of Acquisition (in ₹) *
1.	Poonam Das	11,600	1,300/-
2.	Jiterndra Narayan Das	5,000	900/-

*The weighted average cost of acquisition of Equity Shares by our Promoter have been calculated by taking into account the amount paid by him to acquire and Shares allotted to him divided by number of shares acquired in last One (1) year.*

*\*As certified by M/s Vijay Darji and Associates, Chartered Accountant vide the certificate dated May 20, 2024.*

## AVERAGE COST OF ACQUISITION OF PROMOTERS

The average cost of acquisition of Equity Shares by our Promoters is set forth in the table below:

Sr. No.	Name of Promoters	No of Equity Shares held	Average Cost of Acquisition (in ₹) *
1.	Poonam Das	96,76,650	Negative
2.	Jitendra Narayan Das	12,06,185	Negative

*The average cost of acquisition of Equity Shares by our Promoter have been calculated by taking into account the amount paid by them to acquire and Shares allotted to them as reduced by amount received on sell of shares i.e., net of sale consideration is divided by net quantity of shares acquired.*

*\*As certified by M/s Vijay Darji and Associates, Chartered Accountant vide the certificate dated May 20, 2024.*

## DETAILS OF PRE-IPO PLACEMENT

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Red Herring Prospectus till the listing of the Equity Shares

## ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR

For details relating to issue of equity shares for consideration other than cash in last one year, please refer section titled “Capital Structure” beginning on page 56 of this Draft Red Herring Prospectus.

## SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our company has not undertaken a split or consolidation of the Equity Shares in the one (1) 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 applied or received any exemption from complying with any provisions of securities laws by SEBI.

### SECTION III – RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a better understanding, you should read this section together with “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 117 and 184 respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects.*

*If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our cash flows, business, financial condition and results of operations could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risks where the impact is not quantifiable and hence the same has not been disclosed in such risk factors. Investment 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 investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. Before making an investment decision, investors must rely on their own examination of the Issue and us.*

*This Draft Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.*

*In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in “Risk Factors” beginning on page 28 and “Management Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 184 respectively of this Draft Red Herring Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the “Financial Information of the Company” prepared in accordance with the Accounting Standards (AS).*

#### MATERIALITY

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

- Some events may not be material individually but may be found material collectively.
- Some events may have material impact qualitatively instead of quantitatively.
- Some events may not be material at present but may be having material impact in the future.

#### INTERNAL RISK FACTORS:

1. *We have certain outstanding litigation against us, an adverse outcome of which may adversely affect our business, reputation and results of operations.*

A summary of outstanding matters set out below includes details of civil and criminal proceedings, tax proceedings, statutory and regulatory actions and other material pending litigation involving us, our Subsidiary, Directors, Promoter and Group Company, as at the date of this Draft Red Herring Prospectus.

#### Cases against our Company.

Nature of Cases	No of Outstanding Cases	Amount involved (₹ in Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Taxation Matters	5	41.06
Other Litigation	--	--

**Cases By our Company**

Nature of Cases	No of Outstanding Cases	Amount involved (₹ in Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Taxation Matters	--	--
Other Litigation	--	--

**Cases against our Director and / or Promoters.**

Nature of Cases	No of Outstanding Cases	Amount involved (₹ in Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Taxation Matters	--	--
Other Litigation	--	--

**Cases against our Group Company and / or Subsidiary.**

Nature of Cases	No of Outstanding Cases	Amount involved (₹ in Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Taxation Matters	1	1.57
Other Litigation	--	--

The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities.

We cannot assure you that any of the outstanding litigation matters will be settled in our favour or that no additional liabilities will arise out of these proceedings. In addition to the above, we could also be adversely affected by complaints, claims or legal actions brought by persons, including before consumer forums or sector-specific or other regulatory authorities in the ordinary course of business or otherwise, in relation to our business operations, our intellectual property, our branding or marketing efforts or campaigns or our policies. We may also be subject to legal action by our employees and/or former employees in relation to alleged grievances, such as termination of employment. We cannot assure you that such complaints, claims or requests for information will not result in investigations, enquiries or legal actions by any regulatory authority or third persons against us.

For further details of certain material legal proceedings involving our Company, our Promoters, our Directors, see “*Outstanding Litigations and Material Developments*” beginning on page 195 of this Draft Red Herring Prospectus.

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

Rapid technological advances, changing models and evolving standards in services like Advanced Traffic Management System, Tunnel Management System, Software development, etc. and frequent new product introductions and enhancements characterize the industry in which we operate. Digitization is driving major changes in the global business software market, with IT leaders looking to adopt new technologies and software platforms to meet business needs, including revenue growth driven through new products and services, better customer experience and delivery mechanisms, and growth in revenue and profits. Our success depends upon our ability to anticipate, design, develop, test, market, license and support new services, and enhancements of current products and services in response to evolving industry requirements. To effectively meet customer demand, it is important that we continue to enhance our products and service offerings. The markets for our offerings are rapidly evolving due to which the level of acceptance of such products and services is not certain. If the markets for our services fail to develop, develop slower than expected or experience increased competition, our business may suffer. As a result, we may be unable to successfully market our existing services and products, develop and successfully launch new products and services and enhancements to existing products and services, complete customer implementations on a timely basis, or complete products and services currently under development. If our services are not accepted by our customers or by associated businesses in our target verticals and markets, our business, operating results and financial condition will be materially adversely affected.



**3. *Our business is substantially dependent on road projects in India undertaken or awarded by governmental authorities and other entities funded by the Government of India or State Governments and we derive almost all of our revenues from contracts with a limited number of government entities. Any adverse changes in the Central or State Government policies may lead to our contracts being foreclosed, terminated, restructured or renegotiated.***

Our business is substantially dependent on road projects in India undertaken or awarded by governmental authorities and other entities funded by the Government of India or State Governments. We currently derive almost all of our revenues from EPC contracts entered with Companies who in turn enter into contract with a limited number of government entities. These include NHAI, MSRDC, RIDCOR, RSRDC, MJPRCL and HRBC. There can be no assurance that the Government of India or the State Governments will continue to place emphasis on the road infrastructure sector. In the event of any adverse change in budgetary allocations for infrastructure development or a downturn in available work in the road infrastructure sector or de-notification of toll collection resulting from any change in government policies or priorities, our business prospects and our financial performance, may be adversely affected.

The contracts with Government entities may be subject to extensive internal processes, policy changes, Government or external budgetary allocation and insufficiency of funds which may lead to lower number of contracts available for bidding or increase in the time gap between invitation for bids and award of the contract. So long as Government entities are responsible for awarding contracts to us and are a critical party to the development and ongoing operations of our projects, our business is directly and significantly dependent on projects awarded by them. With reference to projects where the bids of Companies have been successful, there may be delays in award of the projects and/or notification of appointed dates, which may result in us having to retain resources which remain unallocated, thereby adversely affecting our financial condition and results of operations.

Any adverse changes in the Government of India or State Government policies may lead to our contracts being foreclosed or terminated. For example, the Punjab Government recently closed down 10 toll plazas in Punjab awarded to various toll contractors. There is no assurance that the Government will not close down any more toll plazas in the future. In the event that the Central or any State Government closes down toll plazas belonging to any of our projects where we offer Operation & Maintenance Service (OMS) of Electronic Toll Collection (ETC) system, there can be no assurance that we will recover the costs incurred in undertaking the project, including payments made to the respective authority, which may lead to an adverse effect on our business, prospects, cash flows and financial condition. Adverse changes in Government policies may also lead to our contracts being restructured or renegotiated, resulting in, amongst others, change in the scope of our work under such contracts. We cannot assure you that we would be able to recover the cost associated with undertaking any such additional work which was not contemplated at the time of entering into the contracts. Further, adverse changes in the Government of India or State Government policies may also materially and adversely affect our financing, capital expenditure, revenues, development, cash flows or operations relating to our existing projects as well as our ability to participate in competitive bidding or bilateral negotiations for our future projects.

**4. *Our failure to perform in accordance with the standards prescribed in work order of our client could result in loss of business or compensation payment.***

We received work orders from our clients. The majority of these work orders may require us to comply with the code of conduct and rules and regulations prescribed by our clients, which may increase our compliance costs. We may be unable to effectively address service constraints or accurately predict service requirements, as a result of which our clients may experience service shortfalls. Further any disruptions to our businesses as a result of actions outside of our control, could significantly impact the continued performance of our obligations to meet the quality or performance standards set out in our client contracts which may in-turn harm and cause clients to terminate their contracts with us, impair our ability to obtain renewal of our contracts from existing clients and impair our ability to grow our client base, any of which could affect our business, financial condition and results of operations. In the event that we are unable to meet the prescribed obligations, we may also be required to pay compensation to our clients on the terms set out in our contracts. In certain instances, we may also be required to bear consequential liability. Certain work order may also require us to provide indemnities to our clients with respect of any negligent act or omission by or misconduct of our employees. In the event there is an increase in claims against us for which we are not insured, our business, financial condition and results of operations may be affected.

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

Our continued growth depends in part on the ability of our existing and potential customers to access our solutions at any time. Although there have not been instances in the past where interruptions or problems with our technology and infrastructure have caused performance issues, we may in future experience disruptions, data loss, outages and other performance problems with our technology infrastructure due to a variety of factors, including infrastructure changes,

introductions of new functionality, human or software errors, capacity constraints, denial of service attacks or other security-related incidents. In some instances, malfunctions or failures in hardware and software components can disrupt traffic management operations, leading to increased congestion and potential accidents. Similarly, Technical malfunctions in toll collection equipment, software, or communication networks can disrupt toll operations, leading to revenue loss and traffic congestion and malfunctions in tunnel monitoring, ventilation, lighting, and emergency systems can pose significant safety risks. We may not be able to identify the cause or causes of these performance problems within an acceptable period of time. Any disruptions in these services, including as a result of actions outside of our control, would significantly impact the continued performance of our products. To the extent that we do not effectively address capacity constraints, upgrade our systems as needed, and continually develop our technology and network architecture to accommodate actual and anticipated changes in technology, our business, results of operations and financial condition could be harmed.

***6. Our systems are vulnerable to attacks, unauthorised access and disruptions. Losses or liabilities that are incurred as a result of any of the foregoing could materially adversely affect our business, financial condition and results of operations.***

EPC (Engineering, Procurement, and Construction) contracts in traffic management, toll management, and tunnel management involve the design, implementation, and construction of infrastructure projects aimed at improving transportation efficiency, safety, and revenue collection. These projects involve design, installation, and integration of Intelligent Transportation Systems (ITS), toll collection facilities, designing and implementation of various systems to aid in tunnel ventilation systems, fire detection and suppression systems, lighting systems, traffic monitoring and surveillance systems, and emergency response systems. These systems are subject to cybersecurity threats which could compromise data integrity, system functionality, financial transactions, user privacy and compromise safety.

Our systems may be vulnerable to unauthorised access, computer hackers, computer viruses, worms, malicious applications and other security problems caused by unauthorised access to, or improper use of, systems by third parties or employees. Although we have not experienced such attacks in the past other than instances of phishing, malware and virus attacks, we cannot assure you that our security systems in place can prevent any such attacks in the future or that we will be able to handle such attacks effectively. A hacker who circumvents security measures could misappropriate proprietary information, including personally identifiable information, or cause interruptions or malfunctions in our operations. Further, computer attacks or disruptions may jeopardise the security of information stored in and transmitted through our computer systems. Actual or perceived concerns that our systems may be vulnerable to such attacks or disruptions may deter our customers from using our solutions or services. As a result, we may be required to expend significant resources to protect against the threat of these security breaches or to alleviate problems caused by these breaches.

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

Our continued growth depends in part on the ability of our existing and potential customers to access our solutions at any time. Although there have not been instances in the past where interruptions or problems with our technology and infrastructure have caused performance issues, we may in future experience disruptions, data loss, outages and other performance problems with our technology infrastructure due to a variety of factors, including infrastructure changes, introductions of new functionality, human or software errors, capacity constraints, denial of service attacks or other security related incidents. In some instances, we may face challenges integrating the toll management system with other transportation and payment systems can result in inefficiencies and user dissatisfaction. We can face similar interoperability and integration issues in integrating various tunnel management technologies (e.g., ventilation, lighting, surveillance) as they can be complex and prone to compatibility issues.

Inability to identify the cause or causes of these performance problems within an acceptable period of time may cause harm to our business. Any disruptions in these services, including as a result of actions outside of our control, would significantly impact the continued performance of our products. Any loss of the right to use any of these services could result in decreased functionality of our products until equivalent technology is either developed by us or, if available from another provider, is identified, obtained and integrated into our infrastructure. To the extent that we do not effectively address capacity constraints, upgrade our systems as needed, and continually develop our technology and network architecture to accommodate actual and anticipated changes in technology, our business, results of operations and financial condition could be harmed.

***8. Significant disruptions in our information technology systems or breaches of data security could adversely affect our business and reputation.***

In today's digital landscape, effective data management is crucial for the successful operation and integrity of traffic management, toll management, and tunnel management systems. However, the increasing reliance on sophisticated data

systems introduces significant risks that need to be meticulously managed. Data management risks encompass a range of challenges, including ensuring data accuracy, maintaining data privacy and security, and safeguarding against data breaches and cyber threats. These risks, if not properly addressed, can compromise system performance, lead to financial losses, and erode public trust. Our Company has not face any such breach in our data management, however, inability to do so in the future may lead to significant financial losses as well as cause harm to the goodwill of the Company.

Our systems are potentially vulnerable to data security breaches, whether by our employees, or our service providers or others that may expose sensitive data to unauthorized persons. Although we maintain systems and procedures to prevent unauthorized access and other security breaches, it is possible that unauthorized individuals could improperly access our systems, or improperly obtain or disclose sensitive data that we process or handle. Data security breaches could lead to the loss of intellectual property or could lead to the public exposure of personal information. Any such security breaches or compromises of technology systems could result in institution of legal proceedings and penalties, which may have an adverse effect on our business and reputation. We would like to state that no instances of data breach or security breach has occurred within our Company till date.

***9. Increased governmental regulations may place additional burdens on our business and growth.***

Changes in government strategies and policies can significantly impact the EPC (Engineering, Procurement, and Construction) business, particularly in the areas of Advanced Traffic Management Systems (ATMS), Toll Management Systems, and Tunnel Management Systems. In India, while the Government of India has liberalised many aspects of our business, we cannot assure you that in the future, government may not impose additional regulations that will impact our business activities. Further, Introduction of new regulations or changes in existing standards can necessitate redesigns, retrofits, or additional compliance measures, leading to increased costs and project delays. Stricter environmental and safety regulations may require additional investments in technology and infrastructure to meet compliance, impacting project budgets and timelines.

Changes in government priorities could result in reduced funding or budget cuts for transportation infrastructure projects, leading to project cancellations, scale-backs, or delays. Further, any shifts in government policies regarding Public-Private Partnership (PPP) models can affect the viability and attractiveness of EPC projects, influencing investment decisions and risk-sharing arrangements. Modifications to tax policies, such as changes in corporate tax rates or incentives for infrastructure investments, can affect the financial feasibility of EPC projects. Any new changes in tariffs and trade policies can impact the cost of imported materials and equipment, affecting project budgets and procurement strategies. Any of these occurrences could adversely affect our ability to operate in certain markets, which could result in a competitive disadvantage for us and the possible loss of customers and revenue.

***10. We source a large part of our new orders from our relationships with corporates and other customers, both present and past. Any failure to maintain our long-standing relationships with our existing customers or forge similar relationships with new ones would have a material adverse effect on our business operations and profitability.***

We believe that our focus on completing projects in a timely manner and on quality has helped us build strong relationships with our customers and bolster our reputation in the industry in which we operate. In fact, all of the projects that we execute for private sector clients are sourced through nomination i.e. where customers with whom we have an existing relationship or new customers approach us directly for their proposed projects. Further, we have received additional projects from several of our existing customers despite increased competition in the region within which we operate. If any of our relationships with our existing customers were to be altered or terminated and we are unable to forge similar relationships with new customers in the future, our business, financial condition, results of operations, cash flows and business prospects could be materially and adversely affected.

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

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

***12. We have not entered into any long-term contracts with any of our customers and typically operate on the basis of work orders, which could adversely impact our revenue and profitability.***

We do not have any long-term contracts with our customers and we provide services on basis of regular work order with our customers which could adversely affect the business of our company. We cater our services on an order to order basis. Our customers can terminate their relationship with us by giving notice and as such terms and conditions as mutually agreed upon, which could materially and adversely impact our business. Although we believe that we have satisfactory business relation with our customers and have received business from them in the past and will regularly receive the business in future also but there is no certainty that we will receive business in future from them and may affect our profitability.

***13. Our business segment may be prone to safety risks, which could impact the well-being of users and operational integrity.***

Fires within tunnels pose significant risks due to the confined spaces, making effective fire detection, suppression, and ventilation systems critical for ensuring safety. Additionally, ensuring the long-term structural integrity of tunnels is essential to prevent collapses and other safety hazards. Proper maintenance and regular inspections are vital to address these safety concerns and safeguard the well-being of users and the operational reliability of the tunnel infrastructure. Failure to implement and maintain these safety measures on our part may not only endanger lives but also lead to significant business losses due to potential legal liabilities, increased insurance premiums, repair costs, and reputational damage. Ensuring robust safety protocols is thus paramount to sustaining both operational excellence and financial stability.

***14. One of our Directors and Promoter, Jitendra Narayan Das was disqualified under section 164 of the Companies Act, 2013, in the past for being director of M/s. Reverie Technologies Pvt. Ltd., and M/s. Easedata Solutions Pvt. Ltd. which failed to file its Annual returns and Financial statements for a continuous period of 3 years.***

One of our Directors Mr. Jitendra Narayan Das (Mr. Das) was disqualified under section 164 (2) of the Companies Act, 2013 during the period of January 01, 2016 till October 31, 2021, for being director of a Company's M/s. Reverie Technologies Pvt. Ltd. and M/s. Easedata Solutions Pvt. Ltd., which failed to file its Financial statements and Annual returns. The disqualification was later removed after completion of the disqualification period on October 31, 2020. Except for the disqualification his DIN, Mr. Das has not been subjected to any kind of penalty during the period of his disqualification. However, we are not sure any such action shall not be taken against us or our Director in future for any non-compliances in past. Further we are not sure that the director shall not incur any such disqualification in future and any such event in future may cause adverse effect on the day-to-day affairs of the Company, reputation and resultantly on the business of the Company and the concentration of our promoters cum Directors may shift from our Business thus adversely affecting our financial position.

***15. Within the parameters as mentioned in the chapter titled "Objects of this Issue" beginning on page 84 of this Draft Red Herring Prospectus, our Company's management will have flexibility in applying the proceeds of the Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.***

We intend to use Net Proceeds towards purchase of Software, repayment/prepayment, in part or full, of certain of our borrowings, to meet Working Capital requirements; and General Corporate Purposes. We intend to deploy the Net Proceeds in financial year 2024-25 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company etc., For further details on the use of the Net Proceeds, please refer chapter titled "Objects of the Issue" beginning on page 84 of this Draft Red Herring Prospectus.

Since, the proceeds from Issue is less than ₹10,000 Lakhs, there is no mandatory requirement of appointing an independent monitoring agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of funds for the purposes described above is at the discretion of our Company's Board of Directors and the that the same shall be subject to compliance of applicable laws in this regard. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled "Objects of the Issue" beginning on page 84 of this Draft Red Herring Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. If our management comes across any lucrative opportunity in terms of government subsidies, strategic location, economical manpower etc., our Company may evaluate such potential opportunity in future. Our Board of Directors will monitor the proceeds of this Issue. However, audit committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue. However, in accordance with Section 27 of the Companies Act, 2013, and relevant provisions of SEBI ICDR Regulations, 2018, a company shall not vary the objects of the Issue without our Company being authorised to do so by our shareholders by way of special resolution and other compliances in this regard. Our Promoters and controlling shareholders shall provide exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

**16. In the past, we have not adhered to certain statutory time lines and have been subjected to penalty. Any such events in future may require the statutory authorities to take action against us in which event we may be drawn into litigation.**

In the past we have not adhered to timelines for deposit of Professional tax and GST dues and have accordingly been subjected to interest penalties and delayed filing fees under the provisions of the relevant statute. Although we have deposited all the dues along with late fees and penalties, we are not sure if we shall be able to adhere to statutory requirements in future and not be adhered to penalties or any other statutory actions against us in which event our financials and cash flows along with our reputation with our employees shall be adversely affected. Further although the interest levied are very small in our earlier defaults, any such continued practice may subject us to regular penalties which when accumulated, may burden our cash flows and profitability.

Further we have at several instances filed our returns and other documents with the concerned Registrar of Companies beyond the statutory time lines and have accordingly been subjected to late filing fees. Although we have taken measures to curb these delays by building strict internal controls and appointing appropriate officer to take care of same, we are not sure that any such delay shall not occur in future. Although we have not been subjected to any penalty in respect of such delayed filings, except for the late filing fees, such continued practice may subject us to regular penalties which when accumulated, may burden our cash flows and profitability.

**17. In the past, there have been certain discrepancies with respect to the appointment of our statutory auditors. Although we have not been issued with any statutory notice in respect of such discrepancies, by the concerned authority, we are not sure that any such action shall not be taken against us in future and in any such event we may be subjected to penalties.**

We appointed CA Mukund Kumar Thakur of M/s. Goenka Mishra & Associates as the statutory auditor of the Company on September 30, 2019, for a period of 5 financial years effective from 2019-2024. However later CA Mukund Kumar Thakur reconstituted his firm as “Thakur Mukund & Associates” and his appointment was made vide resolution dated November 30, 2021 for a period of F.Y. 2021-26 without the resignation of M/s. Goenka Mishra & Associates whose term of appointment was till March 2024. Although we have not received any objection either from M/s. Goenka Mishra & Associates or from the authority, we are not sure if we shall not be issued with any notice in respect of such non-compliance from the relevant authority and in such event we may be subjected to penalty in terms of the provisions of the Companies Act, 2013 and amendments thereto.

**18. There are certain discrepancies and non-compliances noticed in some of our financial reporting and/or records relating to consolidation of financial statements of our associate company. Although we have not been issued with respect to same in this regard, we are not sure that any penal action shall not be taken against us.**

Our Company has invested into 50% equity of a body corporate named Trays Tunnel Solutions Private Limited which forms our associate company, and we were required to consolidate the financials of the associate Company with that of our Company in terms of Section 129 of the Companies Act, 2013. However, we have not been able to do so due to oversight and as a corrective measure, have got the consolidation done in the restated financial statements as mentioned in this Draft Red Herring Prospectus.

Although no cognizance has been taken by the authority in the above matters till date and no notice in respect of same have been served by the concerned authorities till date, we are not sure that no such notice shall be issued in future or at all and in any such event we may be subjected to a penalty. However, if any action is taken by the concerned authority in the matter and in the event of any penalty being imposed against the Company by the concerned authority, the financials of the company shall be adversely affected.

**19. The average cost of acquisition of Equity shares by our Promoters is lower than the Issue price. Our promoters average cost of acquisition of Equity shares in our Company is lower than the Issue Price of Equity shares as given below.:**

Sr. No.	Name of Promoters	No of Equity Shares held	Average Cost of Acquisition (in ₹) *
1.	Poonam Das	96,76,650	Negative
2.	Jitendra Narayan Das	12,06,185	Negative

*\*The average cost of acquisition of Equity Shares by our Promoter has been calculated by taking into account the amount paid by them, by way of fresh issuance or transfer, the Equity Shares less amount received by them for the sale of Equity Shares through transfer, if any and the net cost of acquisition has been divided by total number of shares held as on date*

of the Draft Red Herring Prospectus.

\*As certified by M/s Vijay Darji and Associates, Chartered Accountants vide their certificate dated May 20, 2024.

**20. Our work premises from where we operate is not owned by us.**

Following are the details of our offices which are not owned by our company:

Sr. No.	Details of Property	Licensor/Lessor Vendor	Owned/Lease d/ License	Consideration/ Lease Rental/ License Fees (in ₹)	Usage
1.	2 <sup>nd</sup> Floor, B-68, Sector-63, Noida, Gautam Buddha Nagar, Noida- 201 301, Uttar Pradesh, India.	M/s. Pasupati Automobile Private Limited	Rented	₹1,28,400/-	Registered Office
2.	178, Vardhman Nagar-A, Ajmer Road, Jaipur, Rajasthan, 302019	Ramesh Kumar	Rented	₹10,500/-	Office
3.	Tehsil-Sarkaghat, Chhuhra 192, Mandi, Mandi, Himachal Pradesh, 175026	Sandesh Kumar Kushwaha	Rented	₹12,000/-	Office
4.	Ground Floor, Plot No-1030/2606, Jagamara Dental Clinic & Implant Centre, Khandagiri Marg, Jagamohan Nagar, Bhubaneswar, Khordha, Odisha, 751030	Pranita Behera	Rented	₹14,000/-	Office
5.	Office No.- BF-01 (Basement Area), Sector-63, Noida- 201 301, Uttar Pradesh, India	M/s Europa Industries Private Limited	Rented	₹25,000/-	Godown

We cannot assure you that we will be able to continue the above arrangement on commercially acceptable / favorable terms in future. If we are required to vacate the current premises, we would be required to make alternative arrangements for new office and other infrastructure, and we cannot assure that the new arrangements will be on commercially acceptable/favorable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition.

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

(₹ in Lakhs)

Standalone Basis	Year ended March 31,		
	2024	2023	2022
Net cash generated from/ (used in) operating activities.	(1,134.02)	261.48	(14.45)
Net cash generated from/ (used in) investing activities.	10.61	(230.13)	1.90
Net cash generated from/ (used in) financing activities.	1072.95	57.10	39.88

Cash flows of a company is a key indicator to show the extent of cash generated from the operations of a company to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations.

For further details, see section titled “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 174 and 184 respectively of this Draft Red Herring Prospectus.

**22. Our Company is subject to high working capital requirements and our inability to fund these requirements in a timely manner may adversely impact our financial performance.**

Our Company is engaged in EPC business of providing advanced IT solutions for Advanced Traffic Management, Toll Management, Tunnel Management and so on. For the current year i.e. FY 2023-24 the Company’s net working capital requirement is ₹3,967.24 Lakhs as against the ₹1,478.76 Lakhs as on March 31, 2023. Our net working capital requirement

for the FY 2024-25 is estimated at ₹5,037.60. As on the date of this Draft Red Herring Prospectus we meet our working capital requirements in the ordinary course of its business from capital, internal accruals, unsecured loans, working capital loans from the Banks etc. The detail calculation of working capital requirement of the Company is given below:

(₹ in Lakhs)

Sr. No.	Particulars	31.03.2023	31.03.2024	31.03.2025	31.03.2026
		(Actual)	(Actual)	(Projected)	(Projected)
<b>I</b>	<b>Current Assets</b>				
	Inventories	628.96	643.45	2,000.00	2,250.00
	Trade receivables	1,812.15	4,057.51	3,618.00	5,855.85
	Cash and cash equivalents	379.60	445.22	379.60	282.66
	Short-Term Loans and Advances	62.54	609.33	620.00	700.00
	Other Current Assets	217.02	197.19	250.00	300.00
	<b>Total (A)</b>	<b>3,100.27</b>	<b>5,952.70</b>	<b>6,867.60</b>	<b>9,388.51</b>
<b>II</b>	<b>Current Liabilities</b>				
	Short-Term Borrowings	292.27	264.76	-	-
	Trade Payable	1,099.52	1,051.69	930.00	1,485.00
	Short-term provisions	118.96	445.34	650.00	850.00
	Other Current Liabilities	110.76	223.67	250.00	350.00
	<b>Total (B)</b>	<b>1,621.51</b>	<b>1985.46</b>	<b>1,830.00</b>	<b>2,685.00</b>
<b>III</b>	<b>Total Working Capital Gap (A-B)</b>	<b>1,478.76</b>	<b>3,967.24</b>	<b>5,037.60</b>	<b>6,703.51</b>
<b>IV</b>	<b>Funding Pattern</b>				
	<b>Internal Accruals</b>	<b>1,478.76</b>	<b>3,967.24</b>	<b>4,907.60</b>	<b>6,603.51</b>
	<b>IPO Proceeds</b>	-	-	<b>940.00</b>	<b>100.00</b>

If we are unable to effectively manage our working capital requirements, it may adversely affect our growth, profitability, and overall business operations.

**23. We have been recently converted into public limited company and any non-compliance with the provisions of Companies Act, 2013 may attract penalties against our Company which could impact our financial and operational performance and reputation.**

The Company was converted into Limited Company pursuant to a special resolution passed by our shareholders at the Extra-Ordinary General Meeting held on February 03, 2024 and consequently the name of our Company was changed to “Trafiksol ITS Technologies Limited” and a fresh certificate of incorporation was issued by the Registrar of Companies, Central Processing Centre dated May 18, 2024. However, consequent to the aforesaid conversion, our Company is required to observe compliance with various provisions pertaining to public limited companies of the Companies Act. Further, our Company is going to the public for further requirement of funds and needs to comply with provisions of SEBI ICDR Regulations and SEBI (LODR) Regulations. Though our Company will take due care to comply with the provisions of the Companies Act and other applicable laws and regulations. In case of our inability to timely comply with the requirements or in case of any delay, we may be subject to penal action from the concerned authorities which may have an adverse effect on our financial and operational performance and reputation.

**24. Our success largely depends upon the knowledge and experience of our Promoters, Directors, our Key Managerial Personnel and Senior Management as well as our ability to attract and retain personnel with technical expertise. Any loss of our Promoter, Directors, Key Managerial Personnel, Senior Management or our ability to attract and retain them and other personnel with technical expertise could adversely affect our business, financial condition and results of operations.**

Our success largely depends upon the knowledge and experience of our Promoters, Directors, Key Managerial Personnel and Senior Management as well as our ability to attract and retain skilled personnel. Any loss of our Promoters, Directors, Key Managerial Personnel and Senior Management or our ability to attract and retain them and other skilled personnel could adversely affect our business, financial condition and results of operations. We depend on the management skills and

guidance of our Promoter for development of business strategies, monitoring their successful implementation and meeting future challenges. Further, we also significantly depend on the expertise, experience and continued efforts of our Key Managerial Personnel and Senior Management. Our future performance will depend largely on our ability to retain the continued service of our management team. If one or more of our Key Managerial Personnel or Senior Management are unable or unwilling to continue in his or her present position, it could be difficult for us to find a suitable or timely replacement and our business, financial condition and results of operations could be adversely affected.

In addition, we may require a long period of time to hire and train replacement personnel when personnel with technical expertise terminate their employment with us. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting and retaining personnel with technical expertise that our business requires. The loss of the services of such persons could have an adverse effect on our business, results of operations, cash flows and financial condition.

There is significant competition for management and other skilled personnel in our industry in which we operate, and it may be difficult to attract and retain the personnel we require in the future. There can be no assurance that our competitors will not offer better compensation packages, incentives and other perquisites to such skilled personnel. If we are not able to attract and retain talented employees as required for conducting our business, or if we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, financial condition and results of operations may be adversely affected. For further information, see “*Our Management*” on page 150 of this Draft Red Herring Prospectus.

***25. Our ability to maintain our competitive position and to implement our business strategy is dependent to a significant extent on our senior management team and other key personnel, in particular, our Promoters.***

We depend on our current senior management for the implementation of our strategy and the operation of our day-to-day activities. Furthermore, relationships of members of senior management are important to the conduct of our business. Competition for experienced management personnel in the business sectors we operate in is intense, the pool of qualified candidates is limited, and we may not be able to retain our senior executives or key personnel or attract and retain skilled senior executives or key personnel in the future. Consequently, there can be no assurance that these individuals will continue to make their services available to us in the future. Any significant loss of senior management or key personnel could materially and adversely affect our business, financial condition, results of operations and prospects. In addition, if any member of our senior management team or any of our other key personnel joins a competitor or forms a competing business unit, we may consequently lose our proprietary know-how for the benefit of our competitors. Our success depends heavily upon the continuing services of our Promoter who has been the leader since our inception. Our Promoter currently serves as our Managing Director and his experience and vision have played a key role in obtaining our current market position. If our Promoter is unable or unwilling to continue to serve in his present position, we may not be able to replace him with an executive of similar capacity or at all, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

***26. We have to update the name of our company in some of the statutory approvals and certificates due to the Change in the name upon conversion of our Company in to Public Limited Company.***

Some of our statutory approvals and certificates are in the name of “*Trafiksol ITS Technologies Private Limited*”. Since our Company has been converted from Private limited to Public Limited pursuant to a special resolution passed by our shareholders at the Extra-Ordinary General Meeting held on February 03, 2024 and consequently the name of our Company was changed as “*Trafiksol ITS Technologies Private Limited*” we have to update the name “*Trafiksol ITS Technologies Limited*” on the statutory approvals and certificates. We cannot assure that we will be able to update the said documents in a timely manner.

For more information about the licenses required in our business, please refer section “*Government and other approvals*” beginning on page 201 of this Draft Red Herring Prospectus.

***27. We face competition from larger multinational corporations and our inability to compete effectively may have a material adverse impact on our business, financial condition and results of operations.***

We face significant competition from larger multinational corporations (MNCs) that have the financial strength to secure contracts by offering prices that would be unsustainable for smaller firms like ours. These MNCs can afford to take on projects at lower margins or even at a loss, leveraging their extensive resources and diversified revenue streams to absorb the financial hit. In contrast, our inability to compete with such aggressive pricing strategies can have a material adverse impact on our business. This competitive disadvantage may lead to a loss of potential contracts, negatively affecting our financial condition and overall results of operations. Without the same capacity to endure sustained financial losses, our



company's growth and market position are at risk.

***28. Delays in project timelines due to unforeseen challenges, such as site conditions, procurement issues, or labor shortages, can increase costs and affect project viability.***

Delays in project timelines due to unforeseen challenges, such as adverse site conditions, procurement issues, or labor shortages, can significantly impact the successful completion of our projects. These delays not only increase overall project costs but also jeopardize the project's viability by pushing back critical deadlines and reducing operational efficiency. Furthermore, such setbacks can lead to contractual penalties, strained client relationships, and reputational damage. The cumulative effect of these delays can result in substantial financial losses for the company, undermining our ability to compete effectively and threatening our long-term sustainability and market position.

***29. Our business requires us to obtain and renew certain registrations, licenses and permits from government and regulatory authorities and the failure to obtain and renew them in a timely manner may adversely affect our business operations.***

Our business operations require us to obtain and renew certain approvals, licenses, registration and permits from time to time from the different authorities, some of which may expire and for which we may have to make an application for obtaining the approval or its renewal. If we fail to maintain such registrations and licenses or comply with applicable conditions, then such respective regulatory can impose fine on our company or suspend and/or cancel the approval/licenses which may affect our business adversely.

For more information about the licenses required in our business, please refer section “Government and other approvals” beginning on page 201 of this Draft Red Herring Prospectus.

***30. In addition to normal remuneration, other benefits and reimbursement of expenses to our Promoters and Directors; they are interested to the extent of their shareholding and dividend entitlement thereon in our Company and for the transactions entered into between our Company and themselves as well as between our Company and our Group Company / Entities.***

Our Promoters and Directors are interested in our Company to the extent of their shareholding and dividend entitlement thereon in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. Our Promoters and Directors are interested in the transactions entered into between our Company and themselves as well as between our Company and Our Group Company / Entity which may be or may not be at Arms’ Length Price and in Ordinary Course of Business. If the transactions are executed not on Arms’ Length Price and in Ordinary Course of Business, our financial position may get affected to that extent. For details of transactions already executed by our Company with our Promoters, Directors and Group Company / Entities during last three years, please refer to the “Annexure 36-Related Party Transaction” under the Chapter titled “Restated Financial Statements” beginning on page 174 this Draft Red Herring Prospectus.

***31. Our inability to successfully implement some or all our business strategies in a timely manner or at all could have an adverse effect on our business. Further, our inability to effectively manage any of these issues may adversely affect our business growth and, as a result, impact our businesses, financial condition and results of operations.***

As part of our strategy aimed towards business growth and improvement of market position, we intend to implement several business strategies, which include:

- Technological Innovation and Integration;
- Sustainability and Renewable Energy Integration;
- Comprehensive Defense Solutions;
- Integrated Command and Control Centers (ICCC);
- Risk Management and Mitigation; and
- Competitive Positioning.

For further information, see “Business Overview- Our Strategies” beginning on page 117 of this Draft Red Herring Prospectus.

Our strategy may not succeed due to various factors, including our inability to reduce our debt and our operating costs, our failure to develop new products and services with sufficient growth potential as per the changing market preferences and trends, our failure to execute agreements with our technology partners, our failure to effectively market these new products and services or foresee challenges with respect to our business initiatives, our failure to sufficiently upgrade our

infrastructure, machines, automation, equipment and technology as required to cater to the requirement of changing demand and market preferences, our failure to maintain highest quality and consistency in our operations or to ensure scaling of our operations to correspond with our strategy and customer demand, changes in GoI policy or regulation, our inability to respond to regular competition, and other operational and management difficulties. Any failure on our part to implement our strategy due to many reasons as attributed aforesaid could be detrimental to our long-term business outlook and our growth prospects and may materially adversely affect our business, financial condition and results of operations. For further details of our strategies, see “*Business Overview*” beginning on page 117 of this Draft Red Herring Prospectus.

Further, our ability to sustain growth depends primarily upon our ability to manage key issues such as our ability to sustain existing relationships with our clients, ability to obtain raw materials at better prices, ability to compete effectively, ability to scaling up our operations, adhering to high quality and execution standards, our ability to expand our manufacturing capabilities and our presence in India as well as globally, the effectiveness of our marketing initiatives, selecting and retaining skilled personnel. Sustained growth also puts pressure on our ability to effectively manage and control historical and emerging risks. Our inability to effectively manage any of these issues and implement our business strategies may adversely affect our business growth and, as a result, impact our businesses, financial condition and results of operations.

***32. If we are unable to manage our growth effectively and further expand into new markets our business, future financial performance and results of operations could be materially and adversely affected.***

The success of our business will depend on our ability to effectively implement our business and growth strategy. As part of our growth strategy, we aim to, among other things, continue to grow our businesses as and when opportunities exist including by Continuing to strengthen our existing product portfolio with attractive growth and profitability prospects, to strive for cost efficiency, attracting and retaining talented employees and focusing on consistently meeting quality standards.

As we continue to grow our business and expand into newer markets, we may face several challenges, including as set forth below:

- Technological Integration and Upgradation;
- Regulatory and Compliance Risks;
- Project Delays and Cost Overruns;
- High Initial Capital Investment;
- Cybersecurity Threats;
- Market Competition;
- Human Resources and Expertise Shortage;
- Data Management and Privacy Issues;
- Funding and Financial Risks; and
- Environmental and Sustainability Concerns.

In pursuing our growth strategy, we will require additional capital investments and cash outlays, which may have a material impact on our cash flows and results of operations.

Our operating expenses and capital requirements may increase significantly pursuant to our expansion plans. Our ability to manage our growth effectively requires us to forecast accurately our sales, growth and manufacturing capacity and to expend funds to improve our operational, financial and management controls, reporting systems and procedures. An inability to implement our future business plan, manage our growth effectively, further expand into new markets or failure to secure the required funding on favourable terms or at all could have a material and adverse effect on our business, future financial performance and results of operations.

***33. We have entered into certain transactions with related parties. These transactions or any future transactions with our related parties could potentially involve conflicts of interest.***

Our Company has entered into various transactions with related parties. While our Company believes that all such transactions have been conducted on an arm’s length basis and contain commercially reasonable terms, there can be no assurance that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. Related party transactions that entered by the Company for Year ended March 31, 2024 and last three fiscals on the basis of Standalone restated financials and are legitimate business transactions conducted on an arms’ length basis, in compliance with the requirements stipulated in Companies Act, 2013, and relevant Accounting Standards and other statutory compliances. The Company further confirm that they will comply with the applicable compliances pertaining to the Companies Act 2013, and relevant Accounting Standards and other statutory compliances.

It is likely that our Company may enter into related party transactions in the future. Such related party transactions may potentially involve conflicts of interest. We cannot assure you that such transaction, individually or in the aggregate, will always be in the best interests of our Company and/or that it will not have an adverse effect on our business and results of operations.

For details of transactions, please refer to “Annexure 36 - Related Party Transaction” of Standalone Restated Financial Statements of this Draft Red Herring Prospectus.

***34. Our Promoters, Directors and Key Managerial Personnel may have interest in our Company, other than reimbursement of expenses incurred or remuneration.***

Our Promoters and Directors and key Managerial Personnel may be deemed to be interested to the extent of the Equity Shares held by them and benefits deriving from their shareholding in our Company. Our Promoters are interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Entities. For further details, please refer to the chapters titled “Business Overview” and “Our Promoters and Promoter Group”, beginning on page 117 and 165 respectively and the chapter “Annexure 36 - Related Party Transaction” under the Chapter titled “Restated Financial Statements” beginning on page 174 this Draft Red Herring Prospectus.

***35. Our insurance coverage may be inadequate to satisfy future claims against us.***

We maintain insurance coverage which is typical in our industry which we believe to be commercially appropriate for risks. However, such insurance may not be adequate to cover all our losses or liabilities that may arise from our operations. Our insurance policies contain exclusions and or all limitations on coverage, as a result of which, we may not be able to successfully assert our claims for any liability or loss under the said insurance policies.

Additionally, there may be various other risks and losses, specially arising out of our business agreements, for which we are not insured because such risks are either uninsurable or not insurable on commercially acceptable terms. Furthermore, there can be no assurance that in the future we will be able maintain insurance of the types or at levels which we deem necessary or adequate or at premiums which we deem to be commercially acceptable. The occurrence of an event for which we are not insured, where the loss is in excess of insured limits or where we are unable to successfully assert insurance claims from losses, could result in uninsured liabilities. Further, despite such uninsured losses we may remain obligated for any future financial indebtedness or other obligations related to our business. Any such uninsured losses or liabilities could result in an adverse effect on our business operations, financial conditions and results of operations.

***36. The issue price of the Equity Shares may not be indicative of market price of our equity shares after the issue and the market price of our Equity shares may decline below the issue price.***

The issue price of our Equity shares is decided on the basis of both qualitative and quantitative factors. The Company had made good progress in establishing its name in EPC business of providing advanced IT solutions for Advanced Traffic Management, Toll Management, Tunnel Management and so on. All such points have been considered in deciding the issue price of the Equity Shares. Please refer chapter titled “Basis for Issue Price” beginning on the page 96 of the Draft Red Herring Prospectus. The market price of our equity shares could be subject to change after the issue and may decline the below the issue price.

***37. There is no monitoring agency appointed by Our Company and the deployment of funds are at the discretion of our Management and our Board of Directors, though it shall be monitored by our Audit Committee.***

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above ₹100 Cr. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of Listing Agreement. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the Stock Exchange. We have not identified any alternate source of financing for the objects mentioned in the chapter titled “Objects of the Issue” beginning on page 84 of this Draft Red Herring Prospectus. If we fail to mobilize resources as per our plans, our growth plans may be adversely affected.

As stated earlier, we have not identified any alternate source of funding for the objects of this Issue and hence any failure or delay on our part to raise money from this Issue may cause delay in the implementation schedule and could adversely affect our growth plans. For further details of object of Issue and schedule of implementation please refer to the chapter titled “Objects of the Issue” beginning on page 84 of this Draft Red Herring Prospectus.

***38. Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.***

Our future ability to pay dividends will depend on our earnings, financial condition and capital requirements. There can be no assurance that we will generate sufficient income to cover the operating expenses and pay dividends to the shareholders. Our ability to pay dividends will also depend on our expansion plans. We may be unable to pay dividends in the near or medium term, and the future dividend policy will depend on the capital requirements and financing arrangements for the business plans, financial condition and results of operations.

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

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

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

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or another independent agency. Furthermore, in the absence of such independent appraisal, our funding requirements may be change subject to the approval of shareholders by passing special resolution pursuant to Section 27 of Companies Act, 2013 through postal ballot or subject to an authority given by the Company in general meeting by way of special resolution and based on various factors which are beyond our control. For further details, please see the section titled “*Objects of the Issue*” beginning on page 84 of this Draft Red Herring Prospectus.

***41. Certain information contained in this Draft Red Herring Prospectus is based on management estimates and we cannot assure you of the completeness or accuracy of the data.***

Certain information contained in this Draft Red Herring Prospectus like our funding requirements and our proposed use of issue proceeds is based solely on management estimates. The estimated dates as well as costs may change depending on the circumstances like changes in laws and regulations, competition, irregularities, the ability of third parties to complete their services, delays, cost overruns. Such circumstances can have an impact on our financial condition and results of operation.

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

Our Company intends to use Net Proceeds raised pursuant to the Issue in the manner set out in the section titled “*Objects of the Issue*” beginning on page 84 of this Draft Red Herring Prospectus. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds as disclosed in this Draft Red Herring Prospectus without obtaining the approval of shareholders of our Company 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 approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations.

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 Net Proceeds, if any, which may adversely affect our business and results of operations.

***43. Any future issuance of Equity Shares may dilute the shareholding of the Investor or any sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.***

Any future issuance of Equity Shares by our Company could dilute the shareholding of the investor. Any such future issuance of our Equity Shares or sales of our Equity Shares by any of our significant shareholders may adversely affect the trading price of our Equity Shares and could impact our ability to raise capital through an offering of our securities. While the entire post-Issue paid-up share capital, held by our Promoters or the shareholders will be locked-in for a period of 1 (one) year and minimum promoter contribution subject to a minimum of 20% of our post-Issue paid-up capital will be locked-in for a period of 3 (three) years from the date of allotment of Equity Shares in the Issue, upon listing of our Equity Shares on the Stock Exchanges. For further information relating to such Equity Shares that will be locked-in, please refer to the section titled “*Capital Structure*” beginning on page 56 of this Draft Red Herring Prospectus. Any future issuance or sale of the equity shares of our Company by our Promoter or by other significant shareholder(s) or any perception or belief that such sales of Equity Shares might occur may significantly affect the trading price of our Equity Shares.

***44. We could be exposed to risks arising from misconduct, fraud and trading errors by our employees and Business Associates.***

Frauds or other delinquencies by employees could include indulging in transactions that exceed authorized limits or present unacceptable risks to us; hiding unauthorized or unsuccessful trading activities from us; or the improper use of confidential information. Such misconduct could result in unexpected business risks, losses, invite regulatory sanctions and seriously harm our reputation and could even lead to litigation. The precautions we take to prevent and detect these activities may not be effective. Any delinquencies or trading errors on the part of our employees could materially affect our business operations, financial position and/or reputation.

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

Pursuant to the SEBI Regulations, 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. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date. While our Company is required to complete Allotment pursuant to the Issue within three Working Days from the Bid/Issue Closing Date, events affecting the Bidders’ decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events 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.

## EXTERNAL RISK FACTORS

After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.

The price of the Equity Shares on the stock exchange may fluctuate as a result of the factors, including:

- Volatility in the India and global capital market;
- Company’s results of operations and financial performance;
- Performance of Company’s competitors;
- Adverse media reports on Company;
- Changes in our estimates of performance or recommendations by financial analysts;
- Significant developments in India’s economic and fiscal policies; and
- Significant developments in India’s environmental regulations.

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

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

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, change in regulatory framework, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt

levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending and tourism.

***47. Any changes in the regulatory framework could adversely affect our operations and growth Draft Red Herring Prospects.***

Our Company is subject to various regulations and policies. For details see section titled “Key Industry Regulations” beginning on page 142 of this Draft Red Herring Prospectus. Our business and this Draft Red Herring Prospectus could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse effect on our business, financial condition and results of operations.

***48. Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse effects on our operations and financial performance.***

Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

***49. The price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.***

Prior to this Issue, there has been no public market for our Equity Shares. Our Company and the Book Running Lead Manager have appointed S S Securities Limited as Designated Market Maker for the equity shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India’s fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets and Finance industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnership, joint ventures, or capital commitments.

***50. Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse impact on our business, financial condition and results of operations.***

Taxes and other levies imposed by the Central or State Governments in India that impact our industry include income tax and GST and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. There can be no assurance that these tax rates/slab will continue in the future. Any changes in these tax rates/slabs could adversely affect our financial condition and results of operations.

***51. If inflation were to rise in India, we might not be able to increase the prices of our products at a proportional rate in order to pass costs on to our clients thereby reducing our margins.***

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, wages, raw materials and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our clients, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or entirely offset any increases in costs with increases in prices for our products. In such case, our business, results of operations, cash flows and financial condition may be adversely affected. Further, the Government has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

***52. Significant differences exist between Indian GAAP and AS, on one hand, and other accounting principles, such as U.S. GAAP, IFRS and IndAS, on the other hand, which may be material to investors’ assessments of our financial condition.***

Our restated financial statements for the period between April 1, 2023 to March, 2024 as well as for the years ended

Financial Years 2023, 2022 have been prepared in accordance with the AS, read with the Companies (Accounting Standards) Rules, 2015. We have not attempted to quantify the impact of US GAAP or IFRS or IndAS on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP or IFRS. IndAS, US GAAP and IFRS differ in significant respects from AS. Accordingly, the degree to which the Restated Financial Statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. 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.

***53. Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse impact on our business, financial condition and results of operations.***

Taxes and other levies imposed by the Central or State Governments in India that impact our industry include income tax and GST and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. There can be no assurance that these tax rates/slab will continue in the future. Any changes in these tax rates/slabs could adversely affect our financial condition and results of operations.

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

Once listed, we would be subject to circuit breakers imposed by stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index - based market - wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker in effect from time to time, and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

***55. The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the issue price and you may not be able to sell your Equity Shares at or above the Issue Price.***

The Issue Price of our Equity Shares is ₹[●]. This price is being based on numerous factors (For further information, please refer chapter titled "Basis for Issue Price" beginning on page 96 of this Draft Red Herring Prospectus and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation the following:

- a) Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- b) Changes in revenue or earnings estimates or publication of research reports by analysts;
- c) Speculation in the press or investment community;
- d) General market conditions; and
- e) Domestic and international economic, legal and regulatory factors unrelated to our performance.

***56. There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on BSE SME Platform in a timely manner, or at all.***

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

***57. Sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the Trading price of the Equity Shares.***

Any instance of disinvestments of equity shares by our Promoters or by other significant shareholder(s) may

significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

***58. An outbreak of other infectious or virulent diseases, if uncontrolled, may have an adverse effect on our operations.***

An outbreak of other infectious or virulent diseases, such as severe acute respiratory syndrome, the COVID-19 virus and its variants, the H1N1 virus, avian influenza (bird flu), the Zika virus or the Ebola virus, if uncontrolled, may have a material adverse effect on the economies of certain countries and our operations. If any of our employees or the employees of our suppliers and/or customers are infected with such diseases or if a significant portion of our workforce refuses to work for fear of contracting an infectious disease, our Company, our suppliers and/or our customers may be required to shut down operations for a period of time, and this could adversely affect our business, results of operations and financial condition.

***59. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required.

Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection or a tax clearance certificate from the income tax authority. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, Government of India, 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 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.

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

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

***61. Financial instability in Indian Financial Markets could adversely affect our Company's results of operation and financial condition.***

In this globalized world, the Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, say in the United States of America, Europe, China or other emerging economies, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on our Company's business, operations, financial condition, profitability and price of its Shares. Stock exchanges in India have in the past experienced substantial fluctuations in the prices of listed securities.

***62. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and our industry contained in this Draft Red Herring Prospectus.***

While facts and other statistics in this Draft Red Herring Prospectus relating to India, the Indian economy and our industry



has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled “*Industry Overview*” beginning on page 108 of this Draft Red Herring Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

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

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

***64. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

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

***65. Natural calamities could have a negative impact on the Indian economy and cause Our Company’s business to suffer.***

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

***66. Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.***

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

***67. Any downgrading of India’s sovereign rating by an independent agency may harm our ability to raise financing.***

Any adverse revisions to India’s credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

## SECTION IV – INTRODUCTION

### THE ISSUE

Present Issue in terms of this Draft Red Herring Prospectus:

Particulars	Details
<b>Equity Shares offered</b> <sup>(1)(2)</sup> Present Issue of Equity Shares by our Company	Issue of upto 64,10,000* Equity Shares of face value of ₹10/- each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share aggregating to ₹[●] Lakhs.
<b>Out of which:</b>	
<b>Reserved for Market Makers</b>	[●] Equity Shares of face value of ₹10/- each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share aggregating to ₹ [●] Lakhs.
<b>Net Issue to the Public</b>	[●] Equity Shares of face value of ₹10/- each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share aggregating to ₹ [●] Lakhs.
<b>Out of which:</b>	
<b>A. QIB Portion</b> <sup>(3)(4)</sup>	Not more than [●] Equity Shares of ₹10/- each at an Issue Price of ₹[●]/- per Equity Share each aggregating to ₹[●] Lakhs.
<b>of which:</b>	
<b>i.Anchor Investor Portion</b>	Upto [●] Equity Shares aggregating up to ₹[●] lakhs.
<b>ii.Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)</b>	Upto [●] Equity Shares aggregating up to ₹[●] lakhs.
<b>Of which:</b>	
<b>a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)</b>	Upto [●] Equity Shares aggregating up to ₹[●] lakhs.
<b>b) Balance of QIB Portion for all QIBs including Mutual Funds</b>	Upto [●] Equity Shares aggregating up to ₹[●] lakhs.
<b>c) Non-Institutional Investors Portion</b>	Not less than [●] Equity Shares of ₹10/- each at an Issue Price of ₹[●]/- per Equity Share each aggregating to ₹[●] Lakhs.
<b>d) Retail Individual Investors Portion</b>	Not less than [●] Equity Shares of ₹10/- each at an Issue Price of ₹[●]/- per Equity Share each aggregating to ₹[●] Lakhs.
<b>Pre and Post – Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue</b>	1,79,25,000 Equity Shares of ₹10/- each.
<b>Equity Shares outstanding after the Issue</b>	Upto 2,43,35,000* Equity Shares of ₹10/- each.
<b>Use of Proceeds</b>	Please refer to the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 84 of this Draft Red Herring Prospectus.

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

#### Notes:

- (1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) and Regulation 253 (1) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post - issue paid up equity share capital of our company are being issued to the public for subscription.
- (2) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on May 18, 2024 and by the shareholders of our Company, pursuant to section 62(1)(c) of the Companies Act, 2013, vide a special resolution passed at the Extra-Ordinary General Meeting held on May 18, 2024.
- (3) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate

basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e., not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Issue shall be available for allocation to non-institutional bidders.

- (4) Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the 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 QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the 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 allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please refer section titled "*Issue Procedure*" beginning on page 232 of this Draft Red Herring Prospectus.
- (5) In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the Retail Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Retail Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.
- (6) In the event of an under-subscription in the issue and compliance with Rule 19(2)(b) of the SCRR, our Company and the BRLM shall first ensure Allotment of Equity Shares offered pursuant to the Fresh Issue by the Issuer.
- (7) Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

**SUMMARY OF CONSOLIDATED FINANCIAL INFORMATION**

**ANNEXURE – I: CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES**

*(₹ in Lakhs)*

Sr. No.	Particulars	31.03.2024	31.03.2023	31.03.2022
<b>I</b>	<b>Equity and Liabilities</b>			
<b>1</b>	<b>Shareholders' Funds</b>			
<b>a</b>	Share Capital	1,792.50	10.00	10.00
<b>b</b>	Reserves and Surplus	1,620.12	1,198.79	720.94
	<b>Total Equity</b>	<b>3,412.62</b>	<b>1,208.79</b>	<b>730.94</b>
<b>2</b>	<b>Non-Current Liabilities</b>			
<b>a</b>	Long-Term Borrowings	785.48	506.42	388.04
<b>b</b>	Long-Term Provisions	31.96	26.44	21.22
	<b>Total Non- Current Liabilities</b>	<b>817.44</b>	<b>532.86</b>	<b>409.26</b>
<b>3</b>	<b>Current liabilities</b>			
<b>a</b>	Short-term borrowings	264.76	292.27	118.38
<b>b</b>	Trade payables			
	i) Total outstanding dues of micro enterprise and small enterprise	-	-	-
	ii) Total outstanding dues other than micro enterprise and small enterprise	1,051.69	1,099.52	854.42
<b>c</b>	Other current liabilities	223.67	110.76	82.76
<b>d</b>	Short-term provisions	445.34	118.96	88.25
	<b>Total Current Liabilities</b>	<b>1,985.47</b>	<b>1,621.51</b>	<b>1,143.81</b>
	<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>6,215.52</b>	<b>3,363.17</b>	<b>2,284.01</b>
<b>II</b>	<b>Assets</b>			
<b>1</b>	<b>Non-Current Assets</b>			
<b>a</b>	Property, Plant and Equipment and Intangible Assets			
	i) Tangible assets	22.19	30.83	13.27
	ii) Intangible assets	3.09	3.40	4.59
<b>b</b>	Capital Work In Progress	216.66	216.66	-
<b>c</b>	Non-Current Investments	14.80	6.80	-
<b>d</b>	Deferred Tax Assets	6.08	5.20	6.29
	<b>Total Non-Current Assets</b>	<b>262.82</b>	<b>262.90</b>	<b>24.15</b>
<b>2</b>	<b>Current Assets</b>			
<b>a</b>	Current Investment	-	-	1.00
<b>b</b>	Inventories	643.45	628.96	129.39
<b>c</b>	Trade Receivables	4,057.51	1,812.15	1,688.39
<b>d</b>	Cash and Cash Equivalents	445.22	379.60	282.66
<b>e</b>	Short-Term loans and Advances	609.33	62.54	32.46

Sr. No.	Particulars	31.03.2024	31.03.2023	31.03.2022
f	Other Current Assets	197.19	217.02	125.97
	<b>Total Current Assets</b>	<b>5,952.70</b>	<b>3,100.27</b>	<b>2,259.86</b>
	<b>TOTAL ASSETS</b>	<b>6,215.52</b>	<b>3,363.17</b>	<b>2,284.01</b>

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**ANNEXURE – II: CONSOLIDATED STATEMENT OF PROFIT & LOSS***(₹ in Lakhs)*

<b>Sr. No.</b>	<b>Particulars</b>	<b>31.03.2024</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
I	Revenue from operations	6,581.12	3,629.59	2,791.21
II	Other income	27.39	45.40	10.71
III	<b>Total Income</b>	<b>6,608.50</b>	<b>3,675.00</b>	<b>2,801.92</b>
IV	<b>Expenses</b>			
(a)	Change in Inventory	(14.49)	(499.57)	(75.48)
(b)	Cost of Raw Material Consumed	4,049.95	3,184.00	2,069.31
(c)	Employee Benefits Expense	509.78	213.63	372.97
(d)	Finance Costs	84.55	52.79	36.48
(e)	Depreciation and Amortisation Expense	13.33	10.71	14.25
(f)	Other Expenses	265.53	236.37	171.89
	<b>Total Expenses</b>	<b>4,908.65</b>	<b>3,197.93</b>	<b>2,589.42</b>
V	<b>PROFIT BEFORE EXCEPTIONAL &amp; EXTRAORDINARY ITEMS &amp; TAX (III-IV)</b>	<b>1,699.85</b>	<b>477.07</b>	<b>212.50</b>
VI	Exceptional/Prior Period Items	-	-	-
	<b>Share of Profit in associate enterprises</b>	<b>8.00</b>	<b>6.80</b>	<b>(5.12)</b>
VII	<b>PROFIT BEFORE TAX [V(+/-)VI]</b>	<b>1,707.85</b>	<b>483.87</b>	<b>207.38</b>
VIII	<b>Tax Expense</b>			
	Current tax	490.57	4.92	3.24
	Deferred tax (credit)/charge	(0.88)	1.09	(1.05)
	<b>Total Tax Expenses</b>	<b>498.55</b>	<b>6.02</b>	<b>2.19</b>
IX	<b>Profit for the period / year (VII-VIII)</b>	<b>1,209.30</b>	<b>477.85</b>	<b>205.19</b>
	<b>Earnings per equity share of Rs. 10/- each (in Rs.)</b>			
	a) Basic/Diluted EPS	6.77	2.68	1.15
	b) Adjusted/Diluted EPS	6.77	2.68	1.15

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**ANNEXURE – III: STATEMENT OF CONSOLIDATED CASH FLOW**

(₹ in Lakhs)

Particulars	31.03.2024	31.03.2023	31.03.2022
<b>A. Cash flow from operating activities</b>			
Profit before tax, as restated	1,707.85	483.87	207.38
<b>Adjustments for:</b>			
Assets written off	-	-	0.77
Depreciation and amortisation expense	13.33	10.71	14.25
Finance costs	84.55	52.79	36.48
Interest & Dividend income	(14.98)	(12.62)	(9.30)
<b>Operating profit before working capital changes</b>	<b>1,790.75</b>	<b>534.75</b>	<b>249.58</b>
<b>Changes in working capital:</b>			
(Increase) / decrease Inventories	(14.49)	(499.57)	(75.48)
(Increase) / decrease in Trade Receivables	(2,245.36)	(123.76)	(252.95)
(Increase) / decrease in Other Current Assets	(149.43)	(91.05)	(46.23)
(Increase) / decrease in Short term Loans and Advances	(546.79)	(30.08)	(2.82)
Increase / (decrease) in Trade Payables	(47.83)	245.10	130.53
Increase / (decrease) in Other Current Liabilities	112.91	28.00	(30.50)
Increase / (decrease) in Long Term Provision/ Non-Current Liabilities	5.52	5.22	(2.28)
Increase / (decrease) in Short Term Borrowings	(27.51)	173.89	106.03
Increase / (decrease) in Short Term Provision	0.64	30.66	(84.10)
Cash generated from / (utilised in) operations	(1,121.59)	273.16	(8.23)
Less : Taxes paid	(4.43)	(4.88)	(11.35)
<b>Net cash flow generated from/ (utilised in) operating activities (A)</b>	<b>(1,126.02)</b>	<b>268.28</b>	<b>(19.57)</b>
<b>B. Cash flow from investing activities</b>			
Net (Purchase) / Proceeds on property, plant and equipment, Intangible assets	(4.38)	(243.75)	(2.90)
Net of Purchase/ Proceeds from Sale of Investments	(8.00)	(5.80)	(0.62)
Interest and Dividend Received	14.98	12.62	9.30
Net cash flow utilised in investing activities (B)	2.61	(236.93)	7.02
<b>C. Cash flow from financing activities</b>			
Share Capital Issued	994.52	-	-
Net Fixed Deposit (invested) / redeemed	(1,16.08)	(8.49)	(112.05)
Net of (Repayment)/Proceeds from Long Term Borrowings	279.06	118.38	188.41
Interest/Finance Charges Paid	(84.55)	(52.79)	(36.48)
<b>Net cash flow generated from/ (utilised in) financing activities (C)</b>	<b>1,072.95</b>	<b>57.10</b>	<b>39.88</b>
<b>Net (decrease)/ increase in cash &amp; cash equivalents (A+B+C)</b>	<b>(50.46)</b>	<b>88.45</b>	<b>27.33</b>
<b>Cash and cash equivalents at the beginning of the period/ year</b>	<b>136.05</b>	<b>47.60</b>	<b>20.28</b>
<b>Cash and cash equivalents at the end of the period/ year</b>	<b>85.60</b>	<b>136.05</b>	<b>47.60</b>

**SUMMARY OF STANDALONE FINANCIAL INFORMATION**

**ANNEXURE – I: RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES**

*(₹ in Lakhs)*

Sr No.	Particulars	31.03.2024	31.03.2023	31.03.2022
<b>I</b>	<b>Equity and Liabilities</b>			
<b>1</b>	<b>Shareholders' Funds</b>			
a.	Share Capital	1,792.50	10.00	10.00
b.	Reserves and Surplus	1,610.32	1,196.99	725.94
	<b>Total Equity</b>	<b>3,402.82</b>	<b>1,206.99</b>	<b>735.94</b>
<b>2</b>	<b>Non-Current Liabilities</b>			
a.	Long-Term Borrowings	785.48	506.42	388.04
b.	Long-Term Provisions	31.96	26.44	21.22
	<b>Total Non- Current Liabilities</b>	<b>817.44</b>	<b>532.86</b>	<b>409.26</b>
<b>3</b>	<b>Current liabilities</b>			
a.	Short-term borrowings	264.76	292.27	118.38
b.	Trade payables	-	-	-
	i) Total outstanding dues of micro enterprise and small enterprise	-	-	-
	ii) Total outstanding dues other than micro enterprise and small enterprise	1,051.69	1099.52	854.42
c.	Other current liabilities	223.67	110.76	82.76
d.	Short-term provisions	445.34	118.96	88.25
	<b>Total Current Liabilities</b>	<b>1,985.47</b>	<b>1,621.51</b>	<b>1,143.81</b>
	<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>6,205.72</b>	<b>3,361.37</b>	<b>2,289.01</b>
<b>II</b>	<b>Assets</b>			
<b>1</b>	<b>Non-Current Assets</b>			
A	Property, Plant and Equipment and Intangible Assets			
	i) Tangible assets	22.19	30.83	13.27
	ii) Intangible assets	3.09	3.40	4.59
	iii) Capital Work In Progress	216.66	216.66	-
B	Non-Current Investments	5.00	5.00	5.00
C	Deferred Tax Assets	6.08	5.20	6.29
	<b>Total Non-Current Assets</b>	<b>253.02</b>	<b>261.10</b>	<b>29.15</b>
<b>2</b>	<b>Current Assets</b>			
a.	Current Investment	-	-	1.00
b.	Inventories	643.45	628.96	129.39
c.	Trade Receivables	4,057.51	1,812.15	1,688.39
d.	Cash and Cash Equivalents	445.22	379.60	282.66
e.	Short-Term loans and Advances	609.33	62.54	32.46
f.	Other Current Assets	197.19	217.02	125.97
	<b>Total Current Assets</b>	<b>5,952.70</b>	<b>3,100.27</b>	<b>2,259.86</b>
	<b>TOTAL ASSETS</b>	<b>6,205.72</b>	<b>3,361.37</b>	<b>2,289.01</b>



**ANNEXURE – II: RESTATED STANDALONE STATEMENT OF PROFIT & LOSS**

(₹ in Lakhs)

Sr. No.	Particulars	31.03.2024	31.03.2023	31.03.2022
<b>I</b>	<b>Revenue from operations</b>	6,581.12	3,629.59	2,791.21
<b>II</b>	<b>Other income</b>	27.39	45.40	10.71
<b>III</b>	<b>Total Income</b>	<b>6,608.50</b>	<b>3,675.00</b>	<b>2,801.92</b>
<b>IV</b>	<b>Expenses</b>			
(a)	Change in Inventory	(14.49)	(499.57)	(75.48)
(b)	Cost of Raw Material Consumed	4,049.95	3,184.00	2,069.31
(c)	Employee Benefits Expense	509.78	213.63	372.97
(d)	Finance Costs	84.55	52.79	36.48
(e)	Depreciation and Amortisation Expense	13.33	10.71	14.25
(f)	Other Expenses	265.53	236.37	171.89
	<b>Total Expenses</b>	<b>4,908.65</b>	<b>3,197.93</b>	<b>2,589.42</b>
<b>V</b>	<b>PROFIT BEFORE EXCEPTIONAL &amp; EXTRAORDINARY ITEMS &amp; TAX (III-IV)</b>	<b>1,699.85</b>	<b>477.07</b>	<b>212.50</b>
<b>VI</b>	<b>Exceptional/Prior Period Items</b>	-	-	-
<b>VII</b>	<b>PROFIT BEFORE TAX [V(+/-)VI]</b>	<b>1,699.85</b>	<b>477.07</b>	<b>212.50</b>
<b>VIII</b>	<b>Tax Expense</b>			
	Current tax	490.57	4.92	3.24
	Deferred tax (credit)/charge	(0.88)	1.09	(1.05)
	<b>Total Tax Expenses</b>	<b>498.55</b>	<b>6.02</b>	<b>2.19</b>
<b>IX</b>	<b>Profit for the period / year (VII-VIII)</b>	<b>1,201.30</b>	<b>471.05</b>	<b>210.31</b>
	<b>Earnings per equity share of Rs. 10/- each (in Rs.)</b>			
	<b>a) Basic/Diluted EPS</b>	<b>6.73</b>	<b>2.64</b>	<b>1.18</b>
	<b>b) Adjusted/Diluted EPS</b>	<b>6.73</b>	<b>2.64</b>	<b>1.18</b>

**ANNEXURE – III: STATEMENT OF STANDALONE CASH FLOW**

(₹ in Lakhs)

Particulars	31.03.2024	31.03.2023	31.03.2022
<b>A. Cash flow from operating activities</b>			
Profit before tax, as restated	1699.85	477.07	212.50
Adjustments for :			
Depreciation and amortisation expense	13.33	10.71	14.25
Assets written off	0.00	0.00	0.77
Finance costs	84.55	52.79	36.48
Interest & Dividend income	(14.98)	(12.62)	(9.30)
<b>Operating profit before working capital changes</b>	<b>1782.75</b>	<b>527.94</b>	<b>254.70</b>
Changes in working capital:			
(Increase) / decrease Inventories	(14.49)	(499.57)	(75.48)
(Increase) / decrease in Trade Receivables	(2245.36)	(123.76)	(252.95)
(Increase) / decrease in Other Current Assets	(149.43)	(91.05)	(46.23)
(Increase) / decrease in Short term Loans and Advances	(546.79)	(30.08)	(2.82)
Increase / (decrease) in Trade Payables	(47.83)	245.10	130.53
Increase / (decrease) in Other Current Liabilities	112.91	28.00	(30.50)
Increase / (decrease) in Long Term Provision/ Non-Current Liabilities	5.52	5.22	(2.28)
Increase / (decrease) in Short Term Borrowings	(27.51)	173.89	106.03
Increase / (decrease) in Short Term Provision	0.64	30.66	(84.10)
Cash generated from / (utilised in) operations	(1129.58)	266.36	(3.11)
Less : Taxes paid	(4.43)	(4.88)	(11.35)
<b>Net cash flow generated from/ (utilised in) operating activities (A)</b>	<b>(1134.02)</b>	<b>261.48</b>	<b>(14.45)</b>
<b>B. Cash flow from investing activities</b>			
Net (Purchase) / Proceeds on property, plant and equipment, Intangible assets	(4.38)	(243.75)	(2.90)
Net of Purchase/ Proceeds from Sale of Investments	-	1.00	(4.50)
Interest and Dividend Received	14.98	12.62	9.30
<b>Net cash flow utilised in investing activities (B)</b>	<b>10.61</b>	<b>(230.13)</b>	<b>1.90</b>
<b>C. Cash flow from financing activities</b>			
Share Capital Issued	994.52	-	-
Net Fixed Deposit (invested) / redeemed	(116.08)	(8.49)	(112.05)
Net of (Repayment)/Proceeds from Long Term Borrowings	279.06	118.38	188.41
Interest/Finance Charges Paid	(84.55)	(52.79)	(36.48)
<b>Net cash flow generated from/ (utilised in) financing activities (C)</b>	<b>1072.95</b>	<b>57.10</b>	<b>39.88</b>
<b>Net (decrease)/ increase in cash &amp; cash equivalents (A+B+C)</b>	<b>(50.46)</b>	<b>88.45</b>	<b>27.33</b>
<b>Cash and cash equivalents at the beginning of the period/ year</b>	<b>136.05</b>	<b>47.60</b>	<b>20.28</b>
<b>Cash and cash equivalents at the end of the period/ year</b>	<b>85.60</b>	<b>136.05</b>	<b>47.60</b>

## CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Draft Red Herring Prospectus and after giving effect to this Issue, is set forth below:

(₹ In Lakhs except no of shares)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price*
<b>A.</b>	<b>Authorized Share Capital</b>		
	2,50,00,000 Equity Shares of face value of ₹10/- each	2,500.00	-
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Equity Capital before the Issue</b>		
	1,79,25,000 Equity Shares of face value of ₹10/- each	1,792.50	-
<b>C.</b>	<b>Present Issue in Terms of this Draft Red Herring Prospectus</b>		
	Issue of up to 64,10,000 Equity Shares of face value of ₹10/- each <sup>(1)</sup>	641.00	[●]
	<b>Which Comprises:</b>		
	<b>Reservation for Market Maker portion</b> [●] Equity Shares of face value of ₹10/- each at a price of ₹ [●] per Equity Share reserved as Market Maker Portion.	[●]	[●]
	<b>Net Issue to the Public</b> Net Issue to Public of [●] Equity Shares of ₹10/- each at a price of ₹ [●] per Equity Share to the Public.	[●]	[●]
	<b>Net Issue to Public consists of<sup>(2)</sup></b>		
	<b>Allocation to Qualified Institutional Buyers:</b> Not more than [●] Equity Shares of ₹10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Qualified Institutional Buyers.	[●]	[●]
	<b>Allocation to Non-Institutional Investors:</b> Not less than [●] Equity Shares of ₹10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Non-Institutional Investors.	[●]	[●]
	<b>Allocation to Retail Individual Investors:</b> Not less than [●] Equity Shares of ₹10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Retail Investors.		
<b>D.</b>	<b>Paid-up Equity Capital after the Issue</b>		
	Up to 2,43,35,000 Equity Shares of face value of ₹ 10/- each	2,433.50	[●]
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Issue**	14.40	
	After the Issue***		[●]

\*To be included upon finalisation of Issue Price.

\*\*Securities Premium as on March 31, 2024.

\*\*\*The amount disclosed is prior to deduction of Issue expenses.

- i. For details in relation to the changes in the authorised share capital of our Company, please refer to section titled "History and Corporate Structure - Amendments to our Memorandum of Association" beginning on page 138 of this Draft Red Herring Prospectus.
- ii. The Issue has been authorized by a resolution of our Board of Directors through their meeting dated May 18, 2024 and by a special resolution of our Shareholders at Extraordinary General Meeting dated May 18, 2024.
- iii. Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

## CLASS OF SHARES

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

## NOTES TO THE CAPITAL STRUCTURE

### 1. Changes in Authorized Share Capital

Since incorporation, the capital structure of our Company has been altered in the following manner:

- The initial authorized share capital at the time of incorporation was of ₹10,00,000/- divided into 1,00,000 Equity Shares of ₹10/- each.
- The Authorized Share Capital was increased from ₹10,00,000/- divided into 10,00,000 Equity Shares of ₹10/- each to ₹25,00,00,000 /- divided into 2,50,00,000 Equity Shares of ₹10/- each vide Shareholders Resolution dated November 29, 2023.

### 2. Equity Share Capital History of our Company

The history of the equity share capital of our Company is set forth below:

Date of Allotment	No. of Equity Shares allotted	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid-Up Equity Shares Capital (₹)	Cumulative Share Premium (₹)
Upon Incorporation 05/03/2018	4,000	10	10	Cash	Subscription to Moa <sup>(i)</sup>	4000	40000	Nil
22/05/2018	30,000	10	10	Cash	Right Issue <sup>(ii)</sup>	34,000	3,40,000	Nil
16/03/2019	66,000	10	10	Cash	Right Issue <sup>(iii)</sup>	1,00,000	10,00,000	Nil
27/12/2023	16,541	10	5,100	Cash	Issue of share on Private Placement <sup>(iv)</sup>	1,16,541	11,65,410	8,41,93,690
30/12/2023	2,559	10	5,100	Cash	Issue of share on Private Placement <sup>(v)</sup>	1,19,100	11,91,100	9,72,19,000
15/01/2024	1,77,45,900	10	NIL	Other than Cash	Bonus Issue 149:1 <sup>(vi)</sup>	1,78,65,000	17,78,65,000	Nil
17/02/2024	60,000	10	34	Cash	Issue of share on Private Placement <sup>(vii)</sup>	1,79,25,000	17,92,50,000	9,86,59,000

(i) *Initial Subscribers to the Memorandum of Association of our company- 4,000 Equity Shares of face value of ₹10/- each issued at par:*

Sr. No	Name	No of Equity Shares
1.	Praveen Kumar Dubey	2,000
2.	Indira Kammila	2,000
	<b>Total</b>	<b>4,000</b>

(ii) *Allotment of 30,000 Equity Shares by way of Right Issue, of face value of ₹10/- each issued at par:*

Sr. No	Name	No of Preference Shares
1.	Praveen Kumar Dubey	20,000
2.	Pranita Bahera	5,000
3.	Prasenjit Mohanty	5,000
	<b>Total</b>	<b>30,000</b>

(iii) Allotment of 66,000 Equity Shares by way of Right Issue, of face value of ₹10/- each issued at par:

Sr. No	Name	No of Equity Shares
1.	Praveen Kumar Dubey	20,500
2.	Poonam Das	40,500
3.	Amit Mohan Gupta	5,000
	<b>Total</b>	<b>66,000</b>

(iv) Further Allotment of 16,541 Equity Shares on a private placement basis of face value of ₹10/- each issued at a premium of ₹5,090/-:

Sr. No	Name	No of Equity Shares
1.	Anjan Vansh Bantia	500
2.	Gjnx Ventures	1,000
3.	Harichand Mohanchand	500
4.	Hirachand Padma Jain	800
5.	Manoj Amlokchand Gadiya	500
6.	Mukesh Kumar Jain	500
7.	Mithalal Nirmal Kumar	500
8.	K R Nagarjuna	500
9.	Priti Chetanbhai Kothari	500
10.	Rajesh H Sethia HUF	400
11.	Indu Ramanlal Golecha	600
12.	Vikas Rekha Bohra	500
13.	Rinku Jain	300
14.	Shagun Capital Venture	200
15.	Shobha Sunil Khetpalia	600
16.	Singhvi Heritage LLP	370
17.	Sunil Kumar	300
18.	Sunil Khetpalia	600
19.	Vikas Kumar Gadiya	500
20.	VM Finservice And Asset Management	370
21.	Aakash Jain	370
22.	Aditya Aggarwal	500
23.	Daksha V Jain	490
24.	Parmar Developers and Properties Private Limited	588
25.	S Rajesh Kumar Jain	784
26.	Sheetal Kumari	400
27.	Sunil Kumar Gupta	1,000
28.	Sushil Kumar Tantia	785
29.	Vihan Jain	200
30.	M Bharat Kumar	400
31.	Prashant Mishra	200
32.	Jaya Prem Rajdev	392
33.	Chetna Naresh Chandan	392
	<b>Total</b>	<b>16,541</b>

(v) Further Allotment of 2,559 Equity Shares on a private placement basis of face value of ₹10/- each issued at a premium of ₹5,090/-:

Sr. No	Name	No of Equity Shares
1.	D M Metalloys Pvt Ltd	784
2.	Navyug Global Ventures Pvt Ltd	785
3.	T Pankaj Kothari	490
4.	G Prakash Chand Baid HUF	500
	<b>Total</b>	<b>2,559</b>

(vi) Further Bonus issue of 1,77,45,900 Equity Shares of face value of ₹10/- each issued for consideration other than cash:

Sr. No	Name	No of Equity Shares
1.	Aakash Jain	55,130
2.	Aditya Aggarwal	74,500
3.	Akshay Chetan Shah	10,579
4.	Amber Credit Company Ltd	7,78,525
5.	Anjan Vansh Bantia	74,500
6.	Arun Agarwal	10,579
7.	Ashish Champalal Sanghvi	28,012
8.	Bharat Kumar	59,600
9.	Chetna Hemant Desai	56,620
10.	Chetna Naresh Chandan	58,408
11.	Comercinate Enterprises Private Limited	11,39,403
12.	D M Metalloys Private Limited	1,16,816
13.	Daksha V Jain	73,010
14.	Deepika Dheeraj Sanghvi	10,579
15.	Dilip Shankarlal Gang	35,015
16.	G Prakash Chand Baid HUF	74,500
17.	Gunavanth Kumar Rekha	1,49,000
18.	Harichand Mohanchand	74,500
19.	Hirachand Padma Jain	1,19,200
20.	Jaya Prem Rajdev	58,408
21.	Jigar Tejprakash Dangi	58,408
22.	Jitendra Narayan Das	22,35,000
23.	Kalpesh Sohanraj Doshi	29,800
24.	Leucon Technology Private	26,075
25.	Lifecycle Infotech Private Limited	2,31,248
26.	Manoj Amlokchand Gadiya	74,500
27.	Manoj Sethia .	46,935
28.	Mithalal Nirmal Kumar	74,500
29.	MMW Investment Holdings Private Limited	96,850
30.	Mukesh Kumar Jain	74,500
31.	Nagarjun Karupakala Ravindra	74,500
32.	Navyug Global Ventures Private Limited	1,16,965
33.	P Anitha .	1,75,224
34.	Pankaj Kothari T	73,010
35.	Parmar Developers and Properties Private Limited	87,612
36.	Pinky Vijay Sanghvi	10,579
37.	Poonam Das	97,06,307
38.	Prashant Mishra	29,800
39.	Priti Chetanbhai Kothari	74,500
40.	Priti Jitendra Mehta	28,012
41.	Priyanka Nirav Bokadia	21,009
42.	Rajesh H Sethia Huf .	59,600
43.	Rajesh Kumar Gupta	87,612
44.	Rajesh Kumar Jain S	1,16,816
45.	Ramanlal B Golecha	89,400
46.	Rekha Kalpesh Doshi	21,009
47.	Rinku Jain	44,700
48.	Sachin Agarwal	10,579
49.	Sagar Hareshkumar Doshi	14,453
50.	Sandhya Amit Doshi	21,009
51.	Shankesh Vijayakumar	29,800
52.	Sheetal Kumari .	59,600
53.	Shobha Sunil Khetpalia .	89,400
54.	Shripal Bhandari	55,130
55.	Singhvi Heritage Llp	55,130
56.	Sunil Khetpalia .	89,400
57.	Sunil Kumar	44,700
58.	Sunil Kumar Gupta	1,49,000
59.	Sushil Kumar Tantia	1,16,965

Sr. No	Name	No of Equity Shares
60.	Vihan Jain	29,800
61.	Vikas Kumar Gadiya	74,500
62.	Vikas Rekha Bohra	74,500
63.	Yashi Kailash Sanghvi	10,579
	<b>Total</b>	<b>1,77,45,900</b>

(vii) Further Allotment of 60,000 Equity Shares on a private placement basis of face value of ₹10/- each issued at a premium of ₹24/-:

Sr. No	Name	No of Equity Shares
1.	Bharat Kumar	60,000
	<b>Total</b>	<b>60,000</b>

3. We have not issued any Equity Shares for consideration other than cash, at any point of time since Incorporation except mentioned below: -

**Further Bonus issue of 1,77,45,900 Equity Shares of face value of ₹10/- each issued for consideration other than cash:**

Sr. No	Name	No of Equity Shares
1.	Aakash Jain	55,130
2.	Aditya Aggarwal	74,500
3.	Akshay Chetan Shah	10,579
4.	Amber Credit Company Ltd	7,78,525
5.	Anjan Vansh Bantia	74,500
6.	Arun Agarwal	10,579
7.	Ashish Champalal Sanghvi	28,012
8.	Bharat Kumar	59,600
9.	Chetna Hemant Desai	56,620
10.	Chetna Naresh Chandan	58,408
11.	Comercinate Enterprises Private Limited	11,39,403
12.	D M Metalloys Private Limited	1,16,816
13.	Daksha V Jain	73,010
14.	Deepika Dheeraj Sanghvi	10,579
15.	Dilip Shankarlal Gang	35,015
16.	G Prakash Chand Baid Huf	74,500
17.	Gunavanth Kumar Rekha	1,49,000
18.	Harichand Mohanchand	74,500
19.	Hirachand Padma Jain	1,19,200
20.	Jaya Prem Rajdev	58,408
21.	Jigar Tejprakash Dangi	58,408
22.	Jitendra Narayan Das	22,35,000
23.	Kalpesh Sohanraj Doshi	29,800
24.	Leucon Technology Private	26,075
25.	Lifecycle Infotech Private Limited	2,31,248
26.	Manoj Amlokchand Gadiya	74,500
27.	Manoj Sethia .	46,935
28.	Mithalal Nirmal Kumar	74,500
29.	MMW Investment Holdings Private Limited	96,850
30.	Mukesh Kumar Jain	74,500
31.	Nagarjun Karupakala Ravindra	74,500
32.	Navyug Global Ventures Private Limited	1,16,965
33.	P Anitha .	1,75,224
34.	Pankaj Kothari T	73,010
35.	Parmar Developers and Properties Private Limited	87,612
36.	Pinky Vijay Sanghvi	10,579
37.	Poonam Das	97,06,307
38.	Prashant Mishra	29,800
39.	Priti Chetanbhai Kothari	74,500
40.	Priti Jitendra Mehta	28,012
41.	Priyanka Nirav Bokadia	21,009

Sr. No	Name	No of Equity Shares
42.	Rajesh H Sethia Huf .	59,600
43.	Rajesh Kumar Gupta	87,612
44.	Rajesh Kumar Jain S	1,16,816
45.	Ramanlal B Golecha	89,400
46.	Rekha Kalpesh Doshi	21,009
47.	Rinku Jain	44,700
48.	Sachin Agarwal	10,579
49.	Sagar Hareshkumar Doshi	14,453
50.	Sandhya Amit Doshi	21,009
51.	Shankesh Vijayakumar	29,800
52.	Sheetal Kumari .	59,600
53.	Shobha Sunil Khetpalia .	89,400
54.	Shripal Bhandari	55,130
55.	Singhvi Heritage Llp	55,130
56.	Sunil Khetpalia .	89,400
57.	Sunil Kumar	44,700
58.	Sunil Kumar Gupta	1,49,000
59.	Sushil Kumar Tantia	1,16,965
60.	Vihan Jain	29,800
61.	Vikas Kumar Gadiya	74,500
62.	Vikas Rekha Bohra	74,500
63.	Yashi Kailash Sanghvi	10,579
	<b>Total</b>	<b>1,77,45,900</b>

- Our Company has not allotted any Equity Shares pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956 and Section 230-234 of the Companies Act, 2013.
- We have not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.
- Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees, and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed Issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
- Our Company has not issued any Equity Shares at a price lower than the Issue Price during a period of one year preceding the date of this Draft Red Herring Prospectus except mentioned below:

Sr. No	Name	No of Equity Shares	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Aakash Jain	55,130	10	NIL
2.	Aditya Aggarwal	74,500		
3.	Akshay Chetan Shah	10,579		
4.	Amber Credit Company Ltd	7,78,525		
5.	Anjan Vansh Bantia	74,500		
6.	Arun Agarwal	10,579		
7.	Ashish Champalal Sanghvi	28,012		
8.	Bharat Kumar	59,600		
9.	Chetna Hemant Desai	56,620		
10.	Chetna Naresh Chandan	58,408		
11.	Comercinate Enterprises Private Limited	11,39,403		
12.	D M Metalloys Private Limited	1,16,816		
13.	Daksha V Jain	73,010		
14.	Deepika Dheeraj Sanghvi	10,579		
15.	Dilip Shankarlal Gang	35,015		
16.	G Prakash Chand Baid Huf	74,500		
17.	Gunavanth Kumar Rekha	1,49,000		
18.	Harichand Mohanchand	74,500		
19.	Hirachand Padma Jain	1,19,200		



Sr. No	Name	No of Equity Shares	Face Value per share (in ₹)	Issue Price per share (in ₹)
20.	Jaya Prem Rajdev	58,408		
21.	Jigar Tejprakash Dangi	58,408		
22.	Jitendra Narayan Das	22,35,000		
23.	Kalpesh Sohanraj Doshi	29,800		
24.	Leucon Technology Private	26,075		
25.	Lifecycle Infotech Private Limited	2,31,248		
26.	Manoj Amlokchand Gadiya	74,500		
27.	Manoj Sethia .	46,935		
28.	Mithalal Nirmal Kumar	74,500		
29.	MMW Investment Holdings Private Limited	96,850		
30.	Mukesh Kumar Jain	74,500		
31.	Nagarjun Karupakala Ravindra	74,500		
32.	Navyug Global Ventures Private Limited	1,16,965		
33.	P Anitha .	1,75,224		
34.	Pankaj Kothari T	73,010		
35.	Parmar Developers And Properties Private Limited	87,612		
36.	Pinky Vijay Sanghvi	10,579		
37.	Poonam Das	97,06,307		
38.	Prashant Mishra	29,800		
39.	Priti Chetanbhai Kothari	74,500		
40.	Priti Jitendra Mehta	28,012		
41.	Priyanka Nirav Bokadia	21,009		
42.	Rajesh H Sethia Huf .	59,600		
43.	Rajesh Kumar Gupta	87,612		
44.	Rajesh Kumar Jain S	1,16,816		
45.	Ramanlal B Golecha	89,400		
46.	Rekha Kalpesh Doshi	21,009		
47.	Rinku Jain	44,700		
48.	Sachin Agarwal	10,579		
49.	Sagar Hareshkumar Doshi	14,453		
50.	Sandhya Amit Doshi	21,009		
51.	Shankesh Vijayakumar	29,800		
52.	Sheetal Kumari .	59,600		
53.	Shobha Sunil Khetpalia .	89,400		
54.	Shripal Bhandari	55,130		
55.	Singhvi Heritage Llp	55,130		
56.	Sunil Khetpalia .	89,400		
57.	Sunil Kumar	44,700		
58.	Sunil Kumar Gupta	1,49,000		
59.	Sushil Kumar Tantia	1,16,965		
60.	Vihan Jain	29,800		
61.	Vikas Kumar Gadiya	74,500		
62.	Vikas Rekha Bohra	74,500		
63.	Yashi Kailash Sanghvi	10,579		
	<b>Total</b>	<b>1,77,45,900</b>	<b>10</b>	<b>NIL</b>

## 8. Shareholding Pattern of our Company

The table below presents the current shareholding pattern of our Company as per Regulation 31 of SEBI LODR Regulations as on the date of this Draft Red Herring Prospectus.

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								Class-Equity	No of Voting Rights				Total as a % of (A+B+C)	No (a)	As a % of total Shares held (b)	No (a)		As a % of total Shares held (b)
									Class	Total								
A	Promoter & Promoter Group	2	1,08,82,835	-	-	1,08,82,835	60.71%	1,08,82,835	-	1,08,82,835	60.71%	-	60.71%	-	-	-	-	1,08,82,835
B	Public	182	70,42,165	-	-	70,42,165	39.29%	70,42,165	-	70,42,165	39.29%	-	39.29%	-	-	-	-	70,42,165
C	Non – Promoter Non – Public		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>184</b>	<b>1,79,25,000</b>			<b>1,79,25,000</b>	<b>100%</b>	<b>1,79,25,000</b>		<b>1,79,25,000</b>	<b>100%</b>	-	<b>100%</b>	-	-	-	-	<b>1,79,25,000</b>

- As on date of this Draft Red Herring Prospectus 1 Equity share holds 1 vote.
- We have only one class of Equity Shares of face value of ₹10/- each.
- Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the Website of the Stock Exchange before commencement of trading of such Equity Shares.

a) **Equity Shareholding of Directors and Key Managerial Personnel in our Company:**

Except as stated below, none of our Director's or Key Managerial Personnel hold any Equity Shares in our Company:

Sr. No.	Name of Shareholder	No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
1.	Poonam Das	96,76,650	53.98%	96,76,650	[●]
2.	Jitendra Narayan Das	59,24,100	6.73%	59,24,100	[●]
	<b>Total</b>	<b>1,08,82,835</b>	<b>60.71%</b>	<b>1,08,82,835</b>	[●]

b) **List of shareholders holding 1% or more of the paid-up capital of our Company as on date of this Draft Red Herring Prospectus:**

Sr. No.	Name of Shareholder	Shares held (Face Value of ₹10 each)	% Pre-Issue paid up Share Capital
1.	Poonam Das	96,76,650	53.98%
2.	Jitendra Narayan Das	12,06,185	6.73%
3.	Amber Credit Company Ltd	9,08,234	5.07%
4.	Lifecycle Infotech Private Limited	2,32,800	1.30%
5.	Surbhi Yash Shah	2,00,000	1.12%
	<b>Total</b>	<b>1,22,23,869</b>	<b>68.19%</b>

c) **List of shareholders holding 1% or more of the paid-up capital of our company as on date ten days prior to the date of this Draft Red Herring Prospectus:**

Sr. No.	Name of Shareholder	Shares held (Face Value of ₹10 each)	% Pre-Issue paid up Share Capital
1.	Poonam Das	96,76,650	53.98%
2.	Jitendra Narayan Das	12,06,185	6.73%
3.	Amber Credit Company Ltd	9,08,234	5.07%
4.	Lifecycle Infotech Private Limited	2,32,800	1.30%
5.	Surbhi Yash Shah	2,00,000	1.12%
	<b>Total</b>	<b>1,22,23,869</b>	<b>68.19%</b>

d) **List of shareholders holding 1% or more of the paid-up capital of our company as on March 31, 2023: -**

Sr. No.	Name of Shareholder	Shares held (Face Value of ₹10 each)	% Pre-Issue paid up Share Capital
1.	Praveen Kumar Dubey	42,500	42.50%
2.	Poonam Das	42,500	42.50%
3.	Amit Mohan Gupta	5,000	5.00%
4.	Prasanjit Mohanty	5,000	5.00%
5.	Pranita Bahera	5,000	5.00%
	<b>Total</b>	<b>1,00,000</b>	<b>100.00%</b>

e) **List of shareholders holding 1% or more of the paid-up capital of our company as on March 31, 2022: -**

Sr. No.	Name of Shareholder	Shares held (Face Value of ₹10 each)	% Pre-Issue paid up Share Capital
1.	Praveen Kumar Dubey	42,500	42.50%
2.	Poonam Das	42,500	42.50%
3.	Amit Mohan Gupta	5,000	5.00%
4.	Prasanjit Mohanty	5,000	5.00%
5.	Pranita Bahera	5,000	5.00%
	<b>Total</b>	<b>1,00,000</b>	<b>100.00%</b>

9. Our Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of this Draft Red Herring Prospectus.

10. Our Company has not made any public Issue (including any rights issue to the public) since its incorporation except as stated above.
11. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, Right issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue.
12. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of this Draft Red Herring Prospectus until the Equity Shares have been listed. Our Company does not have any intention or proposal to alter its capital structure within a period of 6 (six) months from the date of opening of the Issue by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares whether preferential or bonus, rights or further public issue basis. However, Our Company is in expansion phase and may need additional capital to fund existing / and or future organic and / or inorganic expansion. Therefore, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the issue appropriately in due compliance with the applicable statutory provisions.

### 13. Details of our Promoters Shareholding

As on the date of this Draft Red Herring Prospectus, our Promoters Poonam Das and Jitendra Narayan Das hold 1,08,82,835 Equity Shares, constituting 60.71% of the issued, subscribed and paid-up Equity Share capital of our Company. The build-up of shareholding of Promoters are as follows:

- a) Build-up of the shareholding of our Promoters in our Company since incorporation:

#### *Poonam Das*

Date of Allotment / / Transfer	Nature of Issue / Transaction	Nature of Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	FV (₹)	Acquisition / Transfer Price (₹)	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital	Pledge
April 18, 2018	Purchase	Cash	2,000	2,000	10/-	10/-	0.01%	[●]%	No
March 16, 2019	Right Issue	Cash	40,500	42,500	10/-	10/-	0.24%	[●]%	No
April 28, 2023	Gift	Other Than Cash	30,900	73,400	10/-	NIL	0.41%	[●]%	No
September 01, 2023	Purchase	Cash	11,600	85,000	10/-	1,300/-	0.47%	[●]%	No
May 01, 2023	Transfer to Amber Credit Company Private Limited	Cash	(6,471)	78,529	10/-	2,000/-	(0.44%)	[●]%	No
May 01, 2023	Transfer to Comercinate Enterprises Private Limited	Cash	(7,647)	70,882	10/-	2,000/-	(0.40%)	[●]%	No
May 01, 2023	Transfer to P Anitha	Cash	(1,176)	69,706	10/-	2,000/-	(0.39%)	[●]%	No
December 22, 2023	Transfer to Jigar Tejprakash Dangi	Cash	(392)	69,314	10/-	6,375/-	(0.39%)	[●]%	No

Date of Allotment / Transfer	Nature of Issue / Transaction	Nature of Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	FV (₹)	Acquisition / Transfer Price (₹)	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital	Pledge
December 22, 2023	Transfer to Dilip Shankarlal Gang	Cash	(235)	69,079	10/-	6,375/-	(0.39%)	[●]%	No
December 22, 2023	Transfer to Chetna Hemant Desai	Cash	(477)	68,602	10/-	5,100/-	(0.38%)	[●]%	No
December 22, 2023	Transfer to Arun Agrawal	Cash	(71)	68,531	10/-	7,650/-	(0.38%)	[●]%	No
December 22, 2023	Transfer to Sachin Agrawal	Cash	(71)	68,460	10/-	7,650/-	(0.38%)	[●]%	No
December 22, 2023	Transfer to Ashish Champalal Sanghvi	Cash	(188)	68,272	10/-	7,650/-	(0.38%)	[●]%	No
December 22, 2023	Transfer to Deepika Dheeraj Sanghvi	Cash	(71)	68,201	10/-	7,650/-	(0.38%)	[●]%	No
December 22, 2023	Transfer to Leucon Technology Private Limited	Cash	(171)	68,026	10/-	6,375/-	(0.38%)	[●]%	No
December 22, 2023	Transfer to Manoj Sethia	Cash	(315)	67,711	10/-	6,375/-	(0.38%)	[●]%	No
December 22, 2023	Transfer to Rajesh Kumar Gupta	Cash	(275)	67,436	10/-	6,387/-	(0.38%)	[●]%	No
December 22, 2023	Transfer to Priti Jitendra Mehta	Cash	(188)	67,248	10/-	7,650/-	(0.38%)	[●]%	No
December 22, 2023	Transfer to Kalpesh Sohanraj Doshi	Cash	(200)	67,048	10/-	7,650/-	(0.37%)	[●]%	No
December 22, 2023	Transfer to Yashi Kailash Sanghvi	Cash	(71)	66,977	10/-	7,650/-	(0.37%)	[●]%	No
December 22, 2023	Transfer to Sandhya Amit Doshi	Cash	(141)	66,836	10/-	7,650/-	(0.37%)	[●]%	No
December 22, 2023	Transfer to Priyanka Nirav Bakodia	Cash	(141)	66,695	10/-	7,650/-	(0.37%)	[●]%	No
December 22, 2023	Transfer to Lifecycle Infotech Private Limited	Cash	(1,552)	65,143	10/-	6,375/-	(0.36%)	[●]%	No
January 15, 2024	Bonus issue 149:1	Other than Cash	97,06,307	97,71,450	10/-	NIL	54.51%	[●]%	No

Date of Allotment / Transfer	Nature of Issue / Transaction	Nature of Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	FV (₹)	Acquisition / Transfer Price (₹)	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital	Pledge
February 13, 2024	Transfer to Akilandeswari Selvamurthy	Cash	(73,500)	96,97,950	10/-	34/-	54.10%	[●]%	No
March 12, 2024	Transfer to Dheeraj Sanghvi	Cash	(21,300)	96,76,650	10/-	51/-	53.98%	[●]%	No
<b>Total</b>				<b>96,76,650</b>					

#### *Jitendra Narayan Das*

Date of Allotment / Transfer	Nature of Issue / Transaction	Nature of Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	FV (₹)	Acquisition / Transfer Price (₹)	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital	Pledge
April 20, 2023	Gift	NIL	5,000	5,000	10/-	NIL	0.028%	[●]%	No
July 05, 2023	Purchase	Cash	5,000	10,000	10/-	900/-	0.056%	[●]%	No
September 01, 2023	Gift	NIL	5,000	15,000	10/-	NIL	0.084%	[●]%	No
January 15, 2024	Bonus issue 149:1	Other than Cash	22,35,000	22,50,000	10/-	NIL	12.552%	[●]%	No
February 14, 2024	Transfer to Amber Credit Company Ltd.	Cash	(10,43,815)	12,06,185	10/-	26.35/-	(6.729%)	[●]%	No
<b>Total</b>				<b>12,06,185</b>					

#### Notes:

- None of the shares belonging to our Promoters have been pledged till date.
- The entire Promoter's shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Draft Red Herring Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations.
- All the shares held by our Promoters, were fully paid-up on the respective dates of acquisition of such shares.

b) *The shareholding pattern of our Promoters and Promoter Group before and after the Issue is set forth below:*

Category of Promoters	Pre-Issue		Post-Issue	
	No. of Shares	% of Pre-Issue Capital	No. of Shares	% of Post-Issue Capital
<b>Promoters</b>				
Poonam Das	96,76,650	53.98%	96,76,650	[●]%
Jitendra Narayan Das	12,06,185	6.73%	12,06,185	[●]%
<b>Promoter Group*</b>				
Nil	NA	NA	NA	NA
<b>Total</b>	<b>1,08,82,835</b>	<b>60.71%</b>	<b>1,08,82,835</b>	<b>[●]%</b>

\*Person belonging to Promoter group doesn't hold any share as on the date of draft red herring prospectus.

**14. The average cost of acquisition of or subscription of shares by our Promoters is set forth in the table below:**

Sr. No.	Name of Promoters	No of Equity Shares held	Average Cost of Acquisition (in ₹) *
3.	Poonam Das	96,76,650	Negative
4.	Jitendra Narayan Das	12,06,185	Negative

\*The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire and Shares allotted to them as reduced by amount received on sell of shares i.e. net of sale consideration is divided by net quantity of shares acquired.

**15. We have 184 (One Hundred and Eighty Four) Shareholders as on the date of this Draft Red Herring Prospectus.**

**16. We hereby confirm that:**

Except as stated below, there has been no acquisition, sale or transfer of Equity Shares by our Promoters, Promoters Group, Directors and their immediate relatives in the last 6 months preceding the date of filing of this Draft Red Herring Prospectus:

Date of Allotment/ Transfer	Name of Transferor	Name of Transferee	No of Equity Shares	Issue Price/ Acquired Price	Allotment/ Acquire/ Sale or Transfer	Category of Allottees (Promoters/ Promoter Group/ Director)
December 22, 2023	Poonam Das	Jigar Tejprakash Dangi	392	6,375	Transfer	Public
December 22, 2023	Poonam Das	Dilip Shankarlal Gang	235	6,375	Transfer	Public
December 22, 2023	Poonam Das	Chetna Hemant Desai	477	5,100	Transfer	Public
December 22, 2023	Poonam Das	Arun Agarwal	71	7,650	Transfer	Public
December 22, 2023	Poonam Das	Sachin Agarwal	71	7,650	Transfer	Public
December 22, 2023	Poonam Das	Ashish Sanghvi	188	7,650	Transfer	Public
December 22, 2023	Poonam Das	Deepika Dheeraj Sanghvi	71	7,650	Transfer	Public
December 22, 2023	Poonam Das	Leucon Technology	175	6,375	Transfer	Public
December 22, 2023	Poonam Das	Manoj Sethia	315	6,375	Transfer	Public
December 22, 2023	Poonam Das	Rajesh Kumar Gupta	275	6,387	Transfer	Public
December 22, 2023	Poonam Das	Priti Mehta	188	7,650	Transfer	Public
December 22, 2023	Poonam Das	Kalpesh Doshi	200	7,650	Transfer	Public
December 22, 2023	Poonam Das	Yashi Kailash Sanghvi	71	7,650	Transfer	Public
December 22, 2023	Poonam Das	Sandhya Doshi	141	7,650	Transfer	Public
December 22, 2023	Poonam Das	Priyanka Nirav Bakodia	141	7,650	Transfer	Public
December 22, 2023	Poonam Das	Lifecycle Infotech	1,552	6,375	Transfer	Public
February 13, 2024	Poonam Das	Akilandeswari Selvamurthy	73,500	34	Transfer	Public
March 12, 2024	Poonam Das	Dheeraj Sanghvi	21,300	51	Transfer	Public
February 14, 2024	Jitendra Narayan Das	Amber Credit Company Pvt Ltd	10,43,815	26	Transfer	Public

No financing arrangements have been entered into by the members of the Promoter Group, the Directors, or their relatives for the purchase by any other person of the securities of our Company other than in the normal course of business of the financing entity during a period of six months preceding the date of filing of this Draft Red Herring Prospectus.

## 17. Details of Promoters' Contribution and Lock-in details

### *Details of Promoters' Contribution and Lock-in for Three Years*

Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of 20% of the post issue capital held by our Promoter, shall be considered as Promoter's Contribution ("**Promoter's Contribution**") and shall be locked-in for a period of three years from the date of allotment of Equity shares issued pursuant to this Issue. The lock-in of Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares. As on the date of this Draft Red Herring Prospectus, our Promoters holds 1,08,82,835 Equity Shares constituting [●]% of the Post-Issued, subscribed and paid-up Equity Share Capital of our Company, which are eligible for the Promoter's contribution.

Our Promoters have given written consent to include such number of Equity Shares held by them as may constitute of the post issue Equity Share capital of our Company as Promoters' Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters' Contribution from the date of filing of this Draft Red Herring Prospectus until the commencement of the lock-in period specified below.

Details of the Equity Shares forming part of Promoters Contribution and their lock-in details are as follows:

Name of Promoters	Date of Allotment / Acquisition & when made fully paid up	No of Equity shares	No of Equity shares locked in	Face Value (in ₹)	Issue Price (in ₹)	Nature of Allotment	% Of Pre-Issue Paid-up Capital	% Of Post-Issue Paid-up Capital*	Lock-in Period*
Poonam Das	[●]	96,76,650	[●]	10/-	[●]	[●]	[●]	[●]	[●]
Jitendra Narayan Das	[●]	12,06,185	[●]	10/-	[●]	[●]	[●]	[●]	[●]
<b>Total</b>		1,08,82,835	[●]		[●]	[●]	[●]	[●]	[●]

*\*The above details shall be filled up in the Prospectus.*

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoter's Contribution under Regulation 237 of the SEBI (ICDR) Regulations, 2018. In this computation, as per Regulation 237 of the SEBI (ICDR) Regulations, our Company confirms that the Equity Shares locked-in do not, and shall not, consist of:

- The Equity Shares offered for minimum 20% Promoter's Contribution have not been acquired in the three years preceding the date of this Draft Red Herring Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoter's contribution;
- The minimum Promoter's contribution does not include Equity Shares acquired during the one year preceding the date of this Draft Red Herring Prospectus at a price lower than the Issue Price;
- No equity shares have been issued to our Promoter upon conversion of a proprietorship firm during the preceding one year at a price less than the Issue Price;
- The Equity Shares held by the Promoter and offered for minimum Promoter's contribution are not subject to any pledge;
- All the Equity Shares of our Company held by the Promoters are in dematerialized form and
- The Equity Shares offered for Promoter's contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoters for inclusion of its subscription in the Promoter contribution subject to lock-in.



We further confirm that our Promoter's Contribution of 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies.

#### **18. Equity Shares locked-in for one year other than Minimum Promoter Contribution**

In terms of Regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoter's contribution which is locked in for three years, as specified above, the entire pre-issue equity share capital constituting [●] Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue.

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, the Equity Shares which are subject to lock-in shall carry inscription 'non-transferable' along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

#### **19. Lock-in of the Equity Shares to be Allotted, if any, to the Anchor Investors**

Fifty percent of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

#### **20. Inscription or recording of non-transferability**

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription "Non-Transferable" and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock in is recorded by the Depository.

#### **21. Pledge of Locked in Equity Shares**

Pursuant to Regulation 242 of the SEBI (ICDR) Regulations, 2018, the locked-in Equity Shares held by our Promoter can be pledged with any scheduled commercial bank or public financial institution or systematically important non-banking finance company or a housing finance company as collateral security for loans granted by them, provided that:

- a) if the equity shares are locked-in in terms of clause (a) of Regulation 238, the loan has been granted to the company or its subsidiary for the purpose of financing one or more of the objects of the Issue and pledge of equity shares is one of the terms of sanction of the loan;
- b) if the specified securities are locked-in in terms of clause (b) of Regulation 238 and the pledge of specified securities is one of the terms of sanction of the loan.

Provided that such lock-in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock-in period stipulated in these regulations has expired.

#### **22. Transferability of Locked in Equity Shares**

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of SEBI (SAST) Regulations, 2011 as applicable;

- a) The Equity Shares held by our Promoter and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoter or any person of the Promoter Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
- b) The equity shares held by persons other than promoter and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoter's Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

**23.** Our Company, our Directors and the Book Running Lead Manager to this Issue have not entered into any buy-back or similar arrangements with any person for purchase of our Equity Shares issued by our Company.

24. As on date of this Draft Red Herring Prospectus, there are no partly paid-up equity shares and all the Equity Shares of our Company are fully paid up. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.
25. As on the date of filing of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoter or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer.
26. As on the date of this Draft Red Herring Prospectus, the Book Running Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Book Running Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
27. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under “Basis of Allotment” in the chapter titled “Issue Procedure” beginning on page 232 of this Draft Red Herring Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.
28. An over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post Issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
29. Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Net Proceeds.
30. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
31. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
32. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net issue to the public portion.
33. We have 184 (One Hundred and Eighty-Four) Shareholders as on the date of filing of the Draft Red Herring Prospectus.
34. We shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
35. There are no Equity Shares against which depository receipts have been issued.
36. As per RBI regulations, OCBs are not allowed to participate in this issue.
37. This Issue is being made through Book Building Price Issue.
38. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. No payment, direct or indirect in the nature of discount, commission, allowances or otherwise shall be made either by us or our Promoter to the persons who receive allotments, if any, in this Issue.
39. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.
40. None of our Promoters and Promoter Group will participate in the Issue.

Our Company shall ensure that transactions in the Equity Shares by the Promoter and the Promoter Group between the date of filing this Draft Red Herring Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.

## GENERAL INFORMATION

Our Company was originally incorporated as Private Limited, under the Companies Act, 2013 (“**Companies Act**”) in the name and style of “*Trafiksol ITS Technologies Private Limited*” on March 05, 2018 under the provisions of the Companies Act, 2013 vide Certificate of Incorporation issued by the Registrar of Companies, Central Registration Centre. Later on, company was converted into Public Limited company and subsequently, the name of our Company was changed to “*Trafiksol ITS Technologies Limited*” vide the Board Resolution dated February 02, 2024 and Special Resolution dated February 12, 2024 and fresh Certificate of Incorporation dated May 18, 2024 was issued by the Central Processing Centre, Gurgaon, Haryana. For details of Conversion of Company, please refer to section titled “*History and Corporate Structure*” beginning on page 138 of this Draft Red Herring Prospectus.

### BRIEF INFORMATION ON COMPANY AND ISSUE

Particulars	Details			
Name of Issuer	Trafiksol ITS Technologies Limited			
Registered Office	2 <sup>nd</sup> Floor, B-68, Sector 63, Noida, Gautam Buddha Nagar, Noida 201 301, Uttar Pradesh, India; <b>Telephone No.:</b> +91 87440 50058; <b>Web site:</b> <a href="http://www.trafiksol.com">www.trafiksol.com</a> <b>E-Mail:</b> <a href="mailto:info@trafiksol.com">info@trafiksol.com</a> <b>Contact Person:</b> Dipak Kumar Pandey.			
Date of Incorporation	March 05, 2018			
Company Identification Number	U72900UP2018PLC101608			
Company Registration Number	101608			
Company Category	Company Limited by Shares			
Registrar of Company	ROC Kanpur			
Address of the RoC	37/17, Westcott Building, The Mall, Kanpur-208001, Uttar Pradesh, India.			
Company Secretary and Compliance Officer	<b>Dipak Kumar Pandey;</b> C/o.: Trafiksol ITS Technologies Limited; <b>Address:</b> 2 <sup>nd</sup> Floor, B 68, Sector 63, Noida, Gautam Buddha Nagar, Noida 201 301, Uttar Pradesh, India; <b>Telephone No.:</b> +91- 87440 50058; <b>Web site:</b> <a href="http://www.trafiksol.com">www.trafiksol.com</a> <b>E-Mail :</b> <a href="mailto:cs@trafiksol.com">cs@trafiksol.com</a>			
Designated Stock Exchange	<b>SME Platform of BSE Limited (BSE)</b> <b>Address:</b> 25 <sup>th</sup> Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, Maharashtra, India. <b>Tel No:</b> 022 – 2272 1233/34 <b>Website:</b> <a href="http://www.bseindia.com">www.bseindia.com</a>			
Issue Programme	<b>Issue Opens On:</b>	[•]	<b>Issue Close On:</b>	[•]
	<b>Anchor Investor Bid/Issue Period*</b>	[•]		

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

#### Investor Grievances:

Investors can contact the Company Secretary and Compliance Officer, the BRLM or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of allotment, non-credit of allotted equity shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.

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

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

For all Issue related queries and for redressal of complaints, investors may also write to the BRLM. Further, the investors shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned herein above.

### BOARD OF DIRECTORS OF OUR COMPANY

Presently our Board of Directors comprises of the following Directors:

S. No.	Name of Directors	Designation	Address	DIN
1.	Jitendra Narayan Das	Chairman and Managing Director	46, Anuradha Apartment, Block A-2, Paschim Vihar, West Delhi, Delhi-110 063, India.	00743818
2.	Poonam Das	Whole Time Director	1223, Mahavir Apartments, Sector-29, Gautam Buddha Nagar, Noida, 201 301, Uttar Pradesh, India.	08139157
3.	Ashok Mittal	Non-Executive Director	L-5, Second Floor, Near Tikona Park, Naveen Shahdara, North East, Delhi-110 032, India.	01110173
4.	Shruti Vijay Thakkar	Non-Executive Independent Director	Nand Dham, Patel Colony-5/6, Road-3, Patel Colony, PO: Patel Colony, District- Jamnagar, Gujrat-361 008, India.	10131239
5.	Vipul Magon	Non-Executive Independent Director	503, Dosti Lotus, Dosti Acres, SM Road, Antop Hill, Near HDFC Bank, Wadala East, Mumbai-400 037, Maharashtra, India.	10409439

For further details, pertaining to the education qualification and experience of our directors, please refer the chapter titled “Our Management” beginning on page 150 of this Draft Red Herring Prospectus.

### DETAILS OF KEY MARKET INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

Book Running Lead Manager	Registrar to the Issue
	
<b>Ekadrisht Capital Private Limited</b> <b>Address:</b> 406, Summitt Business Bay, Chakala, Andheri Kurla Road, Andheri East, Mumbai- 400 093, Maharashtra, India. <b>Tel. Number:</b> +91 89286 31037/ +91 83838 78744. <b>Email Id:</b> <a href="mailto:info@ekadrisht.com">info@ekadrisht.com</a> ; <b>Investors Grievance Id:</b> <a href="mailto:grievances@ekadrisht.com">grievances@ekadrisht.com</a> ; <b>Website:</b> <a href="http://www.ekadrisht.com">www.ekadrisht.com</a> ; <b>Contact Person:</b> Krunal Pipalia/ Sakhi Manhas <b>Designation:</b> Vice President/ Company Secretary and Compliance Office. <b>CIN:</b> U66190MH2023PTC401863 <b>SEBI Reg. No.:</b> INM000013040	<b>Maashitla Securities Private Limited</b> <b>Address:</b> 451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, Delhi 110 034, India. <b>Tel. Number:</b> 011 45121795/96   +91 22 488 08634 <b>Email Id:</b> <a href="mailto:ipo@maashitla.com">ipo@maashitla.com</a> ; <b>Website:</b> <a href="http://www.maashitla.com">www.maashitla.com</a> ; <b>Contact Person:</b> Mukul Agrawal <b>Designation:</b> Director <b>CIN No:</b> U67100DL2010PTC208725 <b>SEBI Reg. No.:</b> INR000004370
<b>Statutory Auditor &amp; Peer Review Auditor</b>	<b>Banker to the Company</b>

<b>M/s Vijay Darji and Associates, Chartered Accountant.</b> <b>Address:</b> L/403, Panchsheel Gardens, Mahavir Nagar, Kandivali (West), Mumbai, Maharashtra-400067 <b>Tel. Number:</b> +91 98196 60401 <b>Email:</b> vijaydarjica@gmail.com <b>Contact Person:</b> Vijay Darji <b>Membership No:</b> 105197 <b>Peer Review Certificate No.:</b> 013293 <b>F.R.N.:</b> 118614W	<b>HDFC BANK LTD</b> <b>Address:</b> HDFC Bank House, Senapati Bapat Marg, Lower Parel, Mumbai, Maharashtra - 400013 <b>Tel no.</b> +91-9899110093 <b>Email id:</b> Paresh.soni@hdfcbank.com <b>Website:</b> www.hdfcbank.com <b>Contact Person:</b> Manoj Nadkarnni <b>SEBI Registration No.:</b> INBI00000063
<b>Legal Advisor</b>	<b>Syndicate Member**</b>
<b>M/s. Asha Agarwal &amp; Associates;</b> <b>Address:</b> 118, Shila Vihar, Gokulpura, Kalwar Road, Jhotwara, Jaipur – 302012, Rajasthan, India; <b>Tel No.:</b> +91 99509 33137; <b>Email:</b> ashaagarwalassociates@gmail.co; <b>Contact Person:</b> Nisha Agarwal;	[•]
<b>Bankers to the Issue/ Refund Banker/ Sponsor Bank**</b>	
[•]	

*\*\*The Bankers to the Issue/ Refund Banker/ Sponsor Bank and Syndicate Member shall be appointed prior to filing of the Prospectus with the RoC.*

## DESIGNATED INTERMEDIARIES

### Self-Certified Syndicate Banks (SCSB's)

The list of SCSBs, as updated till date, is available on website of Securities and Exchange Board of India at below link.

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>;  
<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>

Investors are requested to refer the SEBI website for updated list of SCSBs and their 33 designated branches.

The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time

### Self-Certified Syndicate Banks eligible as Sponsor Banks for UPI

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on-

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41>

### Syndicate SCSB Branches

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, as amended.

## BROKER TO THE ISSUE

Bidders can submit Bid cum Application Forms in the Offer using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centers. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

For details on Registered Brokers, please refer <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>

## REGISTRAR AND SHARE TRANSFER AGENTS (RTA)

The list of the RTAs eligible to accept Bid cum Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> as updated from time to time.

## COLLECTING DEPOSITORY PARTICIPANTS

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

## STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Ekadrisht Capital Private Limited is only Book Running Lead Manager to the issue, all the responsibility of the issue will be managed by them.

## CREDIT RATING

As this is an issue of Equity Shares, there is no credit rating for this Issue.

## IPO GRADING

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

## FILING OF DRAFT RED HERRING PROSPECTUS/ RED HERRING PROSPECTUS/ PROSPECTUS WITH THEM BOARD AND THE REGISTRAR OF COMPANIES

The Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus shall be filed on the SME platform of BSE Limited situated at 25<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001, Maharashtra, India. Pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022, Draft Red Herring Prospectus shall not be submitted to SEBI, however, soft copy of Prospectus with the Due Diligence Certificate shall be submitted to SEBI pursuant to Regulation 246(1), and SEBI Circular Number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. SEBI will not issue any observation on the Issue document in term of Regulation 246(2) of the SEBI ICDR Regulations.

A copy of the Red Herring Prospectus/ Prospectus, along with the material contracts and documents referred elsewhere in the Red Herring Prospectus/ Prospectus, will be delivered to the RoC Office situated at 37/17, Westcott Building, The Mall, Kanpur-208001, Uttar Pradesh, India and the same will also be available on the website of the company [www.trafiksol.com](http://www.trafiksol.com) for inspection.

## CHANGES IN AUDITORS

Except as stated below, there has been no Change in the Auditors of our Company during the last three years:

Name of Auditor	Appointment/ Resignation	Date of Appointment / Resignation	Reason
<b>Goenka Mishra &amp; Associates;</b> CA Mukund Kumar Thakur; <b>Membership No:</b> 535138; <b>F.R.N.:</b> 029809N	Appointment	December 31, 2018	Appointment as the statutory auditor for the Financial Year 2018-19.
<b>Goenka Mishra &amp; Associates; *</b> CA Mukund Kumar Thakur; <b>Membership No:</b> 535138; <b>F.R.N.:</b> 029809N	Appointment	September 30, 2019	Appointment as the statutory auditor for the Financial Year 2019-24.

Name of Auditor	Appointment/ Resignation	Date of Appointment / Resignation	Reason
<b>Thakur Mukund &amp; Associates;</b> CA Mukund Thakur; <b>Membership No:</b> 535138; <b>F.R.N.:</b> 029266N	Appointment	November 30, 2021	Appointment as the statutory auditor for the Financial Year 2021-26.
<b>Thakur Mukund &amp; Associates;</b> CA Mukund Thakur; <b>Membership No:</b> 535138; <b>F.R.N.:</b> 029266N	Resignation	September 01, 2022	Resignation due to Pre-Occupation in other assignments.
<b>Mukta &amp; Co;</b> CA Mukta; <b>Membership No:</b> 541953; <b>F.R.N.:</b> 030484N	Appointment	September 15, 2022	Appointment as the statutory auditor for the Financial Year 2022-27.
<b>Mukta &amp; Co;</b> CA Mukta; <b>Membership No:</b> 541953; <b>F.R.N.:</b> 030484N	Resignation	August 28, 2023	Resignation due to Pre-Occupation in other assignments.
<b>M/s. Garima &amp; Associates, Chartered Accountant.</b> CA Garima <b>Membership No:</b> 519383; <b>F.R.N.:</b> 024650N	Appointment	August 28, 2023	Appointment as the statutory auditor for the Financial Year 2022-23.
<b>M/s. Garima &amp; Associates, Chartered Accountant.</b> CA Garima <b>Membership No:</b> 519383; <b>F.R.N.:</b> 024650N	Appointment	September 27, 2023	Appointment as the statutory auditor for the Financial Year 2023-28.
<b>M/s. Garima &amp; Associates, Chartered Accountant.</b> CA Garima <b>Membership No:</b> 519383; <b>F.R.N.:</b> 024650N	Resignation	December 01, 2023	Resignation due to Pre-Occupation in other assignments.
<b>M/s. Vijay Darji &amp; Associates, Chartered Accountant.</b> CA Vijay Darji <b>Membership No:</b> 105197; <b>F.R.N.:</b> 116814W	Appointment	December 11, 2023	Appointment as the statutory auditor for the Financial Year 2023-28.

*\*Statutory Auditor of the company has not filed ADT 3 for resignation of Goenka Mishra & Associates and subsequently company appointed another auditor i.e. Thakur Mukund & Associates. For more details, please refer to chapter titled "Risk Factors" beginning on page no. 28 of this Draft Red Herring Prospectus.*

## TRUSTEES

As this is an issue of Equity Shares, the appointment of Trustees is not required.

## APPRAISAL AND MONITORING AGENCY

As per SEBI (ICDR) Regulations, 2018, appointment of monitoring agency is required only if Issue size exceeds ₹10,000 Lakh. Hence, our Company is not required to appoint a monitoring agency in relation to the issue.

However, Pursuant to Regulation 32(3) of the SEBI (LODR) Regulations, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet (s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal.

Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulations, 2015, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Draft Red Herring Prospectus.

## TYPE OF ISSUE

The present Issue will be done through 100% Book Building Process.

## BOOK BUILDING PROCESS

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

Principal parties involved in the Book Building Process are: -

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

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

The Issue is being made through the Book Building Process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the Book Running Lead Manager allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the “**Anchor Investor Portion**”), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Issue. In accordance with the SEBI (ICDR) Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders 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 Bid/Issue Period. Allocation to the Anchor Investors will be on a discretionary basis.

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



In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention is invited to the chapter titled “*Issue Procedure*” beginning on page 232 of this Draft Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled “*Issue Procedure*” beginning on page no. 232 of this Draft Red Herring Prospectus.

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

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

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

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

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

1. Check eligibility for making a Bid (see section titled “*Issue Procedure*” beginning on page 232 of this Draft Red Herring Prospectus);
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
3. Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
4. Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
5. Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;

### **Bid/ Issue Program:**

Events	Indicative Dates
Bid/Issue Opening Date.	[●] <sup>(1)</sup>

Events	Indicative Dates
Bid/ Issue Closing Date.	[●] <sup>(2) (3)</sup>
Finalization of Basis of Allotment with the Designated Stock Exchange.	On or before [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account.*	[●]
Credit of Equity Shares to Demat accounts of Allottees.	[●]
Commencement of trading of the Equity Shares on the Stock Exchange.	[●]

1. Our Company in consultation with the BRLM, may consider participation by Anchor Investors. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations.
2. Our Company in consultation with the BRLM, may consider closing the Bid/Issue Period for QIBs one 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 pm IST on Bid/ Issue Closing Date, i.e. [●].

\*In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled / withdrawn / deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation / withdrawal / deletion is placed in the Stock Exchanges Applying 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 Applicant shall be compensated at a uniform rate ₹ 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 Application Amount, the Applicant 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 Application, exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue BRLM shall be liable for compensating the Applicant at a uniform rate of ₹100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within three Working Days of the Bid/ Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (IST) during the Issue Period (except for the Bid/ Issue Closing Date). On the Bid/ Issue Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 A.M. to 3.00 P.M. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Bidder on Bid/Issue Closing Date maybe extended in consultation with the Book Running Lead Manager, RTA and BSE SME taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 P.M. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI (ICDR) Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail

Individual Bidders can revise or withdraw their Bid Cum Application Forms prior to the Bid/Issue Closing Date. Allocation to Retail Individual Bidders, in this Issue will be on a proportionate basis.

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

## WITHDRAWAL OF THE ISSUE

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

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

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

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

## UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement has been entered on May 20, 2024. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakh)	% of the total Issue Size Underwritten
<p><b>Ekadrisht Capital Private Limited</b>  <b>Address:</b> 406, Summitt Business Bay, Chakala, Andheri Kurla Road, Andheri (East), Mumbai 400 093, Maharashtra, India.  <b>Tel. Number:</b> +91 89286 31037/ +91 83838 78744.  <b>Email Id:</b> <a href="mailto:info@ekadrisht.com">info@ekadrisht.com</a>;  <b>Investor Grievance Id:</b> <a href="mailto:grievances@ekadrisht.com">grievances@ekadrisht.com</a>;  <b>Website:</b> <a href="http://www.ekadrisht.com">www.ekadrisht.com</a>;  <b>Contact Person:</b> Krunal Pipalia/ Sakshi Manhas  <b>Designation:</b> Vice President/ Company Secretary and Compliance Officer.  <b>CIN:</b> U66190MH2023PTC401863  <b>SEBI Reg. No.:</b> INM000013040</p>	Upto 64,10,000*	[●]	100.00%

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

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

## DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THE ISSUE

Our Company and the BRLM have entered into an agreement dated May 20, 2024 with the following Market Maker to

fulfil the obligations of Market Making:

The details of Market Maker are set forth below:

<b>Name</b>	S S Corporate Securities Limited.
<b>Address</b>	D-308, 3 <sup>rd</sup> Floor, NDM-2, Netaji Subash Place, Pitam Pura, New Delhi- 110 034, India.
<b>Contact No.</b>	011-4700 3600.
<b>Email</b>	<a href="mailto:info@sscoperate.com">info@sscoperate.com</a> ;
<b>Website</b>	<a href="http://www.sscoperate.com">www.sscoperate.com</a> ;
<b>Contact Person</b>	Harshit Singhal
<b>Investor Grievance Id</b>	<a href="mailto:investorgrievance@sscoperate.com">investorgrievance@sscoperate.com</a> ;
<b>CIN</b>	U74899DL1994PLC062572
<b>SEBI Registration No.</b>	INZ000219533
<b>BSE Clearing No.</b>	3268

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, 2018 and the circulars issued by the BSE and SEBI in this regard from time to time.

Following is a summary of the key details pertaining to the proposed Market Making arrangement:

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and buy quote) shall not be more than 10% or as specified by the Stock Exchange from time to time. Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being issued by the Market Maker.
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of SME Platform of BSE (BSE SME) and SEBI from time to time.
3. The minimum depth of the quote shall be ₹1,00,000. However, the investors with holdings of value less than ₹1.00 Lakh shall be allowed to Offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of ₹[●]/- per share the minimum application lot size is [●] Equity Shares thus minimum depth of the quote shall be [●] until the same, would be revised by BSE.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
5. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Equity Shares of market maker in our Company reaches to 25% or upper limit (Including the [●] of Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above [●] equity shares would not be taken into consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.
6. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
7. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
8. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the company will be placed in Special Pre-Open Session (SPOS) and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity shares on the Stock Exchange.
9. The Marker Maker may also be present in the opening call auction, but there is no obligation on him to do so.
10. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

11. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and BSE from time to time.
12. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on BSE SME Platform and market maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
13. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily / fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
14. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
15. The Market Maker(s) shall have the right to terminate said arrangement by giving a three months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).
16. In case of termination of the abovementioned Market Making Agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Company to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI ICDR Regulations. Further, the Company reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time.

In case of termination of the Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further our Company and the Book Running Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.

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

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the Market Maker spread (difference between the sell and the buy quote)

shall be within 10% or as intimated by Exchange from time to time.

5. The following spread will be applicable on the BSE SME:

Sr. No.	Market Price Slab (in ₹)	Proposed spread (in % to sale price)
1.	Up to 50	9
2.	50 to 75	8
3.	75 to 100	7
4.	Above 100	6

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

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

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

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

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## SECTION V – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

#### REQUIREMENT OF FUNDS

This Issue comprises of Fresh Issue of up to 64,10,000 Equity Shares by our Company aggregating to ₹[●] Lakhs.

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

1. Purchase of Software;
2. Repayment/prepayment, in part or full, of certain of our borrowings;
3. To Meet Working Capital Requirements; and
4. General Corporate Purpose.

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

The main objects and objects incidental and ancillary to the main objects, as set out in our Memorandum of Association, enable our Company to undertake our existing business activities and the activities for which funds are being raised by us through the Issue. In addition, our Company expects to receive the benefits of listing of Equity Shares on the BSE SME Platform including enhancing our visibility and our brand image among our existing and potential customers and creating a public market for our Equity Shares in India.

#### ISSUE PROCEEDS

The details of the proceeds of the Issue are set forth in the table below:

Particulars	Amount (₹ in Lakhs)
Gross Proceeds of the Issue	[●]
Less: Issue related Expenses (only those apportioned to the Company) <sup>(1)</sup>	[●]
<b>Net Proceeds of the Issue</b>	[●]

<sup>(1)</sup> The Issue related expenses shall be determined at the time of filing Prospectus with RoC.

#### UTILISATION OF NET PROCEEDS

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

Sr. No	Particulars	Amount (₹ in Lakhs)	% Of Gross Proceeds*	% Of Net Proceeds*
5.	Purchase of Software	1,770.00	[●]%	[●]%
6.	Repayment/prepayment, in part or full, of certain of our borrowings	550.00	[●]%	[●]%
7.	To Meet Working Capital Requirements	1,040.00	[●]%	[●]%
8.	General Corporate Purposes <sup>#</sup>	[●]	[●]%	[●]%
9.	To meet Issue Related Expenses*	[●]	[●]%	[●]%
	<b>Total*</b>	[●]	[●]%	[●]%

\*To be determined upon finalisation of the Issue Price and updated in the Prospectus prior to filing with the RoC.

# The amount to be utilised for general corporate purposes will not exceed 25% of the Gross Proceeds.

#### PROPOSED SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF THE NET PROCEEDS

Our Company plans to deploy the funds towards the above stated Object depending upon various factors including the actual timing of the completion of the Issue and the receipt of the Net Proceeds. In the event that estimated utilization out of the funds in any given financial year is not completely met, the same shall be utilized in the next financial year.

The Net Proceeds of the Fresh Issue (“**Net Proceeds**”) are currently expected to be deployed in accordance with the schedule as stated below:

(₹ in lakhs)

Sr. No.	Object	Amount proposed to be financed from Net Proceeds*	Estimated Utilization of Net Proceeds in F. Y. 2024-25	Estimated Utilization of Net Proceeds in F. Y. 2025-26
1.	Purchase of Software.	1,770.00	1,770.00	-
2.	Repayment/prepayment, in part or full, of certain of our borrowings	550.00	550.00	-
3.	To Meet Working Capital Requirements	1,040.00	940.00	100.00
4.	General Corporate Purposes#	[●]	[●]	[●]
	To meet Issue Related Expenses*	[●]	[●]	[●]
	<b>Total*</b>	[●]	[●]	[●]

\* To be determined upon finalisation of the Issue Price and updated in the Prospectus prior to filing with the RoC.

# The amount to be utilised for general corporate purposes will not exceed 25% of the gross Proceeds.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan and circumstances, management estimates, prevailing market conditions and other external commercial and technical factors including interest rates and other charges, which are subject to change from time to time. However, such fund requirements and deployment of funds have not been verified or appraised by any bank, financial institution, or any other external agency or party. We may have to revise our funding requirements and deployment schedule on account of a variety of factors such as our financial and market condition, business and strategy, competition, contractual terms and conditions and negotiation with lenders, variation in cost estimates and other external factors such as changes in the business environment and interest, 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. For details in relation to the discretion available to our management in respect of use of the Net Proceeds. For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please refer the section titled “Risk Factors” on page 28 of this Draft Red Herring Prospectus.

We propose to deploy the entire Net Proceeds towards the Objects of the Issue by the end of the Financial Year 2026 and in the manner as specified in the table above. However, if the Net Proceeds are not completely utilized for the Objects of the Issue stated above, per the estimated scheduled of deployment specified above i.e. by the end of Financial Year 2026, such amounts will be utilised (in part or full) in the next financial year or subsequent periods towards the aforementioned Objects of the Issue, as determined by us, in accordance with applicable law. If the actual utilization towards any of the Objects is lower than the proposed deployment, such balance will be used towards general corporate purposes, to the extent that the total amount to be utilized towards general corporate purposes is within the permissible limits in accordance with the SEBI ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilizing our internal accruals and seeking debt lenders. In furtherance, that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue, subject to compliance with applicable laws. To the extent our Company is unable to utilize any portion of the Net Proceeds towards the aforementioned objects, the estimated scheduled of deployment specified above, our Company shall deploy the Net Proceeds in subsequent financial year towards the aforementioned Objects.

All quotations mentioned in this section are valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendor would be engaged to eventually supply the software at the same costs. We are yet to place orders for the software. The Proposed Objects may be subject to the risk of unanticipated delays in implementation, cost overruns and other risks and uncertainties. If we engage someone other than the vendors from whom we have obtained quotations or if the quotations obtained expire, such vendor’s estimates and actual costs for the services may differ from the current estimates. The quotation mentioned above does not include additional costs including insurance, installation and commissioning costs, insurance, duties, and other government levies, as applicable shall be paid out of Internal Accruals, as these can be determined only at the time of placing of orders. Such additional costs shall be funded from the Net Proceeds allocated towards General Corporate Purposes or through contingencies, if required. In case of increase in the estimated costs, such additional costs shall be incurred from our internal accruals.

## MEANS OF FINANCE

The deployment of funds indicated above is based on management estimates, current circumstances of our business and prevailing market conditions, all of which are subject to change. The deployment of funds described herein has not been appraised by any bank or financial institution or any other independent agency. We may have to revise our funding requirements and deployment from time to time on account of various factors, such as financial and market conditions,



competition, business and strategy and interest/ exchange rate fluctuations and other external factors, which may not be within the control of our management. In the event that estimated utilization out of the Net Proceeds in a Fiscal Year is not completely met, the same shall be utilized in the next Fiscal Year. This may entail rescheduling the proposed utilization of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law.

The fund requirements set out for the aforesaid Objects are proposed to be met entirely from the Net Proceeds, internal accruals, net worth and existing debt financing. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and existing identifiable internal accruals.

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please refer the section titled “Risk Factors” beginning on page 28 of this Draft Red Herring Prospectus.

## DETAILS OF THE OBJECTS OF THE ISSUE

### 1. Purchase of Software.

The Company is in need of an Integrated Software Control Centre (ICCC) to function as the core operational hub for smart cities. This ICCC will act as the central nervous system, seamlessly integrating various subsystems to optimize urban operations. Offering capabilities such as real-time monitoring, data analytics, and coordinated responses, it aims to elevate governance standards and citizen services. By providing actionable insights and facilitating data-driven decisions, the ICCC promises to boost operational efficiency significantly. Moreover, it promotes citizen engagement and facilitates rapid, coordinated responses to emergencies, ultimately enhancing the overall quality of life. Through fostering open data collaboration, the ICCC drives innovation and sustainability, ensuring that cities flourish in the digital era.

Below is the estimated cost towards purchase of software -

Sr. No.	Particulars	Type	Quotation Details	Units	Quotation Amount (In Lakhs)*
1.	<p><b>Computer Application Software with IPR.</b></p> <p>ICCC Platform for Smart Projects Including Configuration &amp; Integration of ICCC With Various Smart City Applications Like Intelligent Traffic Management, City Surveillance, Digital Services, E-Health Services E-Gov Applications, IOT Controls And Comprehensive AI Based Analytics And Dashboard, To Provide Integrated Workflow For Smart City Functions.</p>	Software	<p><b>Quotation Date:</b> - May 16, 2024.</p> <p><b>Quotation from:</b> - OASIS CORPCARE PRIVATE LIMITED</p> <p><b>Quotation Reference no.:</b> - TITPL/PL/01</p> <p><b>Validity:</b> - 4 Months from the Date of Quotation</p>	1	1,770.00
<b>Total</b>					<b>*1,770.00</b>

\*The above amount is inclusive of GST. Quotation is subject to additional costs including installation and commissioning costs, insurance, duties and other government levies, as applicable shall be paid out of Internal Accruals.

#### Notes:

- We have considered the above quotations for the budgetary estimate purpose and have not placed orders for them. The actual cost of procurement and actual supplier/dealer may vary.
- Quotation received from the vendor mentioned above are valid as on the date of this Draft Red Herring Prospectus. However, company have not entered into any definitive agreements with the vendor and there can be no assurance that the same vendor would be engaged to eventually supply the machineries/equipment's or at the same costs.
- The Software model as stated above to be purchased are based on the present estimates of our management. The Management shall have the flexibility to revise such estimates (including but not limited to change vendor or modification/addition/deletion of software) at the time of actual placement of the order. In such case, the Management can utilize the surplus of proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other software, machinery, equipment's or utilities, as required. Furthermore, if any surplus from the proceeds remains after meeting the total cost of software and utilities for the aforesaid purpose, the same will be used for our general corporate purposes, subject to limit of 25% of the amount raised by our Company

through this Issue.

- d) The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of software proposed to be acquired by us at the actual time of purchase, resulting in increase in the project cost.

Further, cost can be escalated on account of expenses, installation charges, etc. Such cost escalation would be met out of either of surplus portion of net issue proceeds (if any) or our internal accruals. All amounts are inclusive of taxes.

## **2. Repayment/prepayment, in part or full, of certain of our borrowings:**

Our Company has entered into various financial arrangements with banks, financial institutions and other entities. The loan facilities entered into by our Company include Secured and unsecured borrowing in the form of, inter alia, Business loan, Term loans, working capital facilities and Vehicle loan. For further details, including indicative terms and conditions, see “Statement of Financial Indebtedness” beginning on page 177 of the Draft Red Herring Prospectus.

As on 31<sup>st</sup> March, 2024, our outstanding loan other than loan from directors and cash credit facility, is amounted to ₹551.18 Lakhs. Our company proposes to utilize an estimated amount of ₹550.00 Lakhs from the Net Proceeds towards repayment/prepayment, in part or full, of certain borrowings availed by our Company. The repayment/ prepayment will help reduce our outstanding indebtedness, debt servicing costs, assist us in maintaining a favorable debt-equity ratio and enable utilizations of funds from our internal accruals for further investment in business growth and expansion. Further, our Company shall pay the prepayment charges or any other cost, if any, on the loans identified below, out of internal accruals of the company.

Given the nature of these borrowings and the terms of repayment/prepayment, the aggregate outstanding borrowing amounts may vary from time to time. Further, the amounts outstanding under these borrowings as well as the sanctioned limits are dependent on several factors and may vary with our business cycle with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. However, the aggregate amount to be utilized from the Net Proceeds towards repayment/prepayment of borrowings (including refinanced or additional borrowings availed, if any, or otherwise), in part or in full, would not exceed ₹550.00 Lakhs.

The following table sets forth details of borrowings availed by our Company from banks (excluding cash credit facility) and NBFCs, which are outstanding as on March 31, 2024, out of which our Company may repay, all or a portion of, any or all of the borrowings, from the Net Proceeds upto ₹550.00 Lakhs:

Sr. No.	Name of Lender	Nature of Loan	Date of letter of sanction	Amount sanctioned (In Lakhs)	Amount outstanding as on March 31, 2024 (In Lakhs)*	Applicable rate of interest as on March 31, 2024 (on Monthly Basis)	Tenor/Repayment Schedule (on Monthly Basis)	Purpose*
1	YES Bank	Unsecured Loan	28-Sep-21	40.00	9.31	15.75%	36	Business Loan
2	IDFC First Bank Limited	Unsecured Loan	22-Sep-21	49.98	11.67	16.00%	36	Business Installment Loan
3	Axis Bank Limited	Unsecured Loan	21-Dec-22	50.00	31.67	15.00%	36	Business Power Loan
4	Standard Chartered Bank	Unsecured Loan	29-Sep-21	40.00	9.34	16.00%	36	Long term Loan
5	ICICI Bank	Unsecured Loan	18-Sep-21	35.00	8.19	15.75%	36	Business Loans
6	Kotak Mahindra Bank Limited	Unsecured Loan	29-Sep-21	30.00	6.95	15.25%	36	Business Loans
7	Aditya Birla Finance Ltd	Unsecured Loan	30-Sep-21	35.00	8.08	15.00%	36	Business Installment Loan
8	RBL Bank	Unsecured Loan	25-Oct-21	35.00	9.27	16.00%	36	Business Loan
9	Tata Capital Financial Services Ltd	Unsecured Loan	22-Dec-22	35.12	23.35	15.50%	36	Business Loan
10	Poonawala Fincorp Limited	Unsecured Loan	15-Dec-22	40.06	26.63	15.50%	36	Business Loan
11	Deutsche Bank (International Private Bank)	Unsecured Loan	20-Jan-23	50.00	34.90	15.50%	36	Term Loan
12	Unity Small Finance	Unsecured Loan	14-Mar-23	51.00	37.83	15.50%	36	Business Loans
13	Kisetsu Saison Finance India Private Limited	Unsecured Loan	15-Mar-23	50.00	37.09	15.50%	36	Business Loans
14	IDFC First Bank Limited	Unsecured Loan	22-Sep-23	51.00	45.16	14.50%	36	Term Loan
15	L&T Finance	Unsecured Loan	29-Sep-23	31.08	27.52	14.50%	36	Business Loan
16	Kotak Mahindra Bank Limited	Unsecured Loan	30-Sep-23	60.00	53.12	14.50%	36	Personal Finance
17	Aditya Birla Finance Ltd	Unsecured Loan	30-Sep-23	55.00	48.71	14.50%	36	Term Loan
18	SMFG India (Fullerton)	Unsecured Loan	20-Sep-23	75.34	66.72	14.50%	36	Business Loan
19	Fedbank Financial Services Limited	Unsecured Loan	30-Sep-23	50.13	44.35	14.00%	36	Business Loan
20	HDFC Bank Ltd.	Secured Loan	19-Jan-23	11.88	9.01	12.50%	48	Used Vehicle Purchased Loan

Sr. No.	Name of Lender	Nature of Loan	Date of letter of sanction	Amount sanctioned (In Lakhs)	Amount outstanding as on March 31, 2024 (In Lakhs)*	Applicable rate of interest as on March 31, 2024 (on Monthly Basis)	Tenor/Repayment Schedule (on Monthly Basis)	Purpose*
21	Mahindra and Mahindra Financial Services Limited	Unsecured Loan	04-Jan-23	3.58	2.31	9.51%	36	Vehicle Loan
<b>Total outstanding as on March 31, 2024</b>					<b>551.18</b>			

*\*In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, we have obtained a certificate dated May 20, 2024 from the Statutory Auditors M/S Vijay Darji & Associates, Chartered Accountants certifying that the borrowings have been utilised towards the purposes for which such borrowings were availed by us.*

Note: -

1. Any excess amount will be paid by the company from internal accruals as per the actual outstanding amount at the time of repayment.
2. Above outstanding borrowings as on March 31, 2024 does not include loan from directors and cash credit facility.

The borrowings proposed to be repaid/ prepaid out of the borrowings provided above, which has been approved pursuant to a resolution passed by our Board on May 18, 2024, shall be based on various factors including (i) cost of the borrowings to our Company, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil such requirements, (iii) receipt of consents for prepayment or waiver from any conditions attached to such prepayment from our respective lenders, prior to completion of the payment, (iv) levy of any prepayment penalties and the quantum thereof, (v) provisions of any law, rules, regulations governing such borrowings, and (vi) other commercial considerations including, among others, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan. Payment of interest, prepayment penalty or premium, if any, and other related costs shall be made by us out of the internal accruals.

***In case we are unable to raise the Issue Proceeds till the due date for repayment of any of the above-mentioned portion of the loans, the funds earmarked for such repayment that is ₹550.00 Lakhs from the Net Proceeds may be utilised for payment of future instalments of the above-mentioned loan and any payment above the ₹550.00 Lakhs with respect to repayment / prepayment of loans and any other cost will be met from internal accruals.***

### 3. To Meet Working Capital Requirements

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals and borrowings. In order to support the incremental business requirements, our Company requires additional working capital for funding its incremental working capital requirements in the upcoming projects. The funding of the incremental working capital requirements of our Company will lead to a consequent increase in our profitability and achieving the proposed targets as per our business plan.

#### *Basis of estimation of working capital requirement*

Set forth below are the working capital requirement of our Company for Financial Year ended March 31, 2024, for the Financial Year ended March 31, 2023, and for the Financial Year ended March 31, 2022 as per the Restated Standalone audited Financial Statements and as certified by Statutory Auditor, M/s Vijay Darji and Associates, Chartered Accountant by way of their certificate dated May 20, 2024.

The Company will meet the requirement to the extent of ₹1,040.00 lakhs from the Net Proceeds of the Offer and balance from internal accruals/borrowings at an appropriate time.

(₹ In Lakhs)

Sr. No.	Particulars	Restated Audited Standalone Financials		
		31.03.2024	31.03.2023	31.03.2022
<b>I</b>	<b>Current Assets</b>			
	Current Investment	-	-	1.00
	Inventories	643.45	628.96	129.39
	Trade receivables	4057.51	1812.15	1688.39
	Cash and cash equivalents	445.22	379.60	282.66
	Short-Term Loans and Advances	609.33	62.54	32.46
	Other Current Assets	197.19	217.02	125.97
	<b>Total (A)</b>	<b>5,952.70</b>	<b>3,100.27</b>	<b>2,259.86</b>
<b>II</b>	<b>Current Liabilities</b>			
	Short-Term Borrowings	264.76	292.27	118.38
	Trade Payable	1051.69	1099.52	854.42
	Short-term provisions	445.34	118.96	88.25
	Other Current Liabilities	223.67	110.76	82.76
	<b>Total (B)</b>	<b>1,985.47</b>	<b>1,621.51</b>	<b>1,,143.81</b>
<b>III</b>	<b>Total Working Capital Gap (A-B)</b>	<b>3,967.23</b>	<b>1,478.76</b>	<b>1,116.05</b>
<b>IV</b>	<b>Funding Pattern</b>			
	<b>Internal Accruals</b>	<b>3,967.23</b>	<b>1,478.76</b>	<b>1,116.05</b>

#### *Basis of estimation of long-term working capital requirement:*

On the basis of our existing working capital requirements, our Board pursuant to its resolution dated May 20, 2024, has approved the estimated and projected working capital requirements for Financial year 2024, Financial year 2025 and Financial year 2026 as set forth below:

Sr. No.	Particulars	(₹ In Lakhs)		
		31.03.2024	31.03.2025	31.03.2026
		(Actual)	(Projected)	(Projected)
<b>I</b>	<b>Current Assets</b>			
	Inventories	643.45	2,000.00	2,250.00
	Trade receivables	4057.51	3,618.00	5,855.85
	Cash and cash equivalents	445.22	379.60	282.66
	Short-Term Loans and Advances	609.33	620.00	700.00
	Other Current Assets	197.19	250.00	300.00
	<b>Total (A)</b>	<b>5,952.70</b>	<b>6,867.60</b>	<b>9,388.51</b>

Sr. No.	Particulars	₹ In Lakhs		
		31.03.2024	31.03.2025	31.03.2026
		(Actual)	(Projected)	(Projected)
<b>II</b>	<b>Current Liabilities</b>			
	Short-Term Borrowings	264.76	-	-
	Trade Payable	1,051.69	930.00	1,485.00
	Short-term provisions	445.34	650.00	850.00
	Other Current Liabilities	223.67	250.00	350.00
	<b>Total (B)</b>	<b>1,985.46</b>	<b>1,830.00</b>	<b>2,685.00</b>
<b>III</b>	<b>Total Working Capital Gap (A-B)</b>	<b>3,967.24</b>	<b>5,037.60</b>	<b>6,703.51</b>
<b>IV</b>	<b>Funding Pattern</b>			
	<b>Internal Accruals</b>	<b>3,967.24</b>	<b>4,097.60</b>	<b>6,603.51</b>
	<b>IPO Proceeds</b>	<b>-</b>	<b>940</b>	<b>100</b>

**Assumptions for working capital projections made by our Company:**

Particulars	Details
<b>Trade Receivable</b>	Trade receivables are the amount owed to the Company by customers following sale of services on credit. Trade receivable days are computed as a function of revenue from operations.
	Our company has estimated the holding level for Trade Receivables days as ranging from 175 days considering the normal credit period in the ITS business. Estimated Trade receivable cycle will be approximately 110 days for FY 2024- 25 & FY 2025-26 respectively. Typically, the trade receivables cycle is approximately 5 months to 6 months however, due to the year-end, some debtors are not making promptly payments as on March-2024 resulting in a higher receivables period as of year-end.
	We are expecting this to decrease marginally to 110 days in FY 2024 from FY 2023 period and to remain stable in Fiscal 2025 and 2026, More credit period is offered to customers because to penetrate new customers and attract more orders, Company will be required to offer enhanced credit period so that it will encourage new customers to have a long-term business relation with us and also has a competitive edge.
<b>Other current assets</b>	Other current assets relate to Advances to Suppliers for the Raw Material requirement to fulfil the Sales demand which is in line with the increase in business operations, there will be need to purchase materials and by making advance payments to enhance cost efficiency of products. In order to meet the demand of the new sales orders this amount will increase substantially as compared to Fiscal 2023. To maintain the timely availability of material for the projects in this business, suppliers will have to be paid in advance.
	It also includes GST credit available to the company which will also increase due to increase in purchases of raw materials and TDS carried forward in case excess TDS is deducted by our customers.
<b>Other current Liabilities</b>	Other current liabilities include salary payable as on period end, statutory dues and taxes payable including PT and GST. These payables including salaries & taxes are cleared promptly in the next regular cycle. This figure is expected to increase due to increase in size of the overall business.
<b>Short term Provisions</b>	Short term payable majorly includes income tax payable (net of Advance tax & TDS), Provision for Expenses and current portion of the gratuity provision made. Income Tax provision will increase due to increase in the revenue and profit for the fiscal period.
<b>Cash and Cash Equivalent</b>	For FY 2024-25, the raised capital, coupled with internal accruals, will be judiciously employed for inorganic growth initiatives, increased spending to capture more sales opportunities. The amounts for 2025 are as per normal business circumstances. The CCE for 2024 are within the normal cycle.
	With a strategic focus on both immediate and long-term objectives, a substantial portion of the funds will be allocated for a new and addressing working capital needs.

**Explanation of Terms:**

<b>Cash and Cash Equivalent</b>	Cash and cash equivalents include balances in current accounts and cash in hand. Cash and Cash Equivalent balance is estimated based on previous year's outstanding amount
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	and for expected Business requirement of the company.
<b>Other current Assets</b>	Loans and advances mainly include Advance to suppliers and Income tax receivable and other advances. Loans and advances are estimated based on previous year's outstanding amount and for expected Business requirement of company. Other Current Assets mainly include Balance with Revenue Authorities. Advances given to creditors and employees, Prepaid expenses and others assets. Other Current Assets is estimated based on previous year's outstanding amount and for expected Business requirement of company.
<b>Other Current Liabilities</b>	Other Current Liabilities mainly include Statutory dues, salary payable and advances from customers, creditors for expenses and other payables. Other current liabilities are estimated based on previous year's outstanding amount and for expected Business requirement of the company.
<b>Short-term provisions</b>	Short-term provisions mainly include Provision for income tax, Gratuity and other expenses. Short-term provisions are estimated based on previous year's outstanding amount and for expected Business requirement of the company.

*Our business is working capital intensive. Our business requires working capital majorly for investment in trade receivables, inventories and payment to trade payables and funding day-to-day operations. On the basis of existing and estimated working capital requirement of our Company, and key assumptions for such working capital requirements, which are mentioned above, our Company will meet the requirement to the extent of ₹1,040.00 Lakhs from the Net Proceeds of the Issue and balance from internal accruals at an appropriate time.*

The table below sets forth the details of holding levels (in days) for FY 2022-23 and FY 2023-24 as well as projections for FY 2024-25 and FY 2025-26:

Particulars	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23
<b>A. Inventory Holding Days</b>	60	60	63	52
<b>B. Trade Receivable Holding Days</b>	110	110	161	175
<b>C. Trade Payables Holding Days</b>	45	45	69	108

**Justification: -**

<b>A. Inventory Holding Days</b>	Throughout the Financial Years 2022-23 and FY 2023-24, our average inventory turnover days consistently rose, aligning with the growth in our revenue.  During the FY 2023-24, there is a slight increase in with the FY 2022-23. In FY 2023-24 the prices of the inventory are on a stable term due to which the inventory level has been kept at its optimum based on the orders to be executed. Since the inventory in FY 2023-24 and upcoming years the average inventory turnover days are estimated to remain stable and like that in FY 23-24.  Keeping Inventory level at its optimum would help organization to keep the costs optimum thereby increasing earning level and optimum usage of the inventories, this is in line with our strategic inventory management objectives. Looking ahead to Fiscal Year 2025 and in 2026 our plan is to maintain the average inventory holding days at approximately 60 days.
	Material Lead time for the major items is 50 days to 60 Days, so to keep up with the inventory management Average inventory carrying is kept at Approximately 60 days.
	Throughout Financial Years 2022-23, our average trade receivable days consistently rose from Approximately 5 to 6 months, aligning with the growth in Our revenue. During FY 23-24, holding days are consistent with the FY 22-23. In FY 2023-24, although there is an increase in revenue, receivable days are kept stable by managing them at its optimum based on the orders to be executed.  Receivable as of now it is on a mile-stone basis & Work progress

<p><b>B. Trade Receivable Holding Days</b></p>	<p>basis, Supply material and service as part of new business segment, not like existing ATMS, Solar business, Electrical (Transmission and distribution) invoicing in 15 days and receivable will be realized in 7 Days in certain cases.</p> <p>In Tata project Bill discounting is available and, in those cases, payment is due within 45 days terms which will be realized in 7 days, which will be availed, out of Total Sales 20 crores, which will improve the receivable cycle by approximately 1.5 to 2 months thereby reducing cycle time from 6 months to 4 months in the FY 2025 and 2026.</p> <p>Receivable as of now it is on mile-stone basis &amp; Work progress basis, Supply material and service as part of new business segment, not like existing ATMS, Solar business, Electrical (Transmission and distribution) invoicing in 15 days and receivable will be realized in 7 Days in certain cases.</p> <p>In Tata project Bill discounting is available and, in those cases, payment is due within 45 days terms which will be realized in 7 days; which will be availed, out of Total Sales 20 crores, which will improve the receivable cycle by approximately 1.5 to 2 months thereby reducing cycle time from 6 months to 4 months in the FY 2025 and 2026.</p>
<p><b>C. Trade Payables Holding Days</b></p>	<p>In Financial Year 2022-23 our average credit cycle period was within the range of 4.5 months to 5 months. The significant decrease in credit period days from Fiscal 2022 to Fiscal 2023 was primarily driven by the post effects of the Covid-19 pandemic. Subsequently, in Fiscal years 2023 and 2024 we managed to maintain the credit cycle period within the anticipated range which is 2.5 months to 3 months.</p> <p>Looking forward to fiscal Year 2025 and 2026, we have set objectives to reduce the creditors cycle period to approximately 45 days due to fulfillment of raw material orders on time by the vendors and thereby making payment effectively within creditor's terms.</p> <p>This strategic move is aimed at enhancing our business overall value, which in turn will allow us to negotiate more favorable terms and establish long-lasting relationships with our creditors.</p> <p>Major Vendors are MSME, since Receivables improving hence, Trade payable will be paid on 45 days cycle.</p>

#### **4. General Corporate Purposes:**

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy ₹ [●] Lakh towards the general corporate purposes to drive our business growth. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purpose subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- Acquisition/hiring of land/property for building up corporate house,
- Hiring human resources including marketing people or technical people in India or abroad,
- We may also enter into strategic alliances with other body corporates for expansion of our business in abroad or in India.
- Funding growth opportunities;
- Servicing our repayment obligations (principal and interest) under our existing & future financing arrangements;
- Capital expenditure, including towards expansion/development/refurbishment/renovation of our assets;
- Working capital;



- Meeting expenses incurred by our Company in the ordinary course of business or other uses or contingencies; and/or
- Strategic initiatives and
- On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above in any permissible manner. We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in this Draft Red Herring Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

## ESTIMATED ISSUE RELATED EXPENSES

The total expenses of the Issue are estimated to be approximately [●] Lakhs. The expenses of the Issue include, amongst others, listing fees, selling commission, fees payable to the BRLM, fees payable to legal counsels, fees payable to the Registrar to the Issue, Bankers to the Issue, processing fee to the SCSBs for processing ASBA Forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, Collecting RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing and trading of the Equity Shares on the Stock Exchanges.

The details of the estimated issue related expenses are tabulated below:

Activity	Expense (₹ in Lakh)	As a % of Estimates Issue Expenses	As a % of Issue Size
Book Running Lead manager fees including underwriting Commission.	[●]	[●]	[●]
Brokerage, selling commission and upload fees.	[●]	[●]	[●]
Registrar to the Issue.	[●]	[●]	[●]
Legal Advisors.	[●]	[●]	[●]
Advertising and marketing expenses.	[●]	[●]	[●]
Regulators including stock exchanges.	[●]	[●]	[●]
Printing and distribution of offer stationary.	[●]	[●]	[●]
Others, if any (Market Making, Depositories, Marketing fees, Secretarial, Consultancy, Advisors, Peer Review Auditors, etc.)	[●]	[●]	[●]
<b>Total</b>	[●]	[●]	[●]

Notes:

- Up to May 20, 2024, Our Company has deployed/incurred expense of ₹10.53 Lakhs towards Issue Expenses and custodian connectivity charges out of internal accruals duly certified by Statutory Auditor M/s Vijay Darji and Associates, Chartered Accountant vide its certificate dated May 20, 2024, bearing UDIN: 24105197BKFMUU4441.*
- Any expenses incurred towards aforesaid issue related expenses during the period from November 18, 2023 to till the date of listing of Equity Shares will be reimburse/recouped out of the gross proceeds of the issue.*
- Issue expenses include goods and services tax, where applicable. Issue expenses will be incorporated at the time of filing of the Red Herring Prospectus with the RoC. Issue expenses are estimates and are subject to change.*

Structure for commission and brokerage payment to the SCSBs Syndicate, RTAs, CDPs and SCSBs:

- SCSBs will be entitled to a processing fee of ₹10/- per Application Form for processing of the Application Forms only for the Successful Allotments procured by other Application Collecting Intermediary and submitted to them.*
- Selling commission payable to registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Investors and Non-Institutional Investors, would be 0.01% on the Allotment Amount.*
- No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.*

- 4) *The commission and processing fees shall be released only after the SCSBs provide a written confirmation to the Book Running Lead Manager not later than 30 days from the finalization of Basis of Allotment by Registrar to the Issue in compliance with SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.*
- 5) *Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.*

## **BRIDGE LOANS**

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 of the Issue.

## **MONITORING OF UTILIZATION OF FUNDS**

As this is a Fresh Issue for less than ₹10,000 lakhs, we are not required to appoint a monitoring agency for the purpose of the Issue in terms of the SEBI ICDR Regulations.

Our Board and Audit committee shall monitor the utilization of the net proceeds of the Issue. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant financial years subsequent to the completion of the Issue.

Pursuant to SEBI LODR Regulations, our Company shall disclose to the Audit Committee of the Board of Directors the uses and applications of the Net Proceeds. Our Company shall prepare a statement of funds utilized for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32 of the SEBI LODR Regulations, our Company shall furnish to the Stock Exchange on a half yearly basis, a statement indicating (i) deviations, if any, in the utilization of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the utilization of the proceeds from the Issue from the Objects.

This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee of the Board of Directors.

## **INTERIM USE OF FUNDS**

Pending utilization of the Net Proceeds for the purposes described above, our Company will deposit the Net Proceeds only with scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, as may be approved by our Board. In accordance with Section 27 of the Companies Act, 2013, our company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

## **VARIATION IN OBJECTS**

In accordance with Sections 13(8) and 27 of the Companies Act and applicable rules, our Company shall not vary the Objects without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

## **OTHER CONFIRMATIONS / PAYMENT TO PROMOTERS AND PROMOTER'S GROUP FROM THE IPO PROCEEDS**

There is no proposal whereby any portion of the Net Proceeds will be paid to Our Promoters, Promoter Group, Directors and Key Managerial Personnel, Group Company, except in the ordinary course of business. Further, there are no existing or anticipated transactions in relation to the utilization of the Net Proceeds entered into or to be entered into by our Company with Our Promoters, Promoter Group, Directors Group Company, and/or Key Managerial Personnel.

## BASIS FOR ISSUE PRICE

The Price Band and Issue Price shall be determined by our Company in consultation with the Book Running Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the qualitative and quantitative factors as described in this section. The face value of the Equity Shares is ₹10/- each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times of the face value at the upper end of the Price Band.

Bidders should read the following basis with the section titled “Risk Factors” and chapters titled “Restated Financial Statements”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Business Overview” beginning on page no. 28, 174, 184 and 117 respectively, of this Draft Red Herring Prospectus to get a more informed view before making any investment decisions.

### QUALITATIVE FACTORS

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

- Deployment Agnostic
- Experienced promoters and management team
- Established relationships with customer base
- Building-up as a Professional Organisation
- Expanding Our Clientele Network by Geographic expansion
- Integrated structure with in-house capabilities to undertake most of the activities related to our projects including traffic study expertise and revenue forecasting capabilities
- Ability to achieve financial closure for projects
- Diversified Portfolio of Services offered

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please see chapter titled “Business Overview” beginning on page 117 of this Draft Red Herring Prospectus.

### QUANTITATIVE FACTORS

The information presented in this chapter is derived from company’s Restated Financial Statements for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 which are prepared in accordance with Accounting Standards (Indian GAAP) For more details on financial information, investors please refer the chapter titled “Restated Financial Statements” beginning on page no. 174 of this Draft Red Herring Prospectus.

Investors should evaluate our Company taking into consideration its niche business segment and other qualitative factors in addition to the quantitative factors. Some of the quantitative factors which may form the basis for computing the price are as follows:

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

#### 1. Basic and Diluted Earnings / (Loss) Per Share (“EPS”), as adjusted for changes in capital.

*As per Restated Consolidated Financial Statements – Post Bonus*

Particulars	Basic/ Diluted EPS	Weights
	(in ₹)	
March 31, 2024	6.77	3
March 31, 2023	2.68	2
March 31, 2022	1.15	1
<b>Weighted Average</b>	<b>4.47</b>	

Note: Company has the equity of shares of face value Rs.10/- each and during the year company has issued Bonus equity shares in the ratio of 1: 149.

*As per Restated Consolidated Financial Statements – Pre-Bonus*

Particulars	Basic/ Diluted EPS	Weights
	(in ₹)	
March 31, 2024	6.77	3

Particulars	Basic/ Diluted EPS	Weights
	(in ₹)	
March 31, 2023	477.85	2
March 31, 2022	205.19	1
<b>Weighted Average</b>	<b>196.87</b>	

**As per Restated Standalone Financial Statements – Post-Bonus**

Particulars	Basic/ Diluted EPS	Weights
	(in ₹)	
March 31, 2024	6.73	3
March 31, 2023	2.64	2
March 31, 2022	1.18	1
<b>Weighted Average</b>	<b>4.44</b>	

Note: Company has the equity of shares of face value Rs.10/- each and during the year company has issued Bonus equity shares in the ratio of 149:1.

**As per Restated Standalone Financial Statements – Pre-Bonus**

Particulars	Basic/ Diluted EPS	Weights
	(in ₹)	
March 31, 2024	6.73	3
March 31, 2023	471.05	2
March 31, 2022	210.31	1
<b>Weighted Average</b>	<b>195.43</b>	

**Notes:**

- The figures disclosed above are based on the Restated Financial Statements of the Company.
- Company has the equity shares face value of Rs. 10/- each and issued Bonus equity shares in the FY 23-24 in the ratio of 1: 149.
- Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights.
- Earnings per Share has been calculated in accordance with AS 20 – “Earnings per Share” issued by the Institute of Chartered Accountants of India.
- The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.
- Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of equity shares outstanding during the year/ period.
- Diluted Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of diluted potential equity shares outstanding during the year/ period.

**2. Price Earnings Ratio (“P/E”) in relation to Price Band of ₹[●] to ₹[●] per Equity Share:**

**As per Restated Consolidated Financial Statements**

Particulars	(P/E) Ratio at the Floor Price* (no. of times)	P/E) Ratio at the Cap Price (no. of times)
Based on Restated Financial Statements.	[●]	[●]
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2023-24.	[●]	[●]
P/E ratio based on the Weighted Average Basic & Diluted EPS.	[●]	[●]

\*To be updated at the price band stage.

Note: P/E ratio has been computed dividing the price per share by Earnings per Equity Share.

**As per Restated Standalone Financial Statements**

Particulars	(P/E) Ratio at the Floor Price* (no. of times)	P/E Ratio at the Cap Price (no. of times)
Based on Restated Financial Statements.	[●]	[●]
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2023-24.	[●]	[●]
P/E ratio based on the Weighted Average Basic & Diluted EPS.	[●]	[●]

\*To be updated at the price band stage.

Note: P/E ratio has been computed dividing the price per share by Earnings per Equity Share.

### 3. Comparison of accounting ratios with listed Industry peers.

As on date of this Draft Red Herring Prospectus, our Company has no peer company that is listed on any of the stock exchanges of India.

### 4. Return on Net worth (RoNW).

*As per Restated Consolidated Financial Statements*

Particulars	RONW (%)	Weights
March 31, 2024	35.44%	3
March 31, 2023	39.53%	2
March 31, 2022	28.07%	1
Weighted Average	35.58%	

*As per Restated Standalone Financial Statements*

Particulars	RONW (%)	Weights
March 31, 2024	35.30%	3
March 31, 2023	39.03%	2
March 31, 2022	28.58%	1
Weighted Average	35.42%	

**Note:**

- Return on Net Worth (%) = Profit for the period/ year / Net Worth at the end of the period/year.
- Net worth is computed as the sum of the aggregate of paid-up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account. It may be noted that equity component of financial instruments is excluded while calculating Net worth of the Company.

### 5. Net Asset Value (NAV) per Equity Share (Face Value of ₹10 each).

*As per Restated Financial Statements – Post-Bonus*

Financial Year	Standalone (in Rs.)	Consolidated (in Rs.)
March 31,2024	6.76	6.77
March 31,2023	4.12	4.10
March 31,2022	19.05	19.11
Net Asset Value per Equity Share after the Issue at Floor Price	[●]	[●]
Net Asset Value per Equity Share after the Issue at Cap Price	[●]	[●]
Issue Price*	[●]	[●]

\*Issue Price shall be updated in the Prospectus prior to opening the Issue.

**Notes:**

- Net Asset Value per Equity Share (in ₹) = Net Worth at the end of the period/year / Weighted number of equity shares outstanding at the end of the period/year.
- Issue Price per Equity Share will be determined on conclusion of the Book Building Process.

*As per Restated Financial Statements – Pre-Bonus*

(₹ in Lakhs)

Financial Year	Standalone	Consolidated
March 31,2024	19.05	19.11

Financial Year	Standalone	Consolidated
March 31,2023	1,206.99	1,208.79
March 31,2022	735.94	730.94
Net Asset Value per Equity Share after the Issue at Floor Price	●	●
Net Asset Value per Equity Share after the Issue at Cap Price	●	●
Issue Price*	●	●

## 6. Key Performance Indicators (“KPI”).

The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help us in analyzing the growth of various verticals in comparison to our peers. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated May 20, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Draft Red Herring Prospectus. Further, the KPIs herein have been certified by Peer review Auditors by their certificate dated May 20, 2024.

The KPIs of our Company have been disclosed in the chapters titled “*Business Overview*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 117 and 184 of this Draft Red Herring Prospectus, respectively. We have described and defined the KPIs, as applicable, in “*Definitions and Abbreviations*” beginning on pages 1 of this Draft Red Herring Prospectus.

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

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

### a) Key Performance Indicators of our Company\* (Consolidated)

(₹ in Lakhs)

Key Financial Performance	For the year ended March 31		
	2024	2023	2022
Revenue from Operations <sup>(1)</sup>	6,581.12	3,629.59	2,791.21
EBITDA <sup>(2)</sup>	1,778.35	501.96	247.41
EBITDA Margin (%) <sup>(3)</sup>	27.02%	13.83%	8.86%
PAT	1,209.30	477.85	205.19
PAT Margin (%) <sup>(4)</sup>	18.38%	13.17%	7.35%
Return on equity (%) <sup>(5)</sup>	52.33%	49.27%	32.66%
Return on capital employed (%) <sup>(6)</sup>	26.23%	30.71%	21.08%
Debt-Equity Ratio (times) <sup>(7)</sup>	0.31	0.66	0.69
Net fixed asset turnover ratio (times) <sup>(8)</sup>	26.71	27.01	116.72
Current Ratio (times) <sup>(9)</sup>	3.00	1.91	1.98

\*As certified by Vijay Darji and Associates, Chartered Accountants, by way of their certificate dated May 20,2024.

### Notes:

1. Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business.
2. EBITDA provides information regarding the operational efficiency of the business.
3. EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.
4. PAT Margin (%) is an indicator of the overall profitability and financial performance of the business.
5. Return on equity (ROE) is a measure of financial performance.

6. Return on capital employed is a financial ratio that measures our company's profitability in terms of all of its capital.
7. Debt / Equity Ratio is used to measure the financial leverage of the Company and provides comparison benchmark against peers.
8. Net fixed asset turnover ratio measures the efficiency of the company's assets in generating revenue or sales.
9. The current ratio measures the capability of a business to meet its short-term obligations that are due within a year.

**b) Key Performance Indicators of our Company\* (Standalone)**

(₹ in Lakhs)

Key Financial Performance	For the year ended March 31		
	2024	2023	2022
Revenue from Operations <sup>(1)</sup>	6581.12	3629.59	2791.21
EBITDA <sup>(2)</sup>	1,770.35	495.16	252.52
EBITDA Margin (%) <sup>(3)</sup>	26.90%	13.64%	9.05%
PAT	1,201.30	471.05	210.31
PAT Margin (%) <sup>(4)</sup>	18.25%	12.98%	7.53%
Return on equity (%) <sup>(5)</sup>	52.12%	48.49%	33.34%
Return on capital employed (%) <sup>(6)</sup>	42.47%	30.66%	21.54%
Debt-Equity Ratio (times) <sup>(7)</sup>	0.31	0.66	0.69
Net fixed asset turnover ratio (times) <sup>(8)</sup>	26.71	27.01	116.72
Current Ratio (times) <sup>(9)</sup>	3.00	1.91	1.98

\*As certified by Vijay Darji and Associates, Chartered Accountants, by way of their certificate dated May 20,2024.

**Notes:**

1. Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business.
2. EBITDA provides information regarding the operational efficiency of the business.
3. EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.
4. PAT Margin (%) is an indicator of the overall profitability and financial performance of the business.
5. Return on equity (ROE) is a measure of financial performance.
6. Return on capital employed is a financial ratio that measures our company's profitability in terms of all of its capital.
7. Debt / Equity Ratio is used to measure the financial leverage of the Company and provides comparison benchmark against peers.
8. Net fixed asset turnover ratio measures the efficiency of the company's assets in generating revenue or sales.
9. The current ratio measures the capability of a business to meet its short-term obligations that are due within a year.

**c) Description on the historic use of the KPIs by our Company to analyse, track or monitor the operational and/or financial performance of our Company.**

In evaluating our business, we consider and use certain KPIs, as presented 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 Financial Information. We use these KPIs to evaluate our performance. Some of these KPIs are not defined under applicable Indian Accounting Standards and are not presented in accordance with applicable Accounting Standards. 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. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing results, when taken collectively with financial measures prepared in accordance with applicable Indian Accounting Standards.

**Explanations for the certain financial data based on Restated Financial Statements**

Key Financial Performance	Explanations
Financial KPIs	
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business.
EBITDA	EBITDA provides information regarding the operational efficiency of the business.

Key Financial Performance	Explanations
EBITDA Margin	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of the business. It is a financial ratio used to calculate the percentage of profit our company produces from its total revenue.
Return on equity (%)	Return on equity (ROE) is a measure of financial performance.
Return on capital employed (%)	Return on capital employed is a financial ratio that measures our company's profitability in terms of all of its capital.
Debt-Equity Ratio (times)	Debt / Equity Ratio is used to measure the financial leverage of the Company and provides comparison benchmark against peers.
Net fixed asset turnover ratio (times)	Net fixed asset turnover ratio is indicator of the efficiency with which our company is able to leverage its assets to generate revenue from operations.
Current Ratio (times)	The current ratio is a liquidity ratio that measures our company's ability to pay short-term obligations or those due within one year.

#### d) Comparison with Listed Industry Peers. (Standalone)

There are no listed peers as identified by us on the basis of similar line of business with our Company, therefore we are not providing any peer company details with size of our Company.

#### 7. Justification for Basis for Issue price

##### a. The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities), excluding shares issued under ESOP/ESOS and issuance of bonus shares.

Except as mentioned below, there has been no issuance of Equity Shares (excluding shares issued under ESOP/ESOS 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 the Company (calculated based on the pre-Issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

Date of Allotment	No. of Equity Shares allotted	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment	Total Consideration
December 27, 2023	16,541	10/-	5,100/-	Cash	Issue of share on Private Placement	8,43,59,100/-
December 30, 2023	2,559	10/-	5,100/-	Cash	Issue of share on Private Placement	1,30,50,900/-
February 17, 2024	60,000	10/-	34/-	Cash	Issue of share on Private Placement	20,40,000/-
Weighted average cost of acquisition (WACOA) Primary Issuances (in ₹ per Equity Share)						1,257.27/-

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

Except as mentioned below, there have been no secondary sale / acquisitions of Equity Shares, where the promoters, members of the promoter group, or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre- Issue share 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.



Name of Shareholder	Date of Transaction	Promoter/ Promoter Group/ Director	Number of Equity Shares Subscribed to/ Acquired/ Sold	Total Consideration (₹ in Lakhs)	Subscribed/ Acquired/ Transferred
Poonam Das	01-09-2023	Promoter	11,600	150.80	Acquired from Pravin Kumar Dubey
	01-05-2023		(6,471)	129.42	Transfer to Amber Credit Company Pvt Ltd
	01-05-2023		(7,647)	152.94	Transfer to Comercinate Enterprises Private Limited
	01-05-2023		(1,176)	23.52	Transfer to P Anitha
	22-12-2023		(392)	24.99	Transfer to Jigar Tejprakash Dangi
	22-12-2023		(235)	14.98	Transfer to Dilip Shankarlal Gang
	22-12-2023		(477)	24.33	Transfer to Chetna Hemant Desai
	22-12-2023		(71)	5.43	Transfer to Arun Agarwal
	22-12-2023		(71)	5.43	Transfer to Sachin Agarwal
	22-12-2023		(188)	14.38	Transfer to Ashish Sanghvi
	22-12-2023		(71)	5.43	Transfer to Deepika Dheeraj Sanghvi
	22-12-2023		(175)	11.16	Transfer to Leucon Technology
	22-12-2023		(315)	20.08	Transfer to Manoj Sethia
	22-12-2023		(275)	17.56	Transfer to Rajesh Kumar Gupta
	22-12-2023		(188)	14.38	Transfer to Priti Mehta
	22-12-2023		(200)	15.30	Transfer to Kalpesh Doshi
	22-12-2023		(71)	5.43	Transfer to Yashi Kailash Sanghvi
	22-12-2023		(141)	10.79	Transfer to Sandhya Doshi
	22-12-2023		(141)	10.79	Transfer to Priyanka Nirav Bakodia
	22-12-2023		(1,552)	98.94	Transfer to Lifecycle Infotech
Jitendra Narayan Das	13-02-2024		(73,500)	24.99	Transfer to Akilandeswari Selvamurthy
	12-03-2024		(21,300)	10.86	Transfer to Dheeraj Sanghvi
	05-07-2023		5000	45.00	Purchase from Amit Gupta
	14-02-2024		(10,43,815)	275.00	Transfer to Amber Credit Company Pvt Ltd
Weighted average cost of acquisition (WACA) Primary Issuances (in ₹ per Equity Share)					<b>63.08/-</b>

c. Since there is an eligible transaction of our Company reported in (a) & (b) above in accordance with paragraph (9)(K)(4)(a) of the SEBI ICDR Regulations, the price per Equity Share of our Company based on the last five primary or secondary transactions in Equity Shares (secondary transactions where the Promoters/Promoter Group entities, Selling Shareholders or Shareholders having the right to nominate director on the Board are a party to the transaction) not older than 3 years prior to the date of filing of this Draft Red Herring Prospectus has not been computed.

**d. Weighted average cost of acquisition, Issue Price.**

Based on the disclosures in (a) above, the weighted average cost of acquisition of Equity Shares as compared with the Offer Price is set forth below:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share) ^	Floor Price (₹ [●])*	Cap Price (₹ [●])*
Weighted average cost of acquisition of primary issuances	1,257.27/-	[●]	[●]
Weighted average cost of	63.08/-	[●]	[●]

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share) ^	Floor Price (₹ [●])*	Cap Price (₹ [●])*
acquisition for secondary transactions			

^\*As certified by Vijay Darji and Associates, Chartered Accountants, by way of their certificate dated May 20,2024.

\* To be updated in the Red Herring Prospectus prior to filing with RoC.

- e. **Explanation for Cap Price being [●] times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in 8 (d) above) along with our Company's key performance indicators and financial ratios for the Financial Year 2024, 2023 and 2022.**

[●]\*

\*To be included on finalization of Price Band.

- f. **The Issue Price is [●] times of the face value of the equity shares**

The face value of our share is ₹10/- per share and the Issue Price is of ₹[●] per share are [●] times of the face value. Our Company in consultation with the Book Running Book Running Lead Manager believes that the Issue Price of ₹[●] per share for the Public Issue is justified in view of the above quantitative and qualitative parameters. Investor should read the above-mentioned information along with the section titled "Risk Factors" beginning on page 28 of this Draft Red Herring Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled "Restated Financial Statements" beginning on page 174 of this Draft Red Herring Prospectus.

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**STATEMENT OF POSSIBLE TAX BENEFITS**

To,  
The Board of Directors  
**TRAFIKSOL ITS TECHNOLOGIES LIMITED**  
*(Formerly known as Trafiksol ITS Technologies Private Limited)*  
2<sup>nd</sup> Floor, B-68, Sector-63, Noida,  
Gautam Buddha Nagar, Noida 201 301,  
Uttar Pradesh, India.

Dear Sir,

**Sub: Statement of Possible Special Tax Benefit ('the Statement') Available to Trafiksol ITS Technologies Limited and its Shareholders Prepared in Accordance with the Requirements under Schedule VI-Clause 9L of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the 'Regulations').**

**Reference - Initial Public Offer of Equity Shares by Trafiksol ITS Technologies Limited.**

We hereby confirm that the attached Annexure 1 and 2 (together "the Annexures"), prepared by the Trafiksol ITS Technologies Limited (Formerly known as Trafiksol ITS Technologies Private Limited) ("the Company"), provides the possible tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 ("the Act") as amended by the Finance Act 2023, Circulars and Notifications issued thereunder from time to time, as applicable for the Financial Year 2023-24 relevant to the Assessment Year 2024-25, the Central Goods and Services Tax Act, 2017/ the Integrated Goods and Services Tax Act, 2017 ("GST Act"), as amended by the Finance Act 2023, Circulars and Notifications issued from time to time, as applicable for the Financial Year 2023-24, presently in force in India (together, the "Tax Laws").

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and/ or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

1. The benefits discussed in the attached Annexures are not exhaustive and the preparation of the contents stated is the responsibility of the management of the Company. We are informed that these Annexures are only intended to provide information to the investors and are neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering.
2. We do not express any opinion or provide any assurance as to whether: i) the Company or its shareholders will continue to obtain these benefits in future; ii) the conditions prescribed for availing the benefits have been/ would be met with; and iii) the Revenue Authorities/Courts will concur with the views expressed herein.
3. The contents of the attached Annexures are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.
4. We do not give any assurance that the Revenue Authorities/ Courts will concur with the view expressed herein. Our views are solely based on existing provisions of law being force in India and implementation of such laws, which are subject to change from time to time. We do not assume any responsibility to updates the views consequent to such changes.
5. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.
6. This certificate is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion in the Draft Red Herring Prospectus/ Prospectus in connection with the proposed issue of equity shares and is not be used, referred to or distributed for any other purpose without our written consent.

**For Vijay Darji and Associates**  
**Chartered Accountants**  
**FRN No.: 116814W**

*Sd/-*

**CA Vijay Darji**  
**Proprietor**  
**Membership No.: 105197**  
**UDIN No: 24105197BKFMUV6941**

**Place: Mumbai.**  
**Date: May 20, 2024.**

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## ANNEXURE 1 TO THE STATEMENT OF POSSIBLE TAX BENEFITS

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the Income Tax Act, 1961 presently forced in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have different interpretation on the benefits, which an investor can avail.

**YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.**

1. **Special Tax Benefits available to the Company under the Act:** The Company is not entitled to any Special tax benefits under the Act.
2. **Special Tax Benefits available to the shareholders of the Company:** The Shareholders of the company are not entitled to any Special tax benefits under the Act.

**Notes:**

1. *All the above benefits are as per the current tax laws and will be available only to the sole/ first name holder where the shares are held by joint holders.*
2. *The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.*

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the Draft Red Herring Prospectus/Red Herring Prospectus.

**For Vijay Darji and Associates**  
**Chartered Accountants**  
**FRN No.: 116814W**

*Sd/-*

**CA Vijay Darji**  
**Proprietor**  
**Membership No.:** 105197  
**UDIN No:** 24105197BKFMUV6941

**Place: Mumbai.**  
**Date:** May 20, 2024.

## ANNEXURE 2 TO THE STATEMENT OF POSSIBLE TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Act presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

**YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.**

- A. SPECIAL TAX BENEFITS TO THE COMPANY** - The Company is not entitled to any special tax benefits under the Act.
- B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER** - The Shareholders of the Company are not entitled to any special tax benefits under the Act.

**Note:**

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law. We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the Draft Red Herring Prospectus/Red Herring Prospectus.

**For Vijay Darji and Associates**  
**Chartered Accountants**  
**FRN No.: 116814W**

*Sd/-*

**CA Vijay Darji**  
**Proprietor**  
**Membership No.:** 105197  
**UDIN No:** 24105197BKFMUV6941

**Place: Mumbai.**  
**Date:** May 20, 2024.

## SECTION VI- ABOUT THE COMPANY

### INDUSTRY OVERVIEW

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Red Herring Prospectus, including the information contained in the sections titled “Risk Factors” and “Restated Financial Statements” and related notes beginning on page no. 28 and 174 respectively of this Red Herring Prospectus before deciding to invest in our Equity Shares.

#### OVERVIEW OF INDIAN ECONOMY

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices in the year 2023-24 is estimated at Rs. 293.90 lakh crores (US\$ 3.52 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 269.50 lakh crores (US\$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.1% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government’s continued emphasis on capital expenditure are seen as among the key driver of the GDP in the first half of FY24. During the period January-March 2024, India’s exports stood at US\$ 119.10 billion, with Engineering Goods (25.01%), Petroleum Products (17.88%) and Organic and Inorganic Chemicals (7.65%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.



Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. The sector’s success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships. India’s appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the “Invest in India” narrative.

#### Market Size

Real GDP or GDP at Constant (2011-12) Prices in the year 2023-24 is estimated at Rs. 172.90 lakh crores (US\$ 2.07 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores (US\$ 1.92 trillion). The growth in real GDP during 2023-24 is estimated at 7.6% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech startups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country’s ambition of Net Zero Emissions by 2070 through a five-pronged strategy, ‘Panchamrit’. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to

grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time period. India's current account deficit (CAD) narrowed to 1.2% of GDP in the October-December quarter. The CAD stood at US\$ 10.5 billion for the third quarter of 2023-24 compared to US\$ 11.4 billion or 1.3% of GDP in the preceding quarter. This was largely due to higher service exports.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US\$ 1 trillion by 2030.

## Recent Developments

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

- According to HSBC Flash India PMI report, business activity surged in April to its highest level in about 14 years as well as sustained robust demand. The composite index reached 62.2, indicating continuous expansion since August 2021, alongside positive job growth and decreased input inflation, affirming India's status as the fastest-growing major economy.
- As of April 12, 2024, India's foreign exchange reserves stood at US\$ 643.162 billion.
- In 2023, India saw a total of US\$ 49.8 billion in PE-VC investments.
- Merchandise exports in March 2024 stood at US\$ 41.68 billion, with total merchandise exports of US\$ 437.06 billion during the period of April 2023 to March 2024.
- India was also named as the 48th most innovative country among the top 50 countries, securing 40th position out of 132 economies in the Global Innovation Index 2023. India rose from 81st position in 2015 to 40th position in 2023. India ranks 3rd position in the global number of scientific publications.
- In March 2024, the gross Goods and Services Tax (GST) stood at second highest monthly revenue collection at Rs.1.78 lakh crore (US\$ 21.35 billion), of which CGST is Rs. 34,532 crore (US\$ 4.14 billion), SGST is Rs. 43,746 crore (US\$ 5.25 billion).
- Between April 2000–December 2023, cumulative FDI equity inflows to India stood at US\$ 971.52 billion.
- In February 2024, the overall IIP (Index of Industrial Production) stood at 147.2. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 139.6, 144.5 and 187.1, respectively, in February 2024.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.69% in December 2023.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to Rs. 80,500 crore (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold Rs. 4,500 crore (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested (US\$ 8.06 billion) in India during January-April 2024.
- The wheat procurement during RMS 2023-24 (till May) was estimated to be 262 lakh metric tonnes (LMT) and the rice procured in KMS 2023-24 was 385 LMT. The combined stock position of wheat and rice in the Central Pool is over 579 LMT (Wheat 312 LMT and Rice 267 LMT).

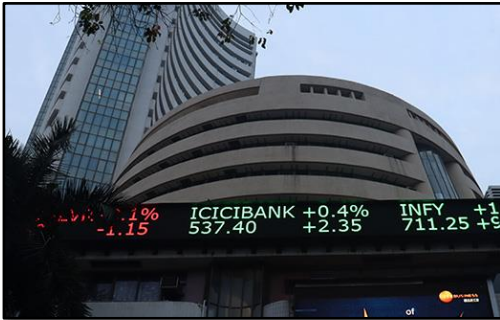
## Road Ahead

In the second quarter of FY24, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2023. India's comparatively strong position in the external sector reflects the country's positive outlook for economic growth and rising employment rates. India ranked 5th in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in 2023-24, stood 37.4% higher than the same period last year. In the budget of 2023-24, capital expenditure took lead by steeply increasing the capital expenditure outlay by 37.4 % in BE 2023-24 to



Rs.10 lakh crore (US\$ 120.12 billion) over Rs. 7.28 lakh crore (US\$ 87.45 billion) in RE 2022-23. The ratio of revenue expenditure to capital outlay increased by 1.2% in the current year, signalling a clear change in favour of higher-quality spending. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels. In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).



Since India’s resilient growth despite the global pandemic, India's exports climbed at the second-highest rate with a year-over-year (YoY) growth of 8.39% in merchandise exports and a 29.82% growth in service exports till April 2023. With a reduction in port congestion, supply networks are being restored. The CPI-C inflation reduction from June 2022 already reflects the impact. In September 2023 (Provisional), CPI-C inflation was 5.02%, down from 7.01% in June 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

*Note: Conversion rate used for January 2024 is Rs.1 = US\$ 0.012*

(Source: <https://www.ibef.org/economy/indian-economy-overview>)

## OVERVIEW OF THE ROAD INDUSTRY IN INDIA



India has the second-largest road network in the world, spanning a total of ~6.7 million kilometres (kms). This road network transports 64.5% of all goods in the country and 90% of India’s total passenger traffic uses road network to commute. Road transportation has gradually increased over the years with improvement in connectivity between cities, towns and villages in the country.

National Highways (NH) play a very important role in the economic and social development of the country by enabling efficient movement of freight and passengers and improving access to market. They account for 2% of the total road network and carry over 40% of total traffic. The pace of NH construction has increased consistently due to the systematic push through corridor-based National Highway development approach, from about 12 km/ day in 2014-15 to about 28.3 km/ day in 2022-23.

The Indian Government has been actively investing in the development of road infrastructure. Major initiatives like the Bharatmala Pariyojana aim to upgrade and expand the road network, including the construction of expressways, economic corridors, and feeder routes. The first phase of the programme will develop 34,800 km of highways, including 27 Greenfield corridors and India’s largest expressway (a 1,386 km long Delhi-Mumbai Expressway). Under the Pariyojana, 60% projects have been envisaged on Hybrid Annuity Mode (HAM), 10% projects on BOT (Toll) Mode, and 30% projects on EPC mode.

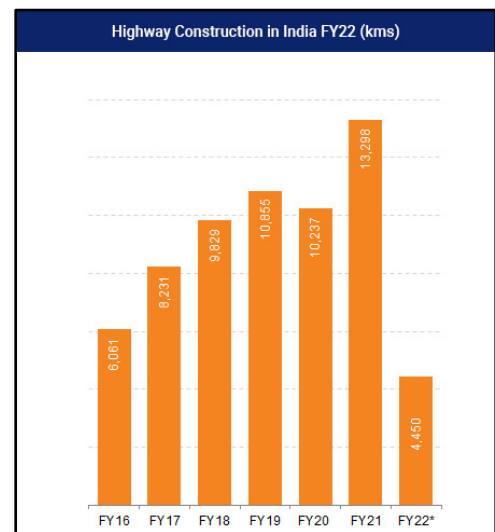
The roads and highways sector has pioneered several innovative public-private partnership (PPP) models besides having a strong contractual framework compared with other sectors. These factors have led to significant investments from private players in the sector. Several incentives have also been announced by the Government to attract private sector participation and foreign direct investment, which include Government bearing the cost of project feasibility study, land for the right of way and way side amenities, shifting of utilities, environment clearances, etc.

(Source: <https://www.investindia.gov.in/sector/roads-highways>; <https://www.ibef.org/industry/roads-presentation>)

### Market Size

National highway construction in India increased at 5.3% CAGR between FY14-FY23. Despite pandemic and lockdown, India has constructed 10,457 km of highways in FY22. In FY23, the Ministry of Road Transport and Highways constructed national highways extending 10,331 kms. Under the Interim Budget 2024-25, the Government of India has allocated Rs. 2.78 lakh crore (US\$ 33.46 billion) to the Ministry of Road Transport and Highways.

India's road network has grown 59% to become the second largest in the world in the last ten years. India has nearly 66.71 lakh km of total road network and the National Highways network alone stood at 146,145 km in CY 2023. India had a total of 97,830 km of National Highways in 2014-15 which has expanded to 146,145 km by December 2023. In FY24 (until November), cumulatively 5,248 km of National Highways have been constructed. A total of 202 national highway projects worth Rs. 79,789 crore (US\$ 9.59 billion) are at the implementation stage in the country and are 6,270 km in length.



In October 2020, the foundation stone was established for nine National Highway projects—with a total length of ~262 kms—worth >Rs. 2,752 crore (US\$ 371.13 million) in Tripura. The Government of India has allocated Rs. 111 lakh crore (US\$ 1.4 trillion) under the National Infrastructure Pipeline for FY25. The roads sector is likely to account for 18% capital expenditure over FY25.

As of November 2023, there were 352 PPP projects worth US\$ 76.95 billion in India. In October 2020, the National Investment and Infrastructure Fund (NIIF) is making progress towards integrating its road and highway portfolio. The NIIF has acquired Essel Devanahalli Tollway and Essel Dichpally Tollway through the NIIF master fund. These road infra-projects will be supported by Athaang Infrastructure, NIIF's proprietary road network, assisted by a team of established professionals with diverse domain expertise in the transport field.

### Key Investments/Developments

The Union Minister of State for Road, Transport and Highways has stated that the Government aims to boost corporate investment in roads and shipping sector, along with introducing business-friendly strategies, which will balance profitability with effective project execution. According to the data released by Department for Promotion of Industry and Internal Trade Policy (DPIIT), Cumulative FDI inflows in construction development stood at US\$ 26.42 billion between April 2000-September 2023.

Private investments in the highway sector would likely rise from around Rs. 20,000 crore (US\$ 2.40 billion) a year now to nearly Rs. 1 trillion (US\$ 12 billion) in the next 6-7 years, Mr. Amit Kumar Ghosh, additional secretary, ministry of road transport and highways, said. In October 2023, rating agency Crisil said that the assets under management (AUM) for infrastructure investment trusts (InvITs) in India's road sector will nearly double by March 2025 from the current Rs. 1.4 trillion (US\$ 17 billion).

### Government Initiatives

Some of the recent Government initiatives are as follows:

- In March 2024, Prime Minister Narendra Modi inaugurated and laid the foundation stone for 112 national highway projects across various states, with a total worth of approximately US\$ 12.04 billion (Rs. 1 lakh crore).
- In the fiscal year 2023-24 (up to July), a budget of US\$ 34.04 million (Rs. 276 crore) has been designated for the Pradhan Mantri Gram Sadak Yojana (PMGSY).
- The government has enlisted a consultant to advise on adopting new technologies like GNSS for barrier-free tolling. GNSS-based Electronic Toll Collection will be piloted alongside FAS Tag on select National Highways.
- Bharat New Car Assessment Program launched for safety rating of passenger cars and empowering consumers to take informed decisions.
- In August 2023, the National Highways Authority of India (NHAI) made a big step towards improving the highway user experience, with the introduction of 'Rajmargyatra,' a citizen-centric unified mobile application. This user-friendly app provides travellers with in-depth knowledge of Indian National Highways as well as an effective procedure for filing complaints.
- In July 2023, Prime Minister Mr. Narendra Modi dedicated a six-lane greenfield motorway part of the Amritsar-Jamnagar Economic Corridor and the first phase of the Inter-State Transmission Line for Green Energy Corridor.
- Increasing the pace of development of Uttar Pradesh, the Union Minister for Road, Transport and Highways, Mr. Nitin Gadkari inaugurated two National Highway projects with an investment of more than Rs. 3,300 crore (US\$ 396.8 million) in Lucknow on July 17, 2023.
- In June 2023, National Highways Authority of India (NHAI) introduced a 'Knowledge Sharing' platform for sharing of knowledge and innovative best practices. This effort, which is hosted on the NHAI website, will assist the authority in working with specialists and citizens who want to exchange knowledge and views about subjects including road design, construction, road safety, environmental sustainability, and related sectors. The platform will promote the exchange of best practices from all around the world and work to strengthen the nation's national highway system.
- NHAI will come out with the third and fourth rounds of Infrastructure Investment Trusts (InvITs) to raise over Rs. 20,000 crore (US\$ 2.41 billion) in FY24.
- NHAI is planning to award 1,000-1,500 km of projects under the BOT model in 2023-24.
- As of December 19, 2023, a total of 749,639 km of road length has been constructed under PMGSY.
- India's Gati Shakti program has consolidated a list of 81 high impact projects, out of which road infrastructure projects were the top priority. The major highway projects include the Delhi-Mumbai expressway (1,350 kilometres), Amritsar-Jamnagar expressway (1,257 kilometres) and Saharanpur-Dehradun expressway (210 kilometres). The main aim of this program is a faster approval process which can be done through the Gati shakti portal and digitized the approval process completely.
- As of March 2022, the government plans to spend Rs. 10,565 crore (US\$ 1.38 billion) on the Trans-Arunachal Highway and Kaladan Multi-Model Transport Project, as well as other roads development projects such as capital connectivity, district connectivity, connectivity to the international border, and improvement and strengthening of roads in the region of Sikkim.
- The Indian government launched Gati Shakti-National Master Plan, which will help lead a holistic and integrated development of infrastructure generating immense employment opportunities in the country.
- In October 2021, the government issued a notice related to concessions under the Vehicle Scrapping Policy (effective from April 2022) to encourage vehicle owners towards discarding old vehicles which have higher fuel consumption costs.
- In October 2021, the government launched a conversion project for 15 major roads in the Agartala smart city, the project will convert these roads to weather-resilient ones, and further strengthen development of the region.
- In October 2021, the government announced rules to improve road safety, such as fixed driving hours for commercial truck drivers and a mandate to install sleep detection sensors in commercial vehicles.
- In FY22 (until October), the Ministry of Road Transport and Highways constructed national highways extending 4,450 kms compared with 4,956 kms in FY21 (until October).

- In October 2021, the government announced a plan to install charging stations every 40 to 60 kilometres on national highways to strengthen wayside amenities; in line with this, ~700 e-vehicle charging stations are expected to be installed by 2023, covering 35,000 to 40,000 kms of national highways.
- In September 2021, the Ministry of Road Transport and Highways constructed national highways extending 3,824 kms compared with 3,335 kms in August 2021.
- To transform road infrastructure in Punjab, Haryana and Rajasthan, the Indian government has planned to construct roads extending 313 kms for Rs. 11,000 crore (US\$ 1.48 billion).
- In September 2021, the Indian government announced road projects worth Rs. 1 lakh crore (US\$ 13.48 billion) to develop road infrastructure in Jammu and Kashmir. The region has also witnessed growth in national highways, from 7 in 2014 to 11 in 2021.
- In September 2021, the Ministry of Road Transport and Highways allocated Rs. 7,270 crore (US\$ 980.9 million) for road safety programmes in 14 states that constitute 85% of the total road fatalities in India.
- Under Phase-I of Bharatmala Pariyojana, the Ministry has approved implementation of 34,800 km of national highways in 5 years with an outlay of Rs. 5,35,000 crore (US\$ 76.55 billion). Under this scheme, 22 greenfield projects (8,000 kms length) are being constructed; this is worth Rs. 3.26 lakh crore (US\$ 43.94 billion). A network of 35 Multimodal Logistics Parks are planned to be developed as part of Bharatmala Pariyojana, with a total investment of about Rs. 46,000 crore (US\$ 5.55 billion), which can handle around 700 MMT of cargo.
- The government also aims to construct 23 new national highways by 2025.
- The Minister for Road Transport & Highways and Micro, Small and Medium Enterprises, Mr. Nitin Gadkari, is targeting to construct 40 kms per day in FY22.
- In August 2021, the Union Minister of Road Transport and Highways, Mr. Nitin Gadkari, announced to launch 1,080-km (road construction) projects worth Rs. 25,370 crore (US\$ 3.4 billion) in Gujarat under the Bharatmala Pariyojana—the ambitious road and highways project that aims to build highways from Maharashtra, Gujarat, Rajasthan, Punjab, Haryana and then cover the entire string of Himalayan territories.
- In August 2021, the Ministry of Road Transport & Highways extended certain relief measures provided earlier in view of the second COVID-19 wave. The following relief measures have been extended:
  - Relaxation in Schedule H/G with effect from July 01, 2021, until September 30, 2021, to improve liquidity of funds available with contractors and concessionaire.
  - Arrangement regarding direct payment to the approved sub-contractor through an escrow account can be continued until September 30, 2021, or completion of work by the sub-contractor, whichever is earlier.
- In August 2021, the Union Minister of Road Transport and Highways, Mr. Nitin Gadkari sanctioned Rs. 100 crore (US\$ 13 million) to restore roads affected by heavy rains in Konkan and Western Maharashtra. This includes Rs. 52 crore (US\$ 7.0 million) for temporary restoration and Rs. 48 crore (US\$ 6 million) for permanent restoration.
- In August 2021, the central government sanctioned >Rs. 600 crore (US\$ 81 million) of the Central Road and Infrastructure Fund (CRIF), for construction of 42 roads and bridges in Uttarakhand.

## Road Ahead



The Government, through a series of initiatives, is working on policies to attract significant investor interest. A total of 600+ sites are planned to be awarded by 2024-25 of which 144 Wayside Amenities (WSAs) have already been awarded. In the next five years, National Highway Authority of India (NHAI) will be able to generate Rs. 1 lakh crore (US\$ 14.30 billion) annually from toll and other sources.

Note: Conversion rate used for March 2024 is Rs. 1 = US\$ 0.012

References: Media Reports, Press Releases, Ministry of Road Transport and Highways, NHAI website, Press Information Bureau (PIB), Union Budget 2023-24

*Notes: ^FDI in construction development Includes: Townships, housing, built-up infrastructure and construction-development projects*

(Source: <https://www.ibef.org/industry/roads-presentation>)

India's high growth imperative in 2023 and beyond will significantly be driven by major strides in key sectors with infrastructure development being a critical force aiding the progress.

Infrastructure is a key enabler in helping India become a US \$26 trillion economy. Investments in building and upgrading physical infrastructure, especially in synergy with the ease of doing business initiatives, remain pivotal to increase efficiency and costs. Prime Minister Mr. Narendra Modi also recently reiterated that infrastructure is a crucial pillar to ensure good governance across sectors.



The government's focus on building infrastructure of the future has been evident given the slew of initiatives launched recently. The US\$ 1.3 trillion national master plan for infrastructure, Gati Shakti, has been a forerunner to bring about systemic and effective reforms in the sector, and has already shown a significant headway. Infrastructure support to the nation's manufacturers also remains one of the top agendas as it will significantly transform goods and exports movement making freight delivery effective and economical.

The "Smart Cities Mission" and "Housing for All" programmes have benefited from these initiatives. Saudi Arabia seeks to spend up to US\$ 100 billion in India in energy, petrochemicals, refinery, infrastructure, agriculture, minerals, and mining. The infrastructure sector is a key driver of the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from the Government for initiating policies that would ensure the time-bound creation of world-class infrastructure in the country. The infrastructure sector includes power, bridges, dams, roads, and urban infrastructure development. In other words, the infrastructure sector acts as a catalyst for India's economic growth as it drives the growth of the allied sectors like townships, housing, built-up infrastructure, and construction development projects.

To meet India's aim of reaching a US\$ 5 trillion economy by 2025, infrastructure development is the need of the hour. The government has launched the National Infrastructure Pipeline (NIP) combined with other initiatives such as 'Make in India' and the production-linked incentives (PLI) scheme to augment the growth of the infrastructure sector. Historically, more than 80% of the country's infrastructure spending has gone toward funding for transportation, electricity, and water, and irrigation.

While these sectors still remain the key focus, the government has also started to focus on other sectors as India's environment and demographics are evolving. There is a compelling need for enhanced and improved delivery across the whole infrastructure spectrum, from housing provision to water and sanitation services to digital and transportation demands, which will assure economic growth, increase quality of life, and boost sectoral competitiveness.

### Market Size

In Interim Budget 2024-25, capital investment outlay for infrastructure has been increased by 11.1% to Rs. 11.11 lakh crore (US\$ 133.86 billion), which would be 3.4 % of GDP. As per the Interim Budget 2023-24, a capital outlay of Rs. 2.55 lakh crore (US\$ 30.72 billion) has been made for the Railways, an increase of 5.8% over the previous year. Starting with 6,835 projects, the NIP project count now stands at 9,142 covering 34 sub-sectors, as per news reports. Under the initiative, 2476 projects are under the development phase with an estimated investment of US\$ 1.9 trillion. Nearly half of the under-development projects are in the transportation sector, and 3,906 are in the roads and bridges sub-sector.

In December 2022, AAI and other Airport Developers have targeted capital outlay of approximately Rs. 98,000 crore (US\$ 11.8 billion) in airport sector in the next five years for expansion and modification of existing terminals, new terminals and strengthening of runways, among other activities. India currently has the fifth-largest metro network in the world and will soon overtake advanced economies such as Japan and South Korea to become the third-largest network. Metro rail network reached 810 kms and is operational in 20 cities.

Indian logistics market is estimated to touch US\$ 320 billion by 2025. The overall infrastructure capex is estimated to grow at a CAGR of 11.4% over 2021-26 driven by spending on water supply, transport, and urban infrastructure. Investment in infrastructure contributed around 5% of the GDP in the tenth five-year plan as against 9% in the eleventh five-year plan. Further, US\$ 1 trillion investment in infrastructure was proposed by the India's planning commission during the 12th five-year plan, with 40% of the funds coming from the private sector.

### Government Initiatives and Investments

Some of the recent government initiatives and investments in the infrastructure sector are as follows:

- Under Interim Budget 2024-25:
  - The Central government has increased its capital expenditure (capex) allocation to US\$ 133.9 billion (Rs. 11.11 trillion) for the fiscal year beginning April 1, 2024, with a focus on advancing India's infrastructure, as part of a strategic move to stimulate economic growth. An increase of 11.1% from the previous year, the FY25 interim budget allots US\$ 133.9 billion (Rs. 11.11 trillion) for capital expenditures, or 3.4% of GDP.
  - With a 37% increase in the current fiscal year, capital expenditures (capex) are on the rise, which bolsters ongoing infrastructure development and fits with Vision 202
  - 7 goals for India's economic growth to become a US\$ 5 trillion economy. In order to anticipate private sector investment and to address employment and consumption in rural India, the budget places a strong emphasis on the development of roads, shipping, and railways.
  - India's ambitious plan calls for spending US\$ 1.723 trillion (approximately Rs. 143 trillion) on infrastructure between FY24 and FY30, with a particular emphasis on power, roads, and developing industries like renewable energy and electric vehicles.
  - Prime Minister Mr. Narendra Modi emphasized that India is committed to attaining net-zero carbon emissions by 2070, and that the country's ambitious goal of 500 gigawatts (GW) of renewable capacity by 2030 should be met. In order to make this possible, he unveiled a plan to raise the proportion of gas in India's energy mix to 15% by 2030, which will involve spending roughly US\$ 67 billion over the course of the following five to six years.
  - In Interim Budget 2024-25, capital investment outlay for infrastructure has been increased by 11.1% to Rs.11.11 lakh crore (US\$ 133.86 billion), which would be 3.4 % of GDP.
  - The government has decided to allocate Rs. 2.76 lakh crore (US\$ 33.4 billion) towards the Ministry of Roads for 2024-25.
  - The allocation for solar power grid reached Rs. 8,500 crores (US\$ 1.02 billion) from the previous allocation of Rs. 4,970 crores (US\$ 598.80 million).

## Investments

- FDI in construction development (townships, housing, built-up infrastructure, and construction development projects) and construction (infrastructure) activity sectors stood at US\$ 26.54 billion and US\$ 33.52 billion, respectively, between April 2000-December 2023.
- In December 2022, Mr. Nitin Gadkari, Minister of Road Transport and Highways inaugurated and laid foundation stone of 8 National Highway projects of 226 km length worth Rs. 1800 crore (US\$ 217.4 million) at Igatpuri, Nashik, Maharashtra.
- In December 2022, Mr. Nitin Gadkari, Minister of Road Transport and Highways inaugurated 7 National Highway projects worth Rs. 2,444 crore (US\$ 295 million) with total length of 204 km in Rewa, Madhya Pradesh.
- In November 2022, Prime Ministry of India laid the foundation stone of various road projects worth over Rs. 2200 crore (US\$ 2.6 billion), namely Medak-Siddipet-Elkathurthy section of NH-765DG; Bodhan-Basar-Bhainsa section of NH-161BB; Sironcha to Mahadevpur Section of NH-353C in Telangana.
- In November 2022, Mr. Nitin Gadkari, Minister of Road Transport and Highways inaugurated the construction of 3.8 km long 4-lane elevated structure flyover at Ahmednagar, Maharashtra on National Highway-61 at a cost of Rs. 331.17 crore (US\$ 40 million).
- In October 2022, Prime Ministry of India laid the foundation of road and ropeway projects worth more than Rs. 3,400 crore (US\$ 410 million) in Mana, Uttarakhand.
- In October 2022, National Highways Infra Trust (NHAI InvIT), the infrastructure investment trust sponsored by National Highway Authority of India (NHAI) to support Government of India's National Monetization Pipeline, has raised a sum of Rs. 1,430 crore (US\$ 172.6 million) from domestic and international investors through placement of its units, for part funding its acquisition of three additional road projects from NHAI.
- As many as 52 critical infrastructure gap projects identified by MoPSW for connecting maritime ports and IWTs (Inland Waterway Terminals) to be taken up under PM Gati Shakti National Master Plan. Currently, DPR of total

56 projects (including 11 IWT projects) under this category with total of 1,215 km length are under bidding stage for the feasibility assessment of these projects, which is being carried out by NHAI.

- Budget 2023-24 highlights:
  - For FY24, the budgetary allocation for the Ministry of Development of North-eastern Region stood at Rs. 5892 crore (US\$ 711 million).
  - Rs. 2,200 crore (US\$ 265.5 million) allocated for Prime Ministers Development Initiative for North-East (PMDevINE) Scheme.
  - Rs. 2491 crore (US\$ 300.6 million) was allocated to Northeast Special Infrastructure Development Scheme (NESIDS). 100 PM-GatiShakti Cargo Terminals for multimodal logistics facilities will be developed over next three years.
- In June 2022 Mr. Nitin Gadkari, Minister of Road Transport and Highways inaugurated 15 National Highway projects in Patna and Hajipur in Bihar worth Rs. 13,585 crore (US\$ 1.75 billion)
- In October 2021, the Dubai government and India, inked an agreement to develop infrastructure such as industrial parks, IT towers, multipurpose towers, logistics centres, a medical college, and a specialised hospital in Jammu & Kashmir.

(Source: <https://www.ibef.org/industry/infrastructure-sector-india>)

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## BUSINESS OVERVIEW

*The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Red Herring Prospectus, including the information contained in the section titled “Risk Factors” beginning on page 28 of this Draft Red Herring Prospectus.*

*This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the section title “Risk Factors” and the chapters titled “Restated Financial Statement” and “Management Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page 28, 174 and 184 of this Draft Red Herring Prospectus.*

*In this chapter, unless the context requires otherwise, any reference to the terms “We”, “Us”, “Our” and “Prospect” are to M/s. Trafiksol ITS Technologies Limited. Unless stated otherwise, the financial data in this section is as per our Restated Financial Statements prepared in accordance with Indian Accounting Policies set forth in the Draft Red Herring Prospectus.*

### OVERVIEW

Our Company was incorporate on March 05, 2018, under the provisions of the Companies Act, 2013 vide Certificate of Incorporation issued by the Registrar of Companies, Central Registration Centre, with an object of providing comprehensive solutions for Intelligent Transportation Systems and Automation, including software development, consultancy, and supply services. Our offerings encompass ready-made and customized software solutions, operating systems, business applications, and computer games across all platforms. Our consultancy services focus on analyzing user needs and problems to deliver tailored software solutions, including made-to-order software and ongoing maintenance. Our company excels in every aspect of Intelligent Transportation Systems, spanning from initial requirements assessment and solution identification to seamless implementation, business integration, and system fine-tuning. With a wealth of expertise and adaptable strategies, we assist our clients in revitalizing and reshaping their enterprises for unparalleled success. Later on, company was converted into public limited company, the name of our Company was changed to “Trafiksol ITS Technologies Limited” and fresh Certificate of Incorporation dated May 18, 2024 was issued by the Registrar of Companies, Central Processing Centre.

TrafikSol ITS Technologies Limited has garnered a robust standing for providing top-tier industrial services to clientele throughout India. The company distinguishes itself by adeptly harmonizing business strategies with personnel and procedures, thereby guaranteeing that clients' strategic planning and execution yield favorable outcomes for their organizations. With an extensive array of consulting and design offerings, the company specializes in the design, administration, and incorporation of Intelligent Transportation Systems (ITS) for roads and tunnels. Its solutions are characterized by their security, resilience, and scalability, custom-crafted to precisely match the distinct requirements of clients in the domains of road infrastructure, tunnel management, and urban environments.

The team of Trafiksol is led by our visionary promoters, Jitendra Narayan Das and Poonam Das with a mission to provide exceptional, customized services. Post inception the company registered itself under the “Startup India Scheme” in the year 2019 with the Government of India. Our focus lies in creating integrated solutions, conducting structural health monitoring, optimizing traffic management, and ensuring seamless transportation system operations. With this vision our Company procured various ISO certification for Quality Management System, Environment Management System, Occupation Health and Safety Management System and Information Security Management System viz., ISO 9001:2015, ISO 14001:2015, 45001:2018 and ISO/IEC 27001:2013 respectively.

Trafiksol is a specialized EPC (Engineering, Procurement, and Construction) contractor that undertakes a variety of projects in fields such as Advanced Traffic Management Systems (ATMS), Toll Management Systems (TMS), and Tunnel Management Systems. As an EPC contractor, Trafiksol provides a full spectrum of services that encompass the design, engineering, procurement, and construction of large-scale infrastructure projects. This comprehensive approach ensures that all phases of the project are seamlessly integrated and managed by a single entity. Additionally, Trafiksol often handles the commissioning phase, ensuring that all systems are fully operational and meet the specified requirements before project completion. This turnkey solution is designed to streamline project execution, minimize risks, and deliver high-quality, efficient infrastructure solutions tailored to meet the specific needs of their clients.

Trafiksol ITS Technologies Limited contracts in traffic management, toll management, and tunnel management involve the design, implementation, and construction of infrastructure projects aimed at improving transportation efficiency, safety, and revenue collection. Advanced Traffic Management System (ATMS) involves the design, installation, and integration of Intelligent Transportation Systems (ITS) aimed at improving traffic flow, safety, and efficiency on roadways. These projects may include the implementation of traffic signal systems, dynamic message signs, traffic surveillance cameras, vehicle detection systems, and traffic management software. The company has ongoing ATMS projects like development of Six Lane Badakumari-Karki Section of NH-120-CD Road under Raipur-Visakhapatnam Economics Corridor, Four

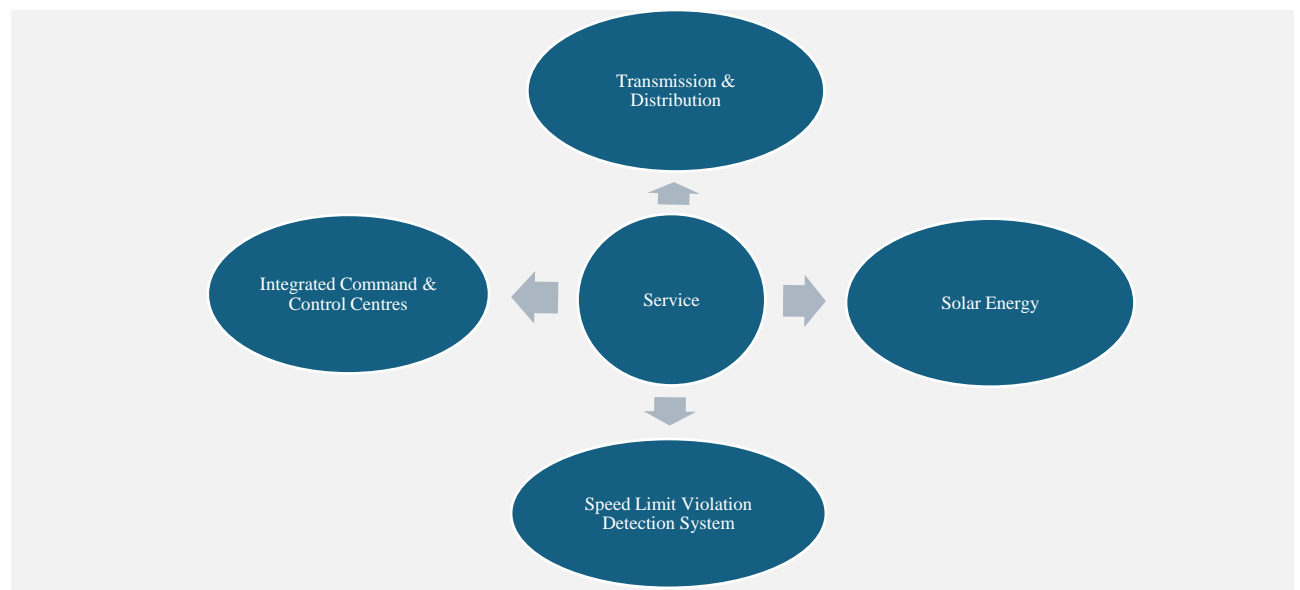
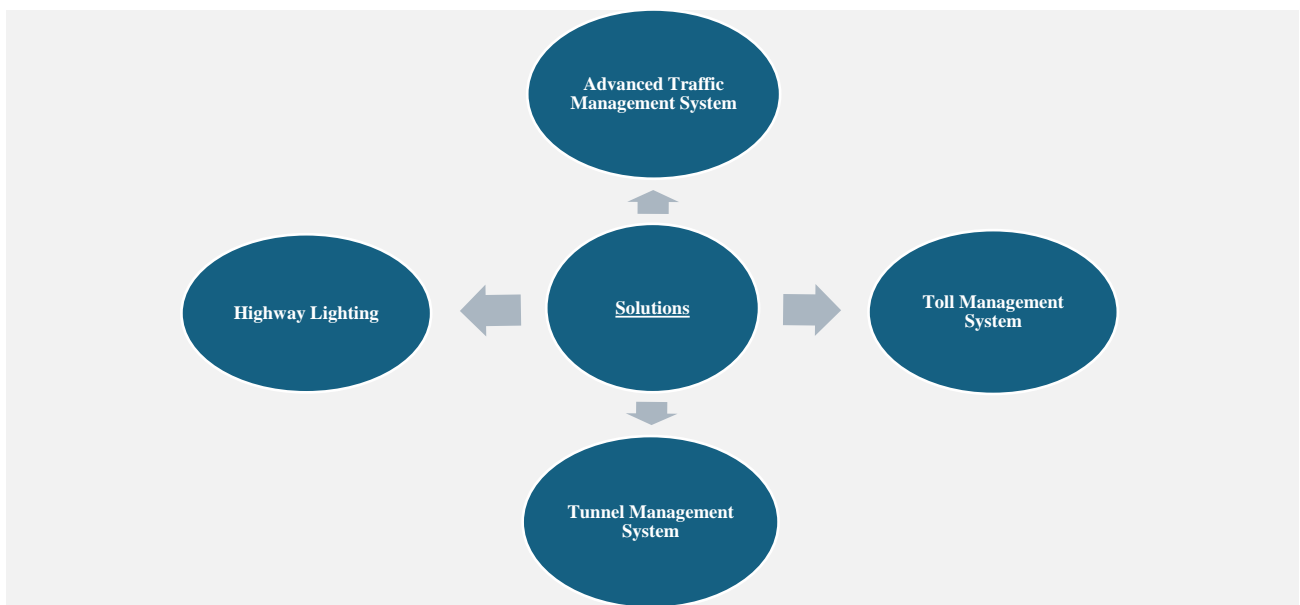


Lanning of Ahmednagar-Mirajgain-Karmala-Tembhurni section of NH-561 A under Bharatmala Pariyojana and Construction of 6-Lane access-controlled Greenfield highway as a part of Amritsar- Jamnagar Economic Corridor in the State of Rajasthan on EPC mode under Bharatmala Pariyojana (Phase-I).

Our Company’s contract in toll management involves the design, construction, and implementation of toll collection facilities and systems for highways, bridges, tunnels, and other tolled roadways. These projects may include the design and construction of toll plazas, toll booths, electronic toll collection (ETC) gantries, and back-office toll management systems. A few of the Toll Management Systems currently underway by our company are Rehabilitation and Up-gradation of Malkapur-Buldhana-Chikhli-Deulgaonraja-Jalna (Aurangabad) NH- 753-A Road [Section-II : At Takarkhed Bhagile to Jalna From Design Chainage for Design, Supply,Installation, Testing Commissioning and Maintenance of Toll Management System (TMS) and Rajasthan/ Gujarat Border section of NH-754K as a part of Amritsar-Jamnagar Economic Corridor in the State of Rajasthan for Design, Procurement, Installation, Commissioning and Operation & maintenance of Toll Management System and so on. Information of the ongoing projects in various segments under which the Company operates can be obtained form the website of the Company: [www.trafiksol.com](http://www.trafiksol.com)

TrafikSol ITS Technologies has expanded its expertise into the defense industry, becoming a leading provider of innovative and reliable solutions to meet the dynamic needs of defense organizations. With a commitment to enhancing defense capabilities, TrafikSol delivers cutting-edge technologies and services across various defense sectors, ensuring operational readiness and mission success.

## OUR SERVICES AND SOLUTIONS



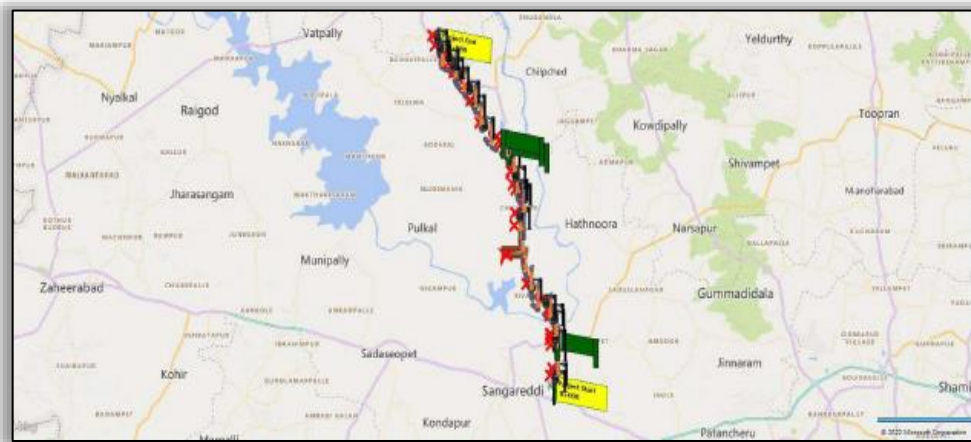
## ADVANCED TRAFFIC MANAGEMENT SYSTEM (ATMS)

An Advanced Traffic Management System (ATMS) is a sophisticated technological solution designed to enhance the efficiency, safety, and overall performance of traffic networks. Our Company has successfully implemented its Advanced Traffic Management System (ATMS) in a project aimed at optimizing traffic management in a bustling urban center. In this project, TrafikSol integrated real-time traffic monitoring, traffic signal control, incident management, and data analytics to effectively reduce traffic congestion, enhance the flow of vehicles, and improve overall safety on the city's roadways. This noteworthy project exemplifies our Company's commitment to creating smart traffic solutions that benefit cities and regions by easing traffic related challenges. The company has ongoing ATMS projects like development of Six Lane Badakumari-Karki Section of NH-120-CD Road under Raipur-Visakhapatnam Economics Corridor, Four Lanning of Ahmednagar-Mirajgain-Karmala-Tembhurni section of NH-561 A under Bharatmala Pariyojana and Construction of 6-Lane access-controlled Greenfield highway as a part of Amritsar- Jamnagar Economic Corridor in the State of Rajasthan on EPC mode under Bharatmala Pariyojana (Phase-I). Here are some key details about ATMS:

- 1. Traffic Monitoring and Surveillance:** ATMS typically integrates various sensors, cameras, and other monitoring devices placed strategically across roadways to gather real-time data on traffic conditions, including vehicle flow, speeds, congestion levels, and incidents.
- 2. Data Processing and Analysis:** The collected data is processed and analyzed using advanced algorithms and software tools. This analysis provides insights into traffic patterns, trends, and potential bottlenecks, enabling traffic managers to make informed decisions in real-time.
- 3. Traffic Control and Optimization:** ATMS enables traffic managers to remotely control and optimize traffic flow through the implementation of dynamic traffic signal control, variable message signs, ramp metering, and lane control strategies. These measures help alleviate congestion, improve traffic flow, and reduce travel times for commuters.
- 4. Incident Management:** ATMS provides tools for detecting and managing traffic incidents such as accidents, road hazards, and breakdowns. Automated incident detection systems can promptly identify incidents and alert traffic management personnel, allowing for quick response and mitigation to minimize disruptions.
- 5. Integrated Communication and Coordination:** ATMS often includes communication systems that facilitate coordination among various stakeholders involved in managing the transportation network, including transportation agencies, emergency services, and maintenance crews. This ensures a coordinated response to incidents and events affecting traffic flow.
- 6. Traveler Information Services:** ATMS disseminates real-time traffic information to commuters through various channels such as dynamic message signs, smartphone apps, and websites. This information helps travelers make informed decisions about route selection, mode of transportation, and departure times, thereby reducing travel delays and improving overall satisfaction.
- 7. Adaptive and Predictive Capabilities:** Advanced ATMS solutions may incorporate adaptive control algorithms and predictive analytics to anticipate future traffic conditions based on historical data, weather forecasts, and special events. By proactively adjusting traffic management strategies, ATMS can mitigate potential congestion and improve overall network performance.
- 8. Scalability and Flexibility:** ATMS solutions are designed to be scalable and adaptable to accommodate evolving transportation needs and technological advancements. They can be tailored to suit the specific requirements of different regions, urban areas, and transportation networks.

Overall, an Advanced Traffic Management System represents a comprehensive approach to optimizing traffic operations, improving safety, and enhancing the overall efficiency of transportation networks in urban and metropolitan areas.

ADVANCED TRAFFIC MANAGEMENT SYSTEM



The screenshot displays the TrafkSOI web application interface. At the top, there is a navigation bar with various icons and user information. Below this is a table with the following columns: Sr.No, Equipment Name, Foundation Status, Equipment Installation, Power Status, Connectivity Status, Functional Status, Action Plan, Remarks, and Recommendation. The table contains 10 rows of data, all with 'COMPLETE' status for Foundation and Equipment Installation, and 'YES' for Power, Connectivity, and Functional Status. The Action Plan and Remarks columns are mostly empty, with some entries like 'No action' and 'Not Completed'. The Recommendation column for all rows is 'Available'.

Sr.No	Equipment Name	Foundation Status	Equipment Installation	Power Status	Connectivity Status	Functional Status	Action Plan	Remarks	Recommendation
1	ECB-0044-07-008-008	COMPLETE	COMPLETE	YES	NO	NO	No action		Available
2	ECB-0044-07-008-009	COMPLETE	COMPLETE	NO	NO	NO			Available
3	ECB-0044-05-008-005	COMPLETE	COMPLETE	NO	NO	NO	No action	No remarks	Available
4	ECB-0044-05-008-006	COMPLETE	COMPLETE	NO	NO	NO	No action	Not Completed	Available
5	N&C-0003-22-008-003	COMPLETE	COMPLETE	YES	YES	YES			Available
6	N&C-0003-22-008-004	COMPLETE	COMPLETE	YES	YES	YES			Available
7	TTES-0003-22-008-007	COMPLETE	COMPLETE	YES	YES	YES			Available
8	TTES-0003-22-008-008	COMPLETE	COMPLETE	YES	YES	YES			Available
9	N&C-0003-22-008-005	COMPLETE	COMPLETE	YES	YES	YES			Available
10	ECB-0044-09-008-009	COMPLETE	COMPLETE	YES	YES	YES			Available





## TOLL MANAGEMENT SYSTEM

Our Company implemented a Toll Management System (TMS) that drastically reduced congestion at the toll booths, improved the efficiency of toll collection, and enhanced the overall experience for commuters. This project serves as a testament to our Company's dedication to facilitating smooth revenue collection and supporting the growth of vital infrastructure within the region. Toll Management System (TMS) is a comprehensive set of technologies and processes designed to facilitate the efficient collection of tolls on highways, bridges, tunnels, and other tolled roadways. A few of the Toll Management Systems currently underway by our company are Rehabilitation and Up-gradation of Malkapur-Buldhana-Chikhli-Deulgaonraja-Jalna (Aurangabad) NH- 753-A Road [Section-II : At Takarkhed Bhagile to Jalna From Design Chainage for Design, Supply, Installation, Testing Commissioning and Maintenance of Toll Management System (TMS) and Rajasthan/ Gujarat Border section of NH-754K as a part of Amritsar-Jamnagar Economic Corridor in the State of Rajasthan for Design, Procurement, Installation, Commissioning and Operation & maintenance of Toll Management System and so on.

Here are the key components and functions of a typical Toll Management System:

1. **Toll Collection Devices:** TMS incorporates various toll collection devices such as toll booths, electronic toll collection (ETC) gantries, and automatic vehicle identification (AVI) systems. These devices are strategically placed along the roadway to capture toll payments from vehicles passing through designated tolling points.
2. **Electronic Toll Collection (ETC):** ETC systems enable vehicles equipped with electronic toll tags or transponders to pay tolls electronically without the need to stop at toll booths. As vehicles pass through ETC lanes or gantries, the toll amount is automatically deducted from the driver's prepaid toll account, facilitating seamless and efficient toll payment processing.

3. **Manual Toll Collection:** In addition to electronic toll collection, TMS often includes manual toll collection lanes staffed by toll attendants who collect toll payments from vehicles in cash or via electronic payment methods such as credit/debit cards.
4. **Toll Plaza Operations:** TMS manages the operations of toll plazas, including lane management, traffic flow optimization, and toll booth staffing. Advanced TMS solutions may employ dynamic lane assignment algorithms to adjust lane configurations based on traffic volumes and demand patterns, minimizing congestion and wait times.
5. **Violation Enforcement:** TMS incorporates enforcement mechanisms to address toll evasion and enforce compliance with toll payment regulations. This may involve the use of automated license plate recognition (ALPR) systems to identify vehicles with unpaid tolls or violations, leading to the issuance of fines or penalties.
6. **Transaction Processing and Settlement:** TMS processes toll transactions in real-time, recording toll payments and generating transaction records for reconciliation and settlement purposes. This includes the aggregation of toll revenues, reconciliation with toll operators, and distribution of revenues to relevant stakeholders.
7. **Customer Service and Account Management:** TMS includes customer service functionalities to support toll account management, account inquiries, and dispute resolution. Toll customers can access online portals or customer service centers to manage their toll accounts, view transaction history, and update account information.
8. **Data Analytics and Reporting:** TMS generates comprehensive data analytics and reporting tools to monitor tolling operations, analyze traffic patterns, and assess revenue performance. These insights enable toll authorities to optimize tolling strategies, improve operational efficiency, and make data-driven decisions.

Overall, a Toll Management System plays a crucial role in facilitating efficient toll collection, ensuring compliance with tolling regulations, and enhancing the overall effectiveness of transportation infrastructure financing and management.



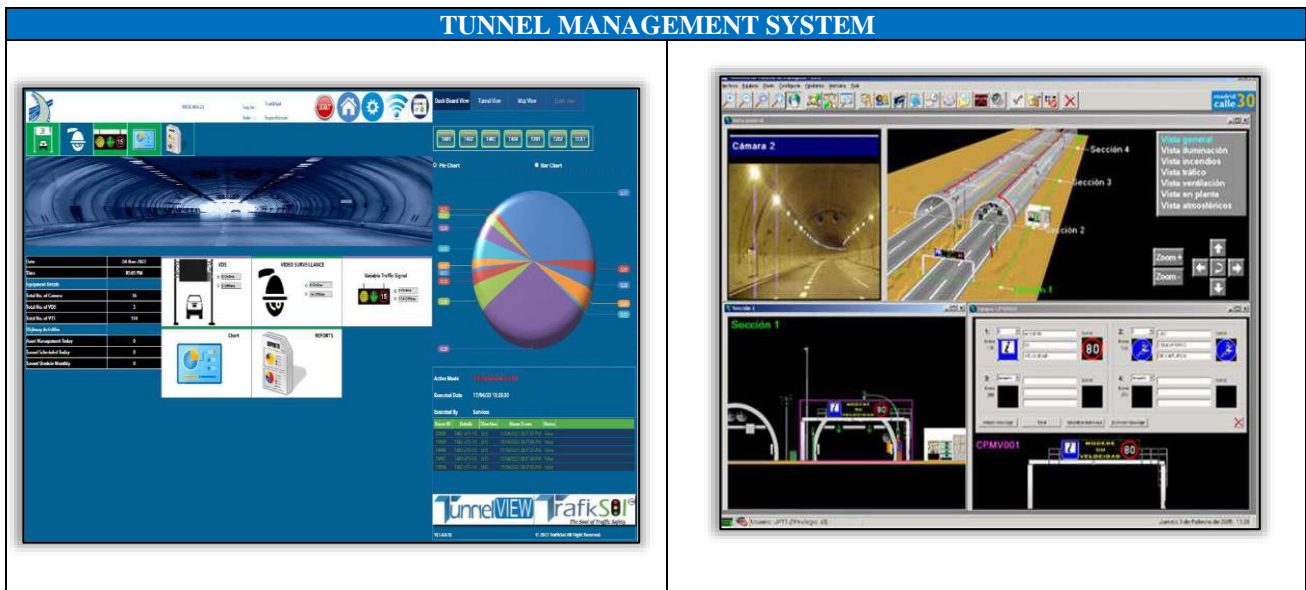


## TUNNEL MANAGEMENT SYSTEM

A Tunnel Management System is a comprehensive set of technologies, processes, and procedures designed to ensure the safe and efficient operation of road tunnels. Our Company's Tunnel Management System (TNMS) represents a cutting-edge solution designed to enhance the safety and efficiency of tunnel operations. Here are the key features and functionalities of this state-of-the-art system:

1. **Real-time Monitoring:** Our Company’s TNMS incorporates advanced sensor technologies and surveillance systems to monitor traffic conditions and environmental parameters within the tunnel in real-time. This includes monitoring vehicle flow, speeds, congestion levels, air quality, and temperature.
2. **Emergency Response:** The TNMS includes robust emergency response capabilities, enabling swift detection and management of incidents within the tunnel, such as accidents, fires, or other emergencies. Automated incident detection systems promptly identify incidents and trigger appropriate response protocols.
3. **Ventilation Control:** Our Company’s TNMS features sophisticated ventilation control systems to manage airflow and control smoke in the event of a fire or other hazardous situations. These ventilation systems help maintain safe conditions for tunnel users and emergency responders, minimizing the risk of smoke inhalation and facilitating effective evacuation.
4. **Safety Improvement:** By integrating real-time monitoring, emergency response, and ventilation control capabilities, TrafikSol's TMS significantly enhances safety for tunnel users. The system enables proactive incident management and reduces response times, thereby minimizing the impact of incidents and ensuring the safety of motorists.
5. **Minimized Downtime:** With its comprehensive monitoring and rapid response capabilities, TrafikSol's TMS minimizes downtime resulting from incidents within the tunnel. Prompt detection and effective management of incidents help reduce disruptions to traffic flow and ensure uninterrupted operation of the tunnel.
6. **Operational Efficiency:** The implementation of TNMS enhances the overall efficiency of tunnel operations. By streamlining monitoring, incident response, and ventilation control processes, the system optimizes the use of tunnel infrastructure and resources, improving operational performance and reliability.
7. **Focus on Safety and Excellence:** TrafikSol's introduction of the Tunnel Management System underscores its commitment to safety and operational excellence in critical infrastructure projects. By leveraging state-of-the-art technology and expertise, TrafikSol demonstrates its dedication to enhancing the safety and efficiency of transportation infrastructure for the benefit of all stakeholders.

In summary, our Company’s Tunnel Management System represents a comprehensive and advanced solution for ensuring the safety, reliability, and efficiency of tunnel operations, underscoring the company's focus on safety and operational excellence in critical infrastructure projects.







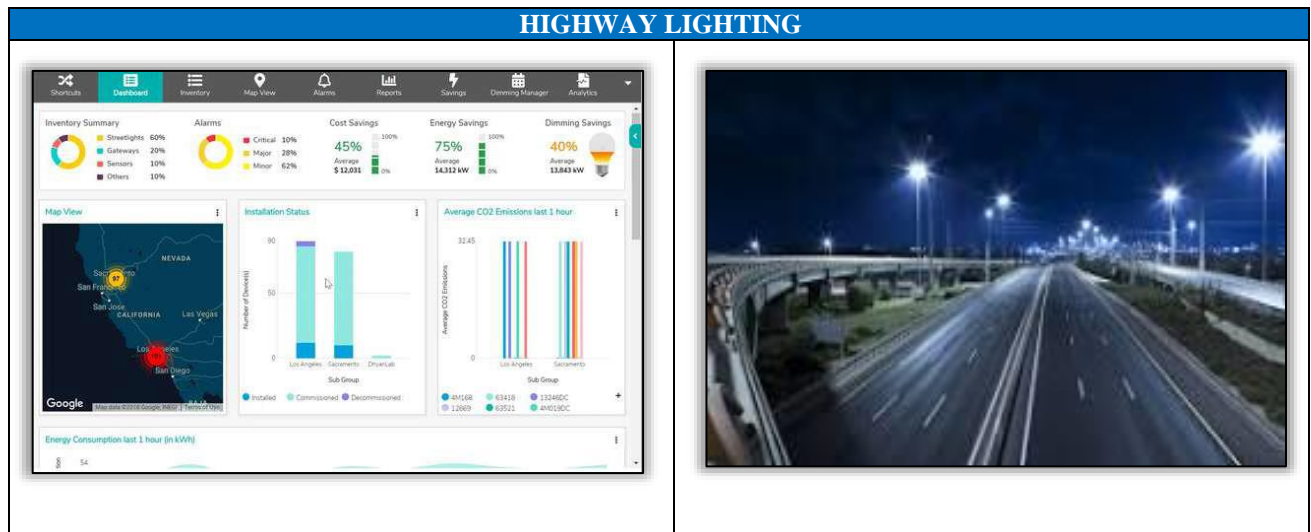
## HIGHWAY LIGHTING

Our Company has consistently demonstrated its commitment to enhancing highway safety and sustainability through proactive initiatives. In this endeavor, the company spearheaded the implementation of energy-efficient LED lighting solutions, marking a significant stride towards bolstering safety measures and promoting environmental responsibility. The focal point of this project was the installation of cutting-edge LED lighting systems along the highway corridor. These state-of-the-art lighting fixtures not only provided superior visibility for drivers, particularly during nighttime and adverse weather conditions but also played a pivotal role in enhancing overall road safety. By illuminating the roadway with clarity and consistency, the LED lighting upgrades significantly reduced the risk of accidents and incidents, thereby fostering a safer commuting environment for motorists and pedestrians alike.

Moreover, the transition to energy-efficient LED lighting brought about notable sustainability benefits, aligning with our broader environmental stewardship objectives. Compared to traditional lighting technologies, LED fixtures consume substantially less energy while delivering equivalent or superior illumination levels. This resulted in tangible reductions in energy consumption and associated carbon emissions, making a positive contribution towards mitigating the environmental impact of highway infrastructure operations.

Beyond the environmental advantages, the adoption of LED lighting also yielded significant cost savings in terms of maintenance and operational expenditures. LED fixtures are renowned for their durability and longevity, requiring minimal maintenance and replacement compared to conventional lighting systems. As a result, the project generated substantial reductions in maintenance costs over the long term, contributing to enhanced operational efficiency and fiscal sustainability for highway authorities. This transformative project exemplifies TrafikSol's unwavering dedication to creating well-lit, environmentally sustainable roadways that serve the best interests of the region and its commuters. By leveraging innovative

technologies and sustainable practices, the company continues to play a pivotal role in shaping the future of transportation infrastructure, fostering safer, greener, and more resilient communities for generations to come.



## TRANSMISSION & DISTRIBUTION

At TrafikSol ITS Technologies, we provide comprehensive Transmission and Distribution services that cover the entire project lifecycle. Our expertise includes the design and sourcing of Extra High Voltage Transmission Lines up to 220KV. We take pride in offering turnkey solutions, starting from initial site surveys, progressing through foundation laying and tower erection, and culminating in the meticulous testing and commissioning of transmission lines. Our commitment is to ensure reliable and efficient energy distribution while maintaining the integrity and reliability of power transmission projects.

Our approach begins with thorough site surveys to assess the unique requirements and challenges of each project. We then move on to the design phase, where our team of skilled engineers creates robust and efficient plans tailored to the specific needs of the project. Sourcing high-quality materials is a crucial step, ensuring that our transmission lines can withstand the demands of high-voltage operations. Foundation laying and tower erection are carried out with precision, adhering to stringent safety and quality standards. Our experienced construction teams work diligently to build strong, stable structures that form the backbone of our transmission systems. Once the physical infrastructure is in place, we conduct rigorous testing and commissioning procedures to ensure that every component functions flawlessly and meets all regulatory requirements.

By offering these comprehensive services under one roof, we streamline the process, reduce potential delays, and provide our clients with a single point of accountability. This holistic approach not only enhances the efficiency of energy distribution but also ensures the long-term reliability and sustainability of the power transmission network. We are dedicated to delivering excellence in every phase of our Transmission and Distribution projects, reinforcing our commitment to advancing energy infrastructure and supporting the growth of our clients' operations.

## SOLAR ENERGY

Our Company is in process of extending its expertise to the field of Solar Energy solutions, offering end-to-end services that cover every aspect of solar projects. Our capabilities encompass the design, sourcing, installation, and commissioning of solar energy systems, ensuring a seamless transition to renewable and sustainable energy sources. From initial site assessments to system design, equipment procurement, and the final commissioning of solar arrays, we provide complete turnkey solutions.

We start with thorough site assessments to determine the optimal location and configuration for the solar energy system. Our experienced engineers then create customized system designs that maximize efficiency and performance. Sourcing high-quality solar panels and related equipment is a crucial step in our process, ensuring that every component meets the highest standards of reliability and efficiency.

The installation phase is handled by our skilled technicians, who ensure that each solar array is installed with precision and care. Safety and quality are our top priorities throughout the installation process. Once the physical infrastructure is in place, we conduct rigorous testing and commissioning procedures to verify that the system operates at peak performance and meets all regulatory requirements. Our commitment lies in facilitating the adoption of solar energy, contributing to a greener and more sustainable future. By providing reliable and efficient solar energy solutions, we

help our clients reduce their carbon footprint and achieve their sustainability goals.

## SPEED LIMIT VIOLATION DETECTION SYSTEM

At TrafikSol, we are dedicated to promoting safer roadways through our Speed Limit Violation Detection Systems. The Speed Limited Violation Detection System also forms part of our ATMS projects. We offer comprehensive services that cover every aspect of speed limit violation detection, from system design and equipment sourcing to installation and real-time data collection. Our expertise lies in providing turnkey solutions for live monitoring, ensuring the continuous assessment of vehicle speeds and the prompt detection of violations.

Our process begins with the design of tailored speed detection systems that meet the specific needs of each roadway. We carefully source high-quality equipment that ensures accurate and reliable speed monitoring. Our skilled technicians handle the installation, ensuring that all components are set up correctly and efficiently. Once the system is operational, we focus on real-time data collection and live monitoring. This allows for ongoing assessment of vehicle speeds, enabling quick detection of any speed limit violations. Our systems are designed to support the enforcement of speed regulations, helping to reduce accidents and enhance road safety.

At TrafikSol, our commitment is to protect both drivers and pedestrians by promoting responsible and secure road usage. By implementing our Speed Limit Violation Detection Systems, we contribute to safer and more efficient transportation networks. We strive to be a trusted partner in enhancing road safety and ensuring that speed regulations are effectively enforced, thereby improving the overall safety of our transportation infrastructure.

## INTEGRATED COMMAND AND CONTROL CENTERS

At TrafikSol, we specialize in Integrated Command and Control Centers (ICCC). Our ICCC solutions incorporate state-of-the-art technology for monitoring, analytics, and real-time control, designed to enhance operational efficiency, safety, and security. We offer turnkey solutions for central command centers, providing comprehensive services from initial design and equipment sourcing to installation and ongoing support.

Our approach begins with a detailed assessment of your specific needs and operational goals. We then design a tailored command center that integrates advanced monitoring and analytics technologies. By sourcing high-quality equipment, we ensure that the command center is equipped with the latest tools for effective real-time control and data management.

The installation process would be handled by our experienced technicians who ensure that all systems are correctly implemented and fully operational. Once the command center is up and running, we focus on optimizing its performance through continuous monitoring and analytics. This allows for real-time control and informed, data-driven decision-making to optimize operations and mitigate risks. With TrafikSol's Integrated Command and Control Centers, you can enhance the coordination and efficiency of your operations. Our solutions are adaptable and scalable, designed to align with the demands of a connected world. We strive to be a reliable partner in crafting integrated command centers that support your organization's needs and help you respond effectively to dynamic challenges. With the proposed IPO proceeds we plan to integrate ICCC into main line of business.

## DEFENSE SERVICES

At TrafikSol ITS Technologies, we offer a comprehensive suite of solutions designed to meet the evolving needs of defense organizations. Our focus on innovation and reliability drives us to deliver cutting-edge technologies and services that enhance defense capabilities across various domains.

**Aircraft Spares Supply:** Ensuring operational readiness is crucial for defense aviation operations. Our aircraft spares supply service provides a wide range of critical components essential for maintaining and supporting defense aircraft. We understand the importance of reliability and precision in aviation, which is why we source and deliver only the highest quality parts to keep aircraft operational and mission-ready.

**Maritime Support Services:** Our maritime support services encompass a broad range of solutions to support naval operations. We offer deep-sea system deployment and maintenance, ensuring that maritime defense systems are installed and maintained with the highest standards. Our expert in-house diving team is equipped to handle complex underwater tasks, providing reliable support in various maritime environments. Whether it's system installation, routine maintenance, or emergency repairs, our services are designed to ensure the operational integrity of maritime defense assets.

**Ground Support Maintenance:** Keeping ground support systems operational is vital for overall mission readiness. We provide comprehensive maintenance and supply services for ground support equipment, delivering essential tools and support to maintain critical infrastructure. Our services include regular maintenance, emergency repairs, and the

provision of necessary equipment to ensure that ground operations continue smoothly and efficiently.

At TrafikSol ITS Technologies, we are committed to advancing defense capabilities through our dedicated services and innovative solutions. Our expertise across aircraft spares supply, maritime support, and ground support maintenance enables us to support defense organizations effectively, ensuring they are well-equipped to meet their operational goals and challenges. Our goal is to be a reliable partner in enhancing the operational readiness and efficiency of defense forces, contributing to their overall mission success.

## KEY PERFORMANCE INDICATORS OF OUR COMPANY\*

### As per Restated Consolidated Financial Statements

(₹ in Lakhs)

Key Financial Performance	For the year ended March 31		
	2024	2023	2022
Revenue from Operations <sup>(1)</sup>	6,581.12	3,629.59	2,791.21
EBITDA <sup>(2)</sup>	1,778.35	501.96	247.41
EBITDA Margin (%) <sup>(3)</sup>	27.02%	13.83%	8.86%
PAT	1,209.30	477.85	205.19
PAT Margin (%) <sup>(4)</sup>	18.38%	13.17%	7.35%
Return on equity (%) <sup>(5)</sup>	52.33%	49.27%	32.66%
Return on capital employed (%) <sup>(6)</sup>	26.23%	30.71%	21.08%
Debt-Equity Ratio (times) <sup>(7)</sup>	0.31	0.66	0.69
Net fixed asset turnover ratio (times) <sup>(8)</sup>	26.71	27.01	116.72
Current Ratio (times) <sup>(9)</sup>	3.00	1.91	1.98

\*As certified by M/s Vijay Darji & Associates, Chartered Accountants, by way of their certificate dated May 20, 2024.

#### Notes:

1. Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business.
2. EBITDA provides information regarding the operational efficiency of the business.
3. EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.
4. PAT Margin (%) is an indicator of the overall profitability and financial performance of the business.
5. Return on equity (ROE) is a measure of financial performance.
6. Return on capital employed is a financial ratio that measures our company's profitability in terms of all of its capital.
7. Debt / Equity Ratio is used to measure the financial leverage of the Company and provides comparison benchmark against peers.
8. Net fixed asset turnover ratio is indicator of the efficiency with which our company is able to leverage its assets to generate revenue from operations.
9. The current ratio is a liquidity ratio that measures our company's ability to pay short-term obligations or those due within one year.

### As per Restated Standalone Financial Statements

(₹ in Lakhs)

Key Financial Performance	For the year ended March 31		
	2024	2023	2022
Revenue from Operations <sup>(1)</sup>	6,581.12	3,629.59	2,791.21
EBITDA <sup>(2)</sup>	1,770.35	495.16	252.52
EBITDA Margin (%) <sup>(3)</sup>	26.90%	13.64%	9.05%
PAT	1,201.30	471.05	210.31
PAT Margin (%) <sup>(4)</sup>	18.25%	12.98%	7.53%
Return on equity (%) <sup>(5)</sup>	52.12%	48.49%	33.34%
Return on capital employed (%) <sup>(6)</sup>	42.47%	30.66%	21.54%
Debt-Equity Ratio (times) <sup>(7)</sup>	0.31	0.66	0.69
Net fixed asset turnover ratio (times) <sup>(8)</sup>	26.71	27.01	116.72
Current Ratio (times) <sup>(9)</sup>	3.00	1.91	1.98

\*As certified by M/s Vijay Darji & Associates, Chartered Accountants, by way of their certificate dated May 20, 2024.

#### Notes:

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3. EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.
4. PAT Margin (%) is an indicator of the overall profitability and financial performance of the business.
5. Return on equity (ROE) is a measure of financial performance.
6. Return on capital employed is a financial ratio that measures our company's profitability in terms of all of its capital.
7. Debt / Equity Ratio is used to measure the financial leverage of the Company and provides comparison benchmark against peers.
8. Net fixed asset turnover ratio is indicator of the efficiency with which our company is able to leverage its assets to generate revenue from operations.
9. The current ratio is a liquidity ratio that measures our company's ability to pay short-term obligations or those due within one year.
10. Net Profit Margin (also known as "Profit Margin" or "Net Profit Margin Ratio") is a financial ratio used to calculate the percentage of profit our company produces from its total revenue.

## FINANCIAL SUMMARY

**Our Key Financial and other Operational Performance Indicator relevant to our business are:**

**As per Restated Consolidated Financial Statements**

(₹ in Lakhs)

Particulars	Financial Year ended March 31,		
	2024	2023	2022
Revenue from operations	6,581.12	3,629.59	3,629.59
EBITDA	1,778.35	501.96	247.41
Restated profit after tax	1,209.30	477.85	205.19
Current Assets	5,952.70	3,100.27	2,259.86
Current Liabilities	1,985.47	1,621.51	1,143.81
Short term Loans	609.33	62.54	32.46
Long term Loans	-	-	-
Total Borrowings	1,050.24	798.70	506.42
Net Worth	3,412.62	1,208.79	730.94
Basic & Diluted earnings per Equity Share with a nominal value of ₹10 (Pre-Bonus) (in ₹)	6.77	477.85	205.19
Basic & Diluted earnings per Equity Share with a nominal value of ₹10 (Post-Bonus in ₹)	19.11	6.77	4.10
Return on net worth (%)	35.44%	39.53%	28.07%
Net Asset Value per Equity share as Restated (Pre-Bonus) (in ₹)	19.11	1,208.79	730.94
Net Asset Value per Equity share as Restated (Post-Bonus in ₹)	19.11	6.77	4.10
Total Debt Equity Ratio	0.31	0.66	0.69

**As per Restated Standalone Financial Statements**

(₹ in Lakhs)

Particulars	Financial Year ended March 31,		
	2024	2023	2022
Revenue from operations	6,581.12	3629.59	2,791.21
EBITDA	1,770.35	495.16	252.52
Restated profit after tax	1,201.30	471.05	210.31
Current Assets	5,952.70	3,100.27	2,259.86
Current Liabilities	1,985.47	1,621.51	1,143.81

Particulars	Financial Year ended March 31,		
	2024	2023	2022
Short term Loans	609.33	62.54	32.46
Long term Loans	-	-	-
Total Borrowings	1,050.24	798.70	506.42
Net Worth	3,402.82	1,206.99	735.94
Basic & Diluted earnings per Equity Share with a nominal value of ₹ 10 (Pre-Bonus) (in ₹)	6.73	471.05	210.31
Basic & Diluted earnings per Equity Share with a nominal value of ₹ 10 (Post-Bonus in ₹)	6.73	2.64	1.18
Return on net worth (%)	35.30%	39.03%	28.58%
Net Asset Value per Equity share as Restated (Pre-Bonus) (in ₹)	19.05	1,206.99	735.94
Net Asset Value per Equity share as Restated (Post-Bonus in ₹)	19.05	6.76	4.12
Total Debt Equity Ratio	0.31	0.66	0.69

**Geographic Financial summary in terms of Business Segment: -**
*(₹ in Lakhs)*

Industry Segment	March 31, 2024	%	March 31, 2023	%	March 31, 2022	%
Uttar Pradesh	3,801.71	57.77%	1,504.22	41.44%	709.31	25.41%
Odisha	2,065.72	31.39%	1,092.36	30.10%	866.07	31.03%
Himachal Pradesh	216.46	3.29%	495.95	13.66%	417.79	14.97%
Rajasthan	497.23	7.55%	141.09	3.89%	74.62	2.67%
Andhra Pradesh	-	-	401.37	11.06%	460.19	16.49%
Madhya Pradesh	-	-	(5.40)	(0.15%)	205.08	7.35%
Uttarakhand	-	-	-	-	58.15	2.08%
<b>Total</b>	<b>6,581.12</b>	<b>100.00%</b>	<b>3,629.59</b>	<b>100.00%</b>	<b>2,791.21</b>	<b>100.00%</b>

**Service/ Solution wise bifurcation of Revenue are tabulated as follows:**
*(₹ in Lakhs)*

Industry Segment	March 31, 2024	%	March 31, 2023	%	March 31, 2022	%
ATMS	1,155.48	17.56%	1,698.41	46.79%	1,188.09	42.57%
TMS	736.28	11.19%	289.17	7.97%	569.57	20.41%
Electrical Work	2,015.87	30.62%	1,079.08	29.73%	615.76	22.05%
ITCS	216.46	3.29%	475.54	13.10%	417.79	14.97%
Defense	2,205.30	33.51%	-	-	-	-
Others	251.73	3.83%	87.39	2.41%	-	-
<b>Total</b>	<b>6,581.12</b>	<b>100.00%</b>	<b>3,629.59</b>	<b>100.00%</b>	<b>2,791.21</b>	<b>100.00%</b>

**OUR COMPETITIVE STRENGTHS**
***Deployment Agnostic***

Our cutting-edge platform has been meticulously designed to cater to diverse client requirements, ensuring flexibility and agility at every stage. With a view to providing seamless integration and a superior user experience, we have ensured that our platform is highly deployable across a wide range of options, including cloud, on-premises and hybrid models. Our platform has been tailored to align with the regulatory and compliance requirements of central banks, offering a truly agnostic solution that can be easily adapted to local guidelines. Whether it is cloud-based, on-premises, or a hybrid deployment that our clients seek, we can seamlessly integrate, provide the flexibility and scalability our clients need to thrive in the digital era.

***Experienced promoters and management team***

We are led by a qualified and experienced management team that has the expertise and vision to manage and grow our business and promote our sustainability goals. Our promoters, Jitendra Narayan Das, Chairman and Managing Director

Poonam Das, Whole time Director lead the team with a deep understanding of the intricacies of the market, enabling us to anticipate trends, navigate challenges, and capitalize on opportunities effectively. Their track record of success speaks volumes, instilling confidence in our stakeholders and setting us apart from competitors. By leveraging their expertise, we can drive innovation, foster sustainable growth, and consistently deliver value to our customers, partners, and investors. In essence, our seasoned professionals serve as the cornerstone of our competitive advantage, positioning us for continued success in the dynamic landscape of the Trafiksol Business

Our management and employee team combines and experience to outline plans for the future development of the company. Industry knowledge and understanding also gives us the key competitive advantage enabling us to expand our geographical and customer presence in existing as well as target markets, while exploring new growth avenues. We have an experienced management team with significant experience in the industry. For details, relating to the experience of our promoter and management, please see the chapters titled, “*Our Management*” and “*Our Promoters and Promoter Group*” beginning on page 150 and 165 of this Draft Red Herring Prospectus. We believe this facilitates effective operational coordination and continuation of business strategies. Their individual industry experience enables us to anticipate and address market trends, manage and grow our operations.

#### ***Established relationships with customer base***

We strive to improve our performance and ability to build longstanding relationships with our customers. This has been made possible by virtue of our adaptability to changing customer needs and our ability to service product lines right through their life cycle. Our product portfolio has helped us forge strong relationships with our major clients. We have established and will continue to focus on strengthening longstanding relationships with well-known customers across various industries that we cater to. We have a number of companies as our customers across industry vertical, thus indicating the quality of our client base. The varied applications of our products have helped us build a wide customer base across many end-use industries. From idea to design to development and deployment, our proven consulting and development methodologies enable us to consistently deliver powerful and scalable software systems, on time and on budget. This is complemented by a strong client value delivery process, with strong focus on up-selling and cross-selling.

#### ***Building-up as a Professional Organisation***

We believe for a business to grow beyond a certain size, it needs to be run as a professional organisation. No organisation run in a promoter-centric or an unorganised structure can become a large business. We believe in transparency, commitment and coordination in our work, with all our stakeholders. We have the right blend of experienced and dynamic team and staff which takes care of our day-to-day operations. We also consult with external agencies on a case to case basis on technical and financial aspects of our business.

#### ***Expanding Our Clientele Network by Geographic expansion***

We believe that our growth in other states in the country can fetch us new business expansion and opportunities. Presently, our Training units in Patna we need to expand either directly or through Franchise. Going forward we intend to establish our presence in few locations in the country. Our emphasis is on scaling up of our operations in other markets which will provide us with attractive opportunities to grow our client base and revenues.

#### ***Integrated structure with in-house capabilities to undertake most of the activities related to our projects including traffic study expertise and revenue forecasting capabilities***

We undertake most of the activities related to our toll collection as well as OMT projects in-house, including tendering for the project, conducting traffic survey, forecasting revenue, achieving financial closure and collection of toll. This helps us in reducing our reliance on sub-contractors and third parties and decreases our costs. We, however, use sub-contractors from time to time for the maintenance activities part of our OMT projects.

Our in-house business development team prepares tendering documents for all our bids. Our ability to tender appropriately for our projects depends significantly on the assessment of the future traffic patterns and the amount of toll to be collected. We have developed an in-house traffic survey team, which has dual responsibility of conducting pre-bidding traffic surveys as well as monitoring loss in revenue on account of non-paying vehicles for ongoing projects. Further, for our OMT projects, we undertake engineering study which includes carrying out road condition and inventory survey of the project roads, identifying portions subject to frequent damage, inspection of major and minor structures on the project roads which involve maintenance requirements and preparation of maintenance expenditure. The engineering study is undertaken by our in-house experts with the help of third party engineering consultancy service providers who are engaged primarily for the purpose of undertaking studies regarding road condition, inspection of structures and preparing maintenance expenditure.

#### ***Ability to achieve financial closure for projects***

Commercial operation of a project is typically commenced only upon achieving financial closure and our ability to achieve financial closure for our projects is demonstrated by the number of projects completed by us over the past years. We finance the payments to be made to the authorities for our projects by way of fund based as well as non-fund based loan facilities from banks/financial institutions. Our ability to obtain adequate financing for our projects provides us with increased availability of funds for our business development and other expansion activities.

### **Diversified Portfolio of Services offered**

Our diversified portfolio of services sets us apart in the market, offering comprehensive solutions tailored to meet the evolving needs of our clients. From ATMS solutions to Toll and Tunnel Management Solutions to renewable energy solutions, our array of offerings caters to various sectors, providing a one-stop-shop for businesses seeking efficiency and sustainability. This breadth of services not only enhances our value proposition but also enables us to capture opportunities across multiple industries, mitigating risks associated with market fluctuations. By continually expanding and refining our portfolio, we remain agile and responsive to emerging trends.

## **OUR BUSINESS STRATEGY**

### ***Technological Innovation and Integration***

At TrafikSol ITS Technologies, we prioritize embracing emerging technologies to drive our operations and deliver superior solutions. We are committed to integrating Artificial Intelligence (AI) and Machine Learning (ML) into our processes to enhance decision-making and operational efficiency. These technologies are crucial for developing autonomous systems, intelligent supply chains, and providing real-time analytics. Furthermore, our digital transformation initiatives leverage Internet of Things (IoT), Big Data analytics, and cloud computing to optimize operations and improve predictive maintenance, ensuring we stay competitive in a rapidly changing industry. We also adopt additive manufacturing, utilizing 3D printing technologies to produce lightweight, durable components that enhance operational efficiency and reduce production costs.

### ***Sustainability and Renewable Energy Integration***

Sustainability is a core focus for TrafikSol ITS Technologies. We are expanding our offerings in the field of solar energy solutions, providing comprehensive services from design to commissioning. By promoting the adoption of renewable energy practices within the defense and ITS sectors, we aim to reduce carbon footprints and contribute to environmental conservation. Additionally, we implement energy-efficient solutions, such as LED lighting in highway projects, to improve visibility, reduce energy consumption, and lower maintenance costs. These initiatives are aligned with our commitment to creating greener and more sustainable infrastructure.

### ***Comprehensive Defense Solutions***

Our defense segment is dedicated to enhancing the capabilities of defense organizations through reliable and innovative solutions. We ensure operational readiness in defense aviation by providing a wide range of critical aircraft spares. Our maritime support services, including deep-sea system deployment and maintenance, are designed to meet the rigorous demands of naval operations. For ground support, we deliver essential equipment and maintenance services to keep systems operational and ensure mission readiness. By integrating advanced technologies and strengthening cybersecurity measures, we enhance decision-making and operational effectiveness in defense applications.

### ***Integrated Command and Control Centers (ICCC)***

TrafikSol's ICCC solutions incorporate advanced technology for monitoring, analytics, and real-time control to optimize operations and enhance safety. Our turnkey solutions for central command centers are designed to improve operational efficiency and security across various infrastructure projects. By utilizing real-time data collection and analytics, we enable data-driven decision-making, optimize operations, and mitigate risks, ensuring the seamless functioning of transportation systems and other critical infrastructures.

### ***Risk Management and Mitigation***

Effective risk management is essential for our operations. We implement robust project management practices to mitigate risks associated with project delays due to unforeseen challenges such as site conditions, procurement issues, or labor shortages. By maintaining efficient working capital management, we support growth and profitability, ensuring we can meet operational needs and sustain our business. Additionally, we closely monitor and adapt to changes in government policies that could impact our EPC business in ATMS, toll, and tunnel management systems. This flexibility allows us to align with regulatory requirements and mitigate potential risks.



### Competitive Positioning

In the competitive landscape, TrafikSol ITS Technologies emphasizes its ability to provide customized and reliable solutions tailored to the specific needs of our clients. Unlike larger multinational corporations, we maintain cost-effective operations without compromising quality, ensuring we remain competitive in bidding for contracts while managing profitability. This strategic approach positions us as a valuable partner for clients seeking innovative and efficient solutions in the ITS and defense sectors.

By implementing these strategies, TrafikSol ITS Technologies aims to solidify its market position, drive innovation, and ensure sustainable growth across its diverse range of services.

## INFRASTRUCTURE FACILITIES

### Location

Sr. No.	Details of Property	Usage
1.	2 <sup>nd</sup> Floor, B-68, Sector-63, Noida, Gautam Buddha Nagar, Noida- 201 301, Uttar Pradesh, India.	Registered Office
2.	178, Vardhman Nagar-A, Ajmer Road, Jaipur, Jaipur 302 019, Rajasthan, India.	Office
3.	Tehsil- Sarkaghat, Chhuhra 192, Mandi, Mandi, Himachal Pradesh 175 026, India.	Office
4.	Ground Floor, Plot No-1030/2606, Jagamara Dental Clinic & Implant Centre, Khandagiri Marg, Jagamohan Nagar, Bhubaneswar, Khordha 751 030, Odisha, India.	Office
5.	Office No.- BF-01 (Basement Area), Sector-63, Noida- 201 301, Uttar Pradesh, India.	Godown

### Water:

The Registered Office and the Corporate Office of the Company have a continuous water supply from the Noida Authority for sanitation purposes and have arrangements for drinking water.

### Power:

Our Company has power connection from Pashchimanchal Vidyut Vitran Nigam Limited at our Registered Office. The requirement of Power in our office is for the normal course of business purpose only.

## OTHER INFRASTRUCTURE FACILITIES

Our registered office is situated at Noida which is well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly.

## HUMAN RESOURCES

Human resource is an asset to any industry, sourcing and managing is very important task for the management. We believe that our employees are the key to the success of our service.

As on March 31, 2024, we have the total strength of 104 permanent employees in various departments. The details of which is given below:

Sr. No.	Department	No of Employees
1.	Management including KMP	5
2.	Accounts	5
3.	Human Resource & Admin Department	3
4.	Business Development	1
5.	Customer Relationship Management	1
6.	IT Department	2
7.	Operations Department	3
8.	Projects Department	44
9.	Purchase Department	3
10.	Site Operations	23
11.	Software	13
12.	Solar	1
	<b>Total</b>	<b>104</b>

## COLLABORATIONS/TIE UPS/ JOINT VENTURES

As on date of this Draft Red Herring Prospectus, our Company has not entered into any Collaboration/ Tie-Ups/ Joint Ventures.

## COMPETITION

We operate in competitive environment having large number of larger multinational corporations (MNCs). We face significant competition from larger multinational corporations (MNCs) that have the financial strength to secure contracts by offering prices that would be unsustainable for smaller firms like ours. Over the years, the company has amassed substantial experience in executing contracts, enabling the provision of high-quality services promptly, meeting customer demands efficiently.

## SALES AND MARKETING




In driving the sales and marketing efforts for our range of cashew products and trade of sugar and pulses, our company relies on the expertise and experience of our esteemed promoters, Jitendra Narayan Das and Poonam Das. With their extensive background in the field of agro trading, they bring a wealth of knowledge and insight to our operations. Leveraging their expertise, we employ a multifaceted approach to market our products effectively.

Central to our strategy is the expansion of our customer base into new markets. By identifying and capitalizing on emerging opportunities, we aim to establish a strong foothold in untapped regions. Furthermore, we prioritize the cultivation of long-term relationships with our customers, recognizing the importance of trust and reliability in sustaining business growth. In tandem with these efforts, we place a significant emphasis on brand promotion to bolster our online presence. Through strategic initiatives such as website development, social media engagement, and participation in industry events, we seek to enhance visibility and attract a wider audience. This proactive approach to sales and marketing enables us to stay ahead of the curve, driving growth and profitability in the competitive agro trading landscape.

## INTELLECTUAL PROPERTY RIGHTS:

### Trademark:

We have several trademarks on our company as mentioned below: -

Sr. No	Brand Name/Logo Trademark	Class	Application/Registration Number	Owner	Authority	Current Status	Date of Application	Validity
1.		42	3873130	M/s. Trafiksol Its Technologies Private Limited	Trade Mark registry Intellectual Property India	Registered	June 28, 2018	June 27, 2028
2.		42	4079598	M/s. Trafiksol Its Technologies Private Limited	Trade Mark registry Intellectual Property India	Registered	February 07, 2019	February 06, 2029
3.		42	4079597	M/s. Trafiksol Its Technologies Private Limited	Trade Mark registry Intellectual Property India	Registered	February 07, 2019	February 06, 2029

*\*The abovementioned Word / Logo / Mark / Design Trademark belongs to “Trafiksol ITS Technologies Private Limited”. We are in the process of changing the name on certificate from “Trafiksol ITS Technologies Private Limited” to “Trafiksol ITS Technologies Limited” in all its approvals.*

### Copyright:

Sr. No.	Copyrighted Work	Owner	Dairy No. / Registration No.	Authority	Date of Registration	Validity
1.	“Trafikview”	M/s. Trafiksol ITS Technologies Private Limited	SW-12834/2019	Copyright Office, Government of India	November 17, 2019	Valid till Cancelled

\*The abovementioned Copyright belongs to “Trafiksol ITS Technologies Private Limited”. We are in the process of changing the name on certificate from “Trafiksol ITS Technologies Private Limited” to “Trafiksol ITS Technologies Limited” in all its approvals.

#### **Domain:**

Sr. No	Domain Name and ID	Sponsoring Registrar and ID	Registrant Name, ID and Address	Creation Date	Registry Expiry Date
1.	<a href="http://www.trafiksol.com">www.trafiksol.com</a>	Registry Domain ID: 2226654542_DOMAIN_COM-VRSN	GoDaddy.com, LLC Registrar IANA ID: 146	February 13, 2018	February 13, 2025

#### **DETAILS OF IMMOVABLE PROPERTY**

The details of the Immovable properties by company are given below:

Sr. No.	Details of Property	Licensor/Lessor Vendor	Owned/Lease d/ License	Consideration/ Lease Rental/ License Fees (in ₹)	Usage
1.	2 <sup>nd</sup> Floor, B-68, Sector-63, Noida, Gautam Buddha Nagar, Noida-201 301, Uttar Pradesh, India.	M/s. Pasupati Automobile Pricate Limited	Rented	₹1,28,400/-	Registered Office
2.	178, Vardhman Nagar-A, Ajmer Road, Jaipur, Rajasthan, 302019	Ramesh Kumar	Rented	₹10,500/-	Office
3.	Tehsil-Sarkaghat, Chhuhra 192, Mandi, Mandi, Himachal Pradesh, 175026	Sandesh Kumar Kushwaha	Rented	₹12,000/-	Office
4.	Ground Floor, Plot No-1030/2606, Jagamara Dental Clinic & Implant Centre, Khandagiri Marg, Jagamohan Nagar, Bhubaneswar, Khordha, Odisha, 751030	Pranita Behera	Rented	₹14,000/-	Office
5.	Office No.- BF-01 (Basement Area), Sector-63, Noida- 201 301, Uttar Pradesh, India	M/s Europa Industries Private Limited	Rented	₹25,000/-	Godown

#### **INSURANCE DETAILS**

Our operations are subject to various risks inherent in our industry. We have obtained insurance in order to manage the risk of losses from potentially harmful events, including: (i) Insurance Policy Covering Standard Fire, Plant and Machinery, Accessories and Stocks; (ii) Motor Insurance Policy. These insurance policies are renewed periodically to ensure that the coverage is adequate.

We believe that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such insurance. Our policies are subject to standard limitations. Therefore, insurance might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies.

Sr. No.	Name of Insurance Company	Type of policy	Policy No.	Validity Period upto	Insured Amount in ₹
1.	HDFC ERGO General Insurance Company Limited	Marine Cargo Insurance	2412206403657500000	April 18, 2025	14,00,00,000/-
2.	Bajaj Allianz General Insurance Company Ltd.	Group Personal Accident Policy	OG-24-1103-9902-00000003	June 29, 2024	15,15,00,000/-

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## HISTORY AND CORPORATE STRUCTURE

### COMPANY'S BACKGROUND

Our Company was originally incorporated as Private Limited, under the Companies Act, 2013 (“**Companies Act**”) in the name and style of “*Trafiksol ITS Technologies Private Limited*” on March 05, 2018 under the provisions of the Companies Act, 2013 vide Certificate of Incorporation issued by the Registrar of Companies, Central Registration Centre. Later on, company was converted into public limited company, subsequently the name of our Company was changed to “*Trafiksol ITS Technologies Private Limited*” to “*Trafiksol ITS Technologies Limited*” and fresh Certificate of Incorporation dated May 18, 2024 was issued by the Registrar of Companies, Central Processing Centre. The Corporate Identification Number of our Company is U72900UP2018PLC101608.

The team of Trafiksol is led by our visionary promoters, Jitendra Narayan Das and Poonam Das with a mission to provide exceptional, customized services. The initial subscribers to the Company’s Memorandum and Articles of Association were Praveen Kumar Dubey and Indira Kammila. Post inception the company registered itself under the “*Startup India Scheme*” in the year 2019 with the Government of India. Our focus lies in creating integrated solutions, conducting structural health monitoring, optimizing traffic management, and ensuring seamless transportation system operations. With this vision our Company procured various ISO certification for Quality Management System, Environment Management System, Occupation Health and Safety Management System and Information Security Management System viz., ISO 9001:2015, ISO 14001:2015, 45001:2018 and ISO/IEC 27001:2013 respectively. For further details of our promoter please refer the chapter titled “*Our Promoters and Promoter Group*” beginning on page 165 of this Draft Red Herring Prospectus.

TrafikSol ITS Technologies Limited has garnered a robust standing for providing top-tier industrial services to clientele throughout India. The company distinguishes itself by adeptly harmonizing business strategies with personnel and procedures, thereby guaranteeing that clients' strategic planning and execution yield favorable outcomes for their organizations. With an extensive array of consulting and design offerings, the company specializes in the design, administration, and incorporation of Intelligent Transportation Systems (ITS) for roads and tunnels. Its solutions are characterized by their security, resilience, and scalability, custom-crafted to precisely match the distinct requirements of clients in the domains of road infrastructure, tunnel management, and urban environments.

For information on our Company’s profile, activities, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major vendors and suppliers, please refer the chapter titled “*Business Overview*”, “*Industry Overview*”, “*Our Management*”, “*Restated Financial Statements*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages no. 117, 108, 150, 174 and 184 respectively of this Draft Red Herring Prospectus.

Our Company has 184 (One Hundred and Eighty-Four) shareholders as on the date of filing of this Draft Red Herring Prospectus.

### REGISTERED OFFICE

Except as provided below, there have been no changes in the registered office of our Company:

Effective Date of Change	Details of change in the address of the Registered Office	Reason for change
September 08, 2022	The registered office of our Company change from “Flat No A-2106 Ace Platinum Plot No GH-12/1 Sector Zeta - 1 Greater Noida Gautam Buddha Nagar 201 306 Uttar Pradesh India	For the purpose of administrative convenience.

<b>Present Address of Registered Office</b>	2 <sup>nd</sup> Floor, B-68, Sector 63, Noida, Gautam Buddha Nagar, Noida 201 301 Uttar Pradesh, India.
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### MAIN OBJECTS OF OUR COMPANY

The object clauses of the Memorandum of Association of our Company enable us to undertake the activities for which the funds are being raised in the present Issue. Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. The main object of our Company is:

1. Software and Hardware Solution for Intelligent Transportation System, Automation solutions, Software publishing, consultancy and supply Software publishing includes production, supply and documentation of ready-made (non-customized) software, Customised Software, operating systems software, business & other applications software, computer games software for all platforms. Consultancy includes providing the best solution in the form of custom

software after analyzing the user’s needs and problems. Custom software also includes made-to-order software based on orders from specific users. Also, included are writing of software of any kind following directives of the users; software maintenance.

2. To carry on the business of consultancy and advise in designing, developing, installing, implementing and operating all kinds of software/information technology projects and rendering technical services, business transformation projects and assistance for start- up, commencement and expansion programme and to act as technical and software development consultants in India and abroad.
3. To undertake information technology project consultancy and services and to enter into any arrangements for providing turnkey project, including supply of technical, civil, financial, administrative, commercial services and technical know-how, transfer of technology, information, knowledge, expertise and experience and as such to undertake for and on behalf of the clients to setup works, projects and all kinds of software development facility in or outside India and undertake market research and service, feasibility studies and reports, sales counseling, export promotion and such other related activities in India and abroad.
4. To carry on the business of Software designing, development, customisation, implementation, maintenance, testing and benchmarking, designing, developing and dealing in computer software and solutions, and to import, export, sell, purchase, distribute, host (in data centres or over the web) or otherwise deal in own and third party computer software packages, programs and solutions, and to provide internet / web based applications, services and solutions, provide or take up Information technology related assignments on sub-contracting basis, offering services on-site/ offsite or through development centres using owned /hired or third party infrastructure and equipment, providing recruitment and HR related services, providing and taking personnel / consultants/ human resources to / from other organizations, providing solutions/ Packages/ services through applications services provider mode via internet or otherwise, to undertake IT enabled services like call Centre Management, Medical and legal transcription, data processing, Back office processing, Accounting, HR and payroll processing, Insurance claims processing, credit card processing, loans and letters of credit processing, cheque processing, data warehousing and database management, to carry on the business of manufacturing, dealing and maintenance of computer hardware, computer systems and assemble data processors, program designs and to buy, sell or otherwise deal in such hardware and software packages and all types of tabulating machine, accounting machines, calculators, computerised telecommunication systems and network, their components, spare parts, equipments and devices and to carry on the business of establishing, running and managing institutions, school, and academics for imparting education in computer technology, offering equipment, solutions and services for Networking and network management, data centre management and in providing consultancy services in all above mentioned areas.
5. To develop, provide, undertake, design, import, export, distribute and deal in Systems and application software for microprocessor based information systems, off shore software development projects, internet service provider, and solutions in all areas of application including those in Emerging niche segments like Internet and Intranet website applications solutions software enterprise, resource planning, e-commerce, value added products and other business applications either for its own use for sale in India or for export outside India and to design and develop such systems and application software for and on behalf of manufacturers owners and users of computer, telecom, digital, electronic equipments in India or elsewhere in the world.
6. To manufacture, sell, export, import all kinds of electric & electronic components capable of being used in Electrical & mechanical and electronic Industries including Computers telecommunications to carry our software research and development, to design and develop system software, application software and any other software in India and abroad to start Integrated services Digital Local Network (ISDLAN) dial for data Centers technology parks, wide area network Internet, user net, cyber café services in India and abroad.

#### AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

The following changes have been made in the Memorandum of Association of our Company since incorporation:

Date of the Meeting	Meeting	Nature of Amendment
November 29, 2023	EGM	<p><b><u>Increased in Authorised Capital</u></b></p> <p>The Authorized Share Capital was increased from ₹10,00,000/- divided into 1,00,000 Equity Shares of ₹10/- each to ₹25,00,00,000/- divided into 2,50,00,000 Equity Shares of ₹10/- each vide Shareholders’ Resolution dated November 29, 2023.</p>
February 12, 2024	EGM	<p><b><u>Alteration in Name clause pursuant to Conversion of Company</u></b></p> <p>Change in the name clause from “Trafiksol ITS Technologies Private Limited” to</p>

Date of the Meeting	Meeting	Nature of Amendment
		"Trafiksol ITS Technologies Limited".

## AUTHORIZED CAPITAL

The following changes have been made in the Authorized Capital of our Company since its inception:

Date of Amendment	Particulars
On Incorporation	Authorized capital as ₹10.00 Lakhs.
November 29, 2023	Increased from ₹10.00 Lakhs to ₹2,500.00 Lakhs

## MAJOR EVENTS

There are no major events in the company since its incorporation except as mentioned below.

Year	Key Events/Milestone/ Achievement
2018	Incorporation of our company viz. "Trafiksol ITS Technologies Private Limited".
2019	Registered under the Startup India Scheme with Government of India
2021	Received ISO 9001:2015 with respect to Quality Management System as on June 22, 2021.
2021	Obtained ISO 140001:2015 certification with respect to Environment Management System as on October 06, 2021.
2022	Obtained ISO/IEC 270001:2013 certification with respect to Information Securities Management System as on June 01, 2022.
2023	Obtained ISO 450001:2018 certification with respect to Occupation Health and Safety Management System as on April 21, 2023.
2024	Obtained membership with the prestigious National Association of Software and Service Companies (NASSCOM)
2024	Conversion of our Company from Private Limited to Public Limited Company.

## OTHER DETAILS REGARDING OUR COMPANY

For information on our activities, services, growth, technology, marketing strategy, our standing with reference to our prominent competitors and customers, please refer to sections titled "Business Overview", "Industry Overview" and "Management's Discussion and Analysis of Financial Conditions and Results of Operations" beginning on page no. 117, 108, 174 and 184 respectively of this Draft Red Herring Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoter, please refer to sections titled "Our Management" and "Capital Structure" beginning on page 150 and 56 respectively of this Draft Red Herring Prospectus.

## RAISING OF CAPITAL IN FORM OF EQUITY OR DEBT

For details regarding our capital raising activities through equity and debt, please see the section entitled "Capital Structure" and "Financial Statements as Restated" on page nos. 56 and 174 respectively of this Draft Red Herring Prospectus.

## DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS AND CONVERSION OF LOAN INTO EQUITY

There have been no defaults or rescheduling of borrowings with financial institutions/banks in respect of our current borrowings from lenders. None of our outstanding loans have been converted into equity shares.

## SUBSIDIARIES/HOLDINGS OF THE COMPANY

Our company doesn't have any subsidiaries and Holding Company for more details about our subsidiary company and other group companies, please see the section entitled "Our Group Companies" beginning on page no. 171 of this Draft Red Herring Prospectus.

## RAISING OF CAPITAL IN FORM OF EQUITY

For details of increase in equity capital of our company, please refer section "Capital Structure" on page 56 of this Draft Red Herring Prospectus.

## INJUNCTION AND RESTRAINING ORDER

Our company is not under any injunction or restraining order, as on date of filing of this Draft Red Herring Prospectus.

#### MANAGERIAL COMPETENCE

For managerial Competence, please refer to the section “*Our Management*” on Page 150 of this Draft Red Herring Prospectus.

#### MATERIAL ACQUISITIONS/AMALGAMATIONS/MERGERS/REVALUATION OF ASSETS/DIVESTMENT OF BUSINESS/UNDERTAKING IN LAST TEN YEARS

There has been no Material Acquisitions / Amalgamations / Mergers / Revaluation of Assets / Divestment of Business/Undertaking in last ten years.

#### TOTAL NUMBER OF SHAREHOLDERS OF OUR COMPANY

As on the date of filing of this Draft Red Herring Prospectus, the total numbers of equity shareholders are 184. For more details on the shareholding of the members, please see the section titled “*Capital Structure*” beginning on page 56 of this Draft Red Herring Prospectus.

#### SHAREHOLDERS’ AGREEMENTS

Our Company has not entered into any shareholder’s agreement as on the date of filing this Draft Red Herring Prospectus.

#### OTHER AGREEMENTS

As on the date of this Draft Red Herring Prospectus our Company has not entered into any agreements other than those entered into in the ordinary course of business and there are no material agreements entered as on the date of this Draft Red Herring Prospectus.

#### JOINT VENTURE AGREEMENTS

Our Company has not entered into any Joint Venture Agreement as on the date of this Draft Red Herring Prospectus.

#### COLLABORATION AGREEMENTS

Our Company has not entered into any collaboration agreement as on the date of this Draft Red Herring Prospectus.

#### STRATEGIC PARTNERS

Our Company is not having any strategic partner as on the date of filing this Draft Red Herring Prospectus.

#### FINANCIAL PARTENRS

Our Company has not entered into any financial partnerships with any entity as on the date of filing of this Draft Red Herring Prospectus.

#### DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS:

There have been no defaults or rescheduling of borrowings with any financial institutions/banks as on the date of the Draft Red Herring Prospectus.

#### OTHER AGREEMENTS:

**i. Non-Compete Agreement:**

Our Company has not entered into any Non-Compete Agreement as on the date of filing of this Draft Red Herring Prospectus.

**ii. Joint Venture Agreement:**

Our Company has not entered into any Joint Venture Agreement as on the date of filing of this Draft Red Herring Prospectus.



## KEY INDUSTRY REGULATIONS

*The following description is a summary of the relevant regulations and policies as prescribed by the GoI and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the shareholders and neither designed, nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see the section titled “Government and Other Approvals” on page 201 of this Draft Red Herring Prospectus.*

### THE COMPANIES ACT

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013 and rules made thereunder.

The Companies Act primarily regulates the formation, financing, functioning and restructuring of Companies as separate legal entities. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down transparency, corporate governance and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

### SEBI REGULATIONS

Securities And Exchange Board of India is the regulatory body for securities market transactions including regulation of listing and delisting of securities. It forms various rules and regulations for the regulation of listed entities, transactions of securities, exchange platforms, securities market and intermediaries thereto. Apart from other rules and regulations, listed entities are mainly regulated by the SEBI Act, 1992, Securities Contract Regulation Act, 1956, Securities Contracts (Regulation) Rules, 1957, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

### TAX RELATED REGULATIONS

#### **Income Tax Act, 1961**

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its “Residential Status” and “Type of Income” involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 31<sup>st</sup> October of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

#### **Goods and Service Tax Act, 2017**

The Central Goods and Services Tax Act, 2017 is an Act to make a provision for levy and collection of tax on intra-State supply of goods or services or both by the Central Government and for matters connected therewith or incidental thereto. In line with CGST Act, each state Governments has enacted State Goods and Service Tax Act for respective states. Goods and Services Tax (GST) is a comprehensive indirect tax on manufacture, sale and consumption of goods and services throughout India to replace taxes levied by the central and state governments on goods as services. This method allows GST-registered businesses to claim tax credit to the value of GST they paid on purchase of goods or services or both as part of their normal commercial activity. The mechanism provides for two level taxation of interstate and intra state transactions. When the supply of goods or services happens within a state called as intra-state transactions, then both the CGST and SGST will be collected. Whereas if the supply of goods or services happens between the states called as inter-state transactions and IGST will be collected. Exports are considered as zero-rated supply and imports are levied the same taxes as domestic goods and services adhering to the destination based taxation principle in addition to the Customs Duty which has not been subsumed in the GST.

#### **Customs Act, 1962**

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code) in terms of provisions of the Foreign Trade Development and Regulation Act, 1992. Imported goods in

India attract basic customs duty, additional customs duty and cesses in terms of the provisions of the Customs Act, 1962, Customs Tariff Act, 1975 and the relevant provisions made thereunder. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the assessable value of the goods. Customs duties are administrated by Central Board of Indirect Taxes and Customs under the Ministry of Finance.

### **State Tax on Profession, Trades, Callings and Employment Rules, 1975**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional tax is classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner.

## **BUSINESS/TRADE RELATED LAWS/REGULATIONS**

### **Bureau of Indian Standards Act, 2016 (“BIS Act”)**

BIS Act was notified on March 22, 2016 and came into effect from October 12, 2017. The BIS Act establishes the Bureau of Indian Standards (BIS) as the National Standards Body of India. The BIS Act has enabling provisions for the Government to bring under compulsory certification regime any goods or article of any scheduled industry, process, system or service which it considers necessary in the public interest or for the protection of human, animal or plant health, safety of the environment, or prevention of unfair trade practices, or national security. The BIS Act also allows multiple type of simplified conformity assessment schemes including self-declaration of conformity against a standard which will give simplified options to manufacturers to adhere to the standards and get certificate of conformity. The BIS Act enables the Central Government to appoint any authority/agency, in addition to the BIS, to verify the conformity of products and services to a standard and issue certificate of conformity. Further, there is also a provision for repair or recall, including product liability of the products bearing standard mark but not conforming to the relevant Indian Standard.

### **Information Technology Act, 2000 and Information Technology (Reasonable security practices and procedures and sensitive personal data or information) Rules, 2011.**

Since our Company is involved in the business of web hosting, software development, providing real time solutions at the place of the Clients and development of tailor made systems at the clients' place at their specifications using computer or computerized system. During the course of development of such products, we interchange sensitive information, data, records, functions, security procedures and like and hence our working is governed by Information Technology Act, 2000. This act governs and provides legal recognition for transactions carried out by means of electronic data interchange and other means of electronic communication, commonly referred to as —electronic commerce. It also gives legal recognition to Digital Signatures and facilitates storage of data. The Act is applicable to any offence or contravention committed outside India as well. If the conduct of person constituting the offence involves a computer or a computerized system or network located in India, then irrespective of his/her nationality, the person is punishable under the Act.

### **The Personal Data Protection Bill, 2022 (“Bill”)**

The Personal Data Protection Bill, 2022 was introduced in Lok Sabha on November 18, 2022. The Bill seeks to provide for protection of personal data of individuals, and establishes a Data Protection Authority for the same. Data Protection refers to the set of privacy laws, policies and procedures that aim to minimise intrusion into one's privacy caused by the collection, storage and dissemination of personal data. Personal data generally refers to the information or data which relate to a person who can be identified from that information or data whether collected by any Government or any private organization or an agency.

### **National Digital Communications Policy 2018**

With significant capabilities in both telecommunications and software, India, more than most countries, stands poised to benefit from harnessing new digital technologies and platforms to unlock productivity, as well as to reach unserved and underserved markets; thus catalysing economic growth and development, generating new- age jobs and livelihoods, and ensuring access to next generation services for its citizens. This policy aims for Universal Coverage rather than revenue maximization. This policy and principles framework will enable creation of a vibrant competitive telecom market to strengthen India’s long term competitiveness and serve the needs of our aspiring nation. The Policy aims to remove regulatory barriers and reduce the regulatory burden that hampers investments, innovation and consumer interest and

identifies steps to strengthen the sector's institutional mechanism and legislative framework, to ensure that India's economy and citizens can derive the full potential of its digital communications sector.

### **Data Centre Policy, 2020**

Indian Data Centre market has seen tremendous growth in the past decade, riding on the explosion of data through smartphones, social networking sites, ecommerce, digital entertainment, digital education, digital payments and many other digital businesses / services. This growth in data is further stimulated by adoption of emerging technologies such as quantum computing, artificial intelligence, internet of things etc. While the Data Centre sector is witnessing growth in the country, there are known impediments to its growth such as lack of infrastructure or Industry status of the Data Centres, complex clearance processes, time consuming approvals, high cost of power, lack of published standards, absence of specialised building norms for building the Data Centres, submarine cable network connectivity limited to few states and high cost of capital and operational expenditure etc. This policy aims to offset these challenges in order to accelerate the current pace of growth and propel India in becoming a global Data Centre hub.

### **The National Highways Authority of India Act, 1988 (“NHAI Act”)**

The NHAI Act was enacted in pursuance of the powers by the Central Government in appointing an competent authority under the NH Act and provides for the constitution of an authority for the development, maintenance and management of national highways and for matters connected therewith or incidental thereto. NHAI's objective is to ensure that all contract awards and procurements conform to the best industry practices with regard to transparency of process, adoption of bid criteria to ensure healthy competition in award of contracts. Implementation of projects conforms to best quality requirements and the highway system is maintained to ensure best user comfort and convenience. NHAI has a three-tier structure. The headquarters (HQ), the regional offices (ROs) and the project implementation units (PIUs). The PIUs, headed by project directors, are responsible for implementation of projects assigned to them and ROs, headed by a CGM level officer, have been set-up in various parts of the country for decentralizing and strengthening the field level operations in NHAI. The HQ is responsible for overall supervision of the works assigned to NHAI. Pursuant to the NHAI Act, NHAI is competent to enter into and perform any contract necessary for the discharge of its functions.

In view of the challenging task of construction, development, and management of national highways being undertaken by NHAI, the Committee on Public Undertakings selected the subject “National Highways Authority of India (NHAI)” for comprehensive examination and report. The National Highways Authority of India (Amendment) Act, 2013, received the assent of the President of India on September 10, 2013, and aimed at increasing the institutional capacity of NHAI to help execute the powers delegated to it. National Highways Development Project (“NHDP”) was launched in 1998 with the objective of developing roads of international standards which facilitate smooth flow of traffic. The NHDP envisages creation of roads with enhanced safety features, better riding surface, grade separator and other salient features. The GoI, under the Central Road Fund Act, 2000 created a dedicated fund which is required to be utilized for the development and maintenance of national highways. Certain sources for financing the NHDP are through securitisation of cess as well as involving the private sector by encouraging public-private partnership.

### **Guidelines for Implementation of Scheme of National Projects (“NP Scheme”)**

The NP scheme has been approved by the Government of India with a view to expedite completion of identified national projects for the benefit of the people. The identified national projects will be provided financial assistance by the Government of India in form of Central grant which will be 90% of the estimated cost of such projects for their completion in time bound manner.

### **The Motor Vehicles Act, 1988 and The Motor Vehicles (Amendment) Act, 2019**

The Motor Vehicles Act encompasses all regulations pertaining to road transport vehicles as established by the Parliament of India. It covers various provisions related to the Driving Licence (DL), vehicle registration, traffic regulations, traffic violations, penalties, motor insurance, liabilities, and more.

The Motor Vehicles (Amendment) Act, 2019 introduced several significant features and amendments to the existing Indian Motor Vehicles Act of 1988. These changes aimed to enhance road safety, improve traffic management, and streamline various processes related to licencing, registration, and enforcement. The act introduced **Electronic Monitoring and Enforcement thus promoting** the use of technology for improved traffic monitoring and enforcement. It allows for the use of electronic surveillance systems such as CCTV cameras, speed cameras, and red-light cameras to detect traffic violations.

### **Central Electricity Authority (Measures Relating to Safety & Electric Supply) Regulations, 2023:**

The regulations were notified on June 08, 2023 thus repealing the regulations of 2010 and are applicable to electrical

installation including electrical plant and electric line, and the person engaged in the generation or transmission or distribution or trading or supply or use of electricity. It states that no electrical installation work, including additions, alterations, repairs and adjustments to existing installations, except such replacement of lamps, fans, fuses, switches, domestic appliances of voltage not exceeding 250V and fittings as in no way alters its capacity or character, shall be carried out upon the premises of or on behalf of any consumer, supplier, owner or occupier for the purpose of supply except by an electrical contractor licensed in this behalf by the State Government and on its behalf under the direct supervision of a person holding a certificate of competency and by a person holding a permit issued or recognized by the State.

## REGULATIONS RELATED TO FOREIGN TRADE AND INVESTMENT

### The Foreign Direct Investment

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry, Government of India makes policy pronouncements on FDI through Consolidated FDI Policy Circular/Press Notes/Press Releases which are notified by the Department of Economic Affairs (DEA), Ministry of Finance, Government of India as amendments to the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 under the Foreign Exchange Management Act, 1999 (42 of 1999) (FEMA). DPIIT has issued consolidated FDI Policy Circular of 2020 (“FDI Policy 2020”), which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until an updated circular is issued.

The reporting requirements for any investment in India by a person resident outside India under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 are specified by the RBI. Regulation 4 of the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 vide notification No. FEMA. 395/2019-RB dated 17.10.2019 issued by the RBI stipulates the reporting requirement for any investment in India by a person resident outside India. All the reporting is required to be done through the Single Master Form (SMF) available on the Foreign Investment Reporting and Management System (FIRMS) platform at <https://firms.rbi.org.in>.

Under the current FDI Policy of 2020, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations.

### Foreign Exchange Management Act, 1999 (“FEMA”) and Regulations framed thereunder:

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce & Industry, Government of India. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the ‘automatic route’ within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIF and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 (“FEMA Regulations”) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 for regulation on exports of goods and services.

### Ownership restrictions of FIIs

Under the portfolio investment scheme, the total holding of all FIIs together with their sub-accounts in an Indian company is subject to a cap of 24% of the paid-up capital of a company, which may be increased up to the percentage of sectoral cap on FDI in respect of the said company pursuant to a resolution of the board of directors of the company and the approval of the shareholders of the company by a special resolution in a general meeting. The total holding by each FII, or in case an FII is investing on behalf of its sub-account, each sub-account should not exceed 10% of the total paid-up capital of a company

### Laws related to Overseas Investment by Indian Entities:

Overseas investment by Indian Entities are governed under Foreign Exchange Management Act, 1999 under which the central Government of India have notified Foreign Exchange Management (Overseas Investment) Rules, 2022 in suppression of Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004 and the Foreign Exchange Management (Acquisition and Transfer of Immovable Property Outside India) Regulations, 2015. Followed by the rules, RBI has *vide* notification no. RBI/2022-2023/110, A.P. (DIR Series) Circular No.12 dated August 22, 2022 have issued Foreign Exchange Management (Overseas Investment) Directions, 2022 and Foreign Exchange

Management (Overseas Investment) Regulations, 2022. These legislations frame the investment fields, mode and cap for various sectors and regions, by any person resident in India and the reporting requirements.

### **Foreign Trade Policy 2023:**

The Central Government of India in exercise of powers conferred under Section 5 of the Foreign Trade (Development & Regulation) Act, 1992 (No. 22 of 1992) [FT (D&R) Act], as amended, has notified Foreign Trade Policy (FTP) 2023 which is effective from April 01, 2023 and shall continue to be in operation unless otherwise specified or amended. It provides for a framework relating to export and import of goods and services. All exports and imports made up to 31.03.2023 shall, accordingly, be governed by the relevant FTP, unless otherwise specified.

## **LAWS RELATED TO ENVIRONMENTAL LAWS**

### **National Environmental Policy, 2006**

The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource.

### **Environment (Protection) Act, 1986 as amended (“EPA”)**

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 emitted 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. Pollution control boards have been constituted in all states in India to exercise the powers and perform the functions provided for under these statutes for the purpose of preventing and controlling pollution. Companies are required to obtain consents of the relevant state pollution control boards for emissions and discharge of effluents into the environment.

### **Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”)**

The Water Act provides for one Central Pollution Control Board, as well as state pollution control boards, to be formed to implement its provisions, including enforcement of standards for factories discharging pollutants into water bodies. The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the State PCB. The Water Act also provides that the consent of the State PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage effluent. The Water Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

### **E-Waste (Management) Rules, 2022**

These rules are applicable to every manufacturer, producer, consumer, bulk consumer, collection centres, dealers, e-retailers, refurbisher, dismantler and recycler involved in manufacture, sale, transfer, purchase, collection, storage and processing of e-waste or electrical and electronic equipment listed in schedule I of the rules, including their components, consumables, parts and spares which make the products operational but does not apply to used lead acid batteries as covered under the Batteries (Management and Handling) Rules, 2001; micro enterprises as defined under MSMED Act, 2006 and radioactive wastes as covered under the provisions of the Atomic Energy Act, 1962. According to these rules, entities covered under the rules are required to get themselves registered with the concerned state Pollution Control Board and to ensure that no damage is caused to the environment during the storage and transportation of e-waste.

### **Environment Impact Assessment Notification of 2006**

The Ministry of Environment, Forests and Climate Change has notified the Environment Impact Assessment Notification of 2006 in September 2006. The notification makes it mandatory for various projects to get environment clearance.

## **LAWS RELATING TO INTELLECTUAL PROPERTY**

### **Trademarks Act, 1999**

Under the Trademarks Act, 1999 (“Trademarks Act”), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and

services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A 'mark' may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof.

### **The Patents Act, 1970**

The Patents Act, 1970 as amended from time to time, in India has been enacted to protect inventions. Patents provide the exclusive rights for the owner of a patent to make, use, exercise, distribute and sell a patented invention. The patent registration confers on the patentee the exclusive right to use, manufacture and sell his invention for the term of the patent.

### **Copyright Act, 1957 (“Copyright Act”)**

Software's in India are protected under Copyright Act and protected from unauthorized uses. Various rights including ownership and economic rights are conferred on the author. These include the right to reproduce the work in any form, issue copies to the public, perform it, and offer for sale and hire.

## **LAWS RELATED TO EMPLOYMENT OF MANPOWER**

### **Code on Wages, 2019**

The Code on Wages, 2019 regulates and amalgamates wage and bonus payments and subsumes four existing laws namely – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976 received the assent of the President of India on August 8, 2019. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees. Only few section of the Code has yet been notified vide notification no. S.O. 4604(E) dated December 18, 2020.

### **The Occupational Safety, Health and Working Conditions Code, 2020**

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Occupational Safety, Health and Working Conditions Code, 2020. The draft rules provide for operationalization of provisions in the Occupational Safety, Health and Working Conditions Code, 2020 relating to safety, health and working conditions of the dock workers, building or other construction workers, mines workers, inter-state migrant workers, contract labour, journalists, audio-visual workers and sales promotion employees.

### **The Industrial Relations Code, 2020**

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

### **The Code on Social Security, 2020**

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Code on Social Security, 2020. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to employees' provident fund, employees' state insurance corporation, gratuity, maternity benefit, social security and cess in respect of building and other construction workers, social security for unorganized workers, gig workers and platform workers.

\*The Code on Wages, 2019, The Code on Social Security, 2020, (enacted by the Parliament of India and assented to by the President of India) will come into force as may be notified in the Official Gazette by the Central Government of India, different dates may be appointed for different provisions of the Codes.

### **Employees Provident Fund and Miscellaneous Provisions Act, 1952**

Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee's provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

### **Employees State Insurance Act, 1948, as amended (the "ESIC Act")**

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

### **Payment of Gratuity Act, 1972, as amended (the "Gratuity Act")**

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions.

Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed 1 million.

Certain other laws and regulations that may be applicable to our Company in India include the following:

- Minimum Wages Act, 1948 and Maharashtra Minimum Wages Rules, 1963 ("MWA Rules")
- Public Liability Insurance Act, 1991 ("PLI Act")
- Industrial (Development and Regulation) Act, 1951 ("IDRA")
- Industrial Disputes Act, 1947 ("ID Act")
- Payment of Bonus Act, 1965 ("POB Act")
- Child Labour (Prohibition and Regulation) Act, 1986
- Inter-State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act")
- Equal Remuneration Act, 1976 ("ER Act")
- Contract Labour Regulation and Abolition) Act, 1970 (CLRA) and Contract Labour (Regulation and Abolition) Central Rules, 1971 (Contract Labour Rules)
- Workmen Compensation Act, 1923 ("WCA")
- Maternity Benefit Act, 1961 ("Maternity Act")
- Industrial Employment Standing Orders Act, 1946
- Apprentice Act, 1961 read with The National Policy of Skill Development and Entrepreneurship 2015.

## **OTHER GENERAL REGULATIONS**

### **The Micro, Small and Medium Enterprises Development Act, 2006 ("MSME Act"):**

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and

Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

### **State Laws**

We operate in various states. Accordingly, legislations passed by the state governments are applicable to us in those states. These include legislations relating to, among others, Shops and Establishment Act, classification of fire prevention and safety measures and other local licensing. Further, we require several approvals from local authorities such as municipal bodies. The approvals required may vary depending on the state and the local area.

### **Municipality Laws**

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective states of India have enacted laws empowering the municipalities to issue trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

### **Approvals from Local Authorities**

Setting up of a factory or manufacturing / housing unit entails the requisite planning approvals to be obtained from the relevant Local Panchayat(s) outside the city limits and appropriate Metropolitan Development Authority within the city limits. Consents are also required from the state pollution control board(s), the relevant state electricity board(s), the state excise authorities, sales tax, among others, are required to be obtained before commencing the building of a factory or the start of manufacturing operations.

### **Other regulations**

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986, The Arbitration & Conciliation Act, 1996 are also applicable to the company.

## **PROPERTY RELATED LAWS**

The Company is required to comply with central and state laws in respect of property. Central Laws that may be applicable to our Company's operations include the Land Acquisition Act, 1894, the Transfer of Property Act, 1882, Registration Act, 1908, Indian Stamp Act, 1899, and Indian Easements Act, 1882.



## OUR MANAGEMENT

### BOARD OF DIRECTORS

Under Articles of Association of our Company, the number of directors shall not be less than 3 (three) and not be more than 15 (Fifteen), subject to the applicable provisions of the Companies Act, 2013.

As of the date of this Draft Red Herring Prospectus, our Company has 5 (Five) Directors on the Board, 1 (One) as Chairman and Managing Director, 1 (One) Whole Time Director, 1 (One) Non- Executive Director and 2 (Two) as Non-Executive Independent Directors.

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

Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment / Reappointment	Other Directorships / Designated Partners
<p><b>Jitendra Narayan Das</b></p> <p><b>DOB:</b> June 03, 1974</p> <p><b>Age:</b> 49 years</p> <p><b>Qualification:</b> Bachelor of Commerce</p> <p><b>Designation:</b> Chairman and Managing Director</p> <p><b>Address:</b> 46, Anuradha Apartment, Block A-2, Paschim Vihar, West Delhi, Delhi- 110 063, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 00743818</p> <p><b>Term:</b> Change in Designation as the Managing Director of the Company for a period of 5 years w.e.f. January 31, 2024.</p>	<p>Appointed as Additional Director of the Company w.e.f. October 10, 2023.</p> <p>Change in designation to Chairman and Managing Director of the Company for a period of 5 years w.e.f. January 31, 2024.</p>	<p><b>Companies:</b></p> <ol style="list-style-type: none"> <li>1. Trafiksol Electromechanical Private Limited</li> <li>2. S. J. Infraequipments Private Limited</li> <li>3. Easedata Solutions Private Limited</li> </ol> <p><b>Limited Liability Partnership:</b></p> <ol style="list-style-type: none"> <li>1. Trafikways Infratech &amp; Consultancy LLP <i>(Under process of Striking Off)</i></li> </ol>
<p><b>Poonam Das</b></p> <p><b>DOB:</b> April 08, 1977</p> <p><b>Age:</b> 47 years</p> <p><b>Qualification:</b> Master of Arts in Sociology, Post Graduate Diploma in Business Administration.</p> <p><b>Designation:</b> Whole-Time Director</p> <p><b>Address:</b> 1223, Mahavir Apartments, Sector-29, Gautam Buddha Nagar, Noida-201 301 Uttar Pradesh, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 08139157</p> <p><b>Term:</b> Change in Designation as the Whole-Time Director of the Company for a period of</p>	<p>Appointed as an Additional Director (Professional) of Company w.e.f. May 22, 2018.</p> <p>Change in Designation to Whole-Time Director of the Company for a period of 5 years w.e.f. January 31, 2024.</p>	<p><b>Companies:</b></p> <ol style="list-style-type: none"> <li>1. Trafiksol Electromechanical Private Limited</li> </ol> <p><b>Limited Liability Partnership:</b></p> <p>NIL</p>

Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment / Reappointment	Other Directorships / Designated Partners
<p>5 years w.e.f. January 31, 2024.</p> <p><b>Ashok Mittal</b></p> <p><b>DOB:</b> February 21, 1975</p> <p><b>Age:</b> 49 years</p> <p><b>Qualification:</b> Post Graduate Diploma in Business Administration, Diploma in Mechanical Engineering, Master of Arts.</p> <p><b>Designation:</b> Non-Executive Director.</p> <p><b>Address:</b> L-5, Second Floor, Near Tikona Park, Naveen Shahdara, North East, Delhi-110 032, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 01110173</p> <p><b>Term:</b> Appointed as Non-Executive Director for a period of 5 years w.e.f. January 31, 2024, and liable to retire by Rotation.</p>	<p>Appointed as Non-Executive Director for a period of 5 years w.e.f. January 31, 2024.</p>	<p><b>Companies:</b></p> <ol style="list-style-type: none"> <li>Shoonya Mobility Private Limited</li> <li>Ashok Service Station Private Limited</li> <li>Saarathi Business &amp; Knowledge Solutions Private Limited</li> <li>Trafiksol Electromechanical Private Limited</li> </ol> <p><b>Limited Liability Partnership:</b></p> <ol style="list-style-type: none"> <li>Trafikways Infratech &amp; Consultancy LLP (Under process of Striking Off)</li> </ol>
<p><b>Shruti Vijay Thakkar</b></p> <p><b>DOB:</b> May 31, 1995</p> <p><b>Age:</b> 29 years</p> <p><b>Qualification:</b> Master of Business Administration, Bachelor of Commerce and Bachelor of Education.</p> <p><b>Designation:</b> Non-Executive Independent Director.</p> <p><b>Address:</b> Nand Dham, Patel Colony-5/6, Road-3, Patel Colony, PO: Patel Colony, District- Jamnagar, Gujrat-361 008, India.</p> <p><b>Occupation:</b> Service</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 10131239</p> <p><b>Term:</b> Appointed as Non-Executive Director for a period of 5 years w.e.f. March 21, 2024, and not liable to retire by Rotation.</p>	<p>Appointed as Non-Executive Independent Director for a period of 5 years w.e.f. March 21, 2024.</p>	<p><b>Companies</b></p> <p>NA</p> <p><b>Limited Liability Partnership</b></p> <p>LS Advisors and Consultants LLP</p>
<p><b>Vipul Magon</b></p> <p><b>DOB:</b> August 29, 1967</p> <p><b>Age:</b> 56 years</p> <p><b>Qualification:</b> Bachelor of Science*.</p> <p><b>Designation:</b> Non-Executive Independent</p>	<p>Appointed as Non-Executive Independent Director for a period of 5 years w.e.f. January 31, 2024.</p>	<p><b>Companies:</b></p> <ol style="list-style-type: none"> <li>Niagra Growth Private Limited</li> </ol> <p><b>Limited Liability Partnership:</b></p> <p>NIL</p>

Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment / Reappointment	Other Directorships / Designated Partners
<p>Director.</p> <p><b>Address:</b> 503, Dosti Lotus, Dosti Acres, SM Road, Antop Hill, Near HDFC Bank, Wadala East, Mumbai-400 037, Maharashtra, India.</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 10409439</p> <p><b>Term:</b> Appointed as Non-Executive Independent Director for a period of 5 years w.e.f January 31, 2024, and not liable to retire by Rotation.</p>		

*\*Based on the affidavit provided by Vipul Magon in lieu of education qualification.*

## BRIEF PROFILE OF OUR DIRECTORS

**Jitendra Narayan Das**, aged 49 years is the Chairman and Managing Director of our Company. He has completed his Bachelor of Commerce in the year 1994 from the University of Bhubaneswar, Odisha. He was appointed as a director as on October 10, 2023. Subsequently, he was appointed as the Chairman and Managing Director of the company with effect from January 31, 2024 for a period 5 years. He is having experience of 23 years in field of the IT and software industry. He has extensive expertise and proficiency in navigating the complexities of the ever-evolving technological landscape. His Vision to drive innovation, growth, and strategic direction for the company. He has extensive knowledge and he possesses a comprehensive understanding of current economic, social, and regulatory issues. He has ability to align business strategies with prevailing economic and regulatory landscapes.

**Poonam Das**, aged 47 years, is the Whole Time Director of our Company. She has completed Master of Arts in Sociology in the year 2001 from Annamalai University, Mumbai and she has also completed Diploma in Business Administration in the year of 2005. She is Appointed as an additional Director (Professional) of Company with effect from May 22, 2018. Subsequently, she was appointed as Whole-Time Director of the Company for a period of 5 years with effect from January 31, 2024. She has been associated with our company for 6 Years. She is responsible for Human Resource and administration of our Company. She has experience of 6 years in Human Resource and administration Department.

**Ashok Mittal**, aged 49 years, is the Non-Executive Director of our Company. He has completed Diploma in Mechanical Engineering University of Delhi in the year of 1996, has completed Diploma in Business Engineering University of Delhi in the year of 2000 and has also completed Masters of Arts, University of Kanpur in the subject of Economics in the year 2003. He was appointed as the Non-Executive Director of the company with effect from January 31, 2024 for a period 5 years and not liable for retire by rotation.

**Shruti Vijay Thakkar**, aged 29 years, is the Non-Executive Independent Director of our Company. She completed her MBA Finance from the Gujarat Technological University (GTU) in the year 2017 and has completed B.ed from the Saurashtra University in the year 2021. She was appointed as the Non-Executive Independent Director of the company with effect from March 21, 2024 for a period 5 years. She has worked with SMIS TGES- Jamnagar as Primary Educator, Divyam Infra Projects Pvt. Ltd. as Business Development Manager, and Wisdom Legal LLP Business Development Manager. She has vast experience in the field of Sales, Marketing and client handling and is currently associated with LS Advisors and Consultants LLP as the Designated Partner. She brings to the Company her work experience in the field of sales, marketing, finance and real estate to guide the Company towards development in the industry.

**Vipul Magon**, aged 56 years is the Non-Executive Independent Director of our Company. He has completed Bachelor of Science. He was appointed on the Board on January 31, 2024 as the Non-Executive Independent Director of the Company with effect from January 31, 2024 for a period 5 years and not liable for retire by rotation. He has more than two decades of experience running his Sole Proprietorship in the name of M/s. V K Polymers which is in the field of manufacture and trade of plastic polymers, industrial and other general purpose plastics goods.

## CONFIRMATIONS

As on date of this Draft Red Herring Prospects:

- Except as disclosed below, none of the Directors and Senior Management of our Company are related to each other as per Section 2(77) of the Companies Act, 2013:
  - Jitendra Narayan Das and Poonam Das are related to each other as Spouses.
- There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors were selected as a director or member of senior management.
- The directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
- None of the Directors are categorized as a willful defaulter or a fraudulent borrower, as defined under Regulation 2(1)(III) of SEBI ICDR Regulations.
- None of our Directors are or were directors of any listed Company whose shares have been/were suspended from trading by any of the stock exchange(s) during his/her tenure in that Company in the last five years or delisted from the stock exchange(s) during the term of their directorship in such companies.
- None of our Directors have been declared as fugitive economic offenders as defined in Regulation 2(1)(p) of the SEBI ICDR Regulations, nor have been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.
- None of the Promoters or Directors has been or is involved as a promoters or director of any other Company which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce them to become or to help them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which he is interested, in connection with the promotion or formation of our Company.
- None of the Directors and KMPs are related to the Book Running Lead Merchant Banker appointed for this Issue in any manner.

## DETAILS OF BORROWING POWERS

Pursuant to a Special Resolution passed at an Extra-Ordinary General Meeting of our Company held on May 18, 2024 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company are authorized to borrow monies from time to time, with or without security, any sum or sums of money, on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹20,000 Lakhs.

## REMUNERATION / COMPENSATION TO OUR DIRECTORS

### Jitendra Narayan Das

Jitendra Narayan Das, was appointed as the Director of the Company on October 10, 2023. Subsequently, his designation was changed to the Chairman & Managing Director of our Company in the Board Meeting dated January 31, 2024, and in the Extra Ordinary Meeting dated February 01, 2024 of the Company for a period of five years. The details of his remuneration for a period of five years, is as stated below:

### SALARY & OTHER BENEFITS:

<b>Tenure of Remuneration</b>	Five (5) years with effect from January 31, 2024.
<b>Salary inclusive of all allowance and incentives</b>	Up to ₹24,00,000/- (Rupees Twenty-Four Lakh Only) per annum. The Managing Director and Chairman shall be entitled to such increment from time to time as the board may by its discretion determine subject to the limit set out in Schedule V of Companies Act, 2013.
<b>Other benefits</b>	The director shall be entitled to reimbursement of expenses as decided by the Board

	of Directors of the Company from time to time.
<b>Minimum Remuneration</b>	<p>The aggregate of the remuneration and perquisites as aforesaid, in any financial year shall not exceed the limit set out under section 197 and 198 read with Schedule V and other applicable provision of companies act 2013 or any other modification or re-enactment thereof for the time being in force, or otherwise as may be permissible at law.</p> <p>Provided that where in any financial year, the company has no profit or its profit are inadequate, the company shall pay the above salary and allowances and provide the perquisites and other amenities as aforesaid to the Chairman and Managing Director and Chairman as and by way of minimum remuneration, subject to applicable provision of Schedule V of the act and the approval of the central Government, if required or any other approval as may be required under law.</p>

### Poonam Das

Poonam Das, was appointed as the Director of the Company on May 22, 2018. Subsequently, her designation was changed to the Whole-Time Director of our Company in the Board Meeting dated January 31, 2024, and in the Extra Ordinary Meeting dated February 01, 2024 of the Company for a period of five years. The details of her remuneration for a period of five years, is as stated below:

### SALARY AND OTHER BENEFITS:

<b>Tenure of Remuneration</b>	Five (5) years with effect from January 31, 2024.
<b>Salary inclusive of all allowance and incentives</b>	Up to ₹20,00,000/- (Rupees Twenty Lakhs Only) per annum. The Whole-Time Director shall be entitled to such increment from time to time as the board may by its discretion determine subject to the limit set out in Schedule V of Companies Act, 2013.
<b>Other benefits</b>	The director shall be entitled to reimbursement of expenses as decided by the Board of Directors of the Company from time to time.
<b>Minimum Remuneration</b>	<p>The aggregate of the remuneration and perquisites as aforesaid, in any financial year shall not exceed the limit set out Under Section 197 and 198 read with Schedule V and other applicable provision of Companies Act, 2013 or any other modification or re-enactment thereof for the time being in force, or otherwise as may be permissible at law.</p> <p>Provided that where in any financial year, the company has no profit or its profit are inadequate, the company shall pay the above salary and allowances and provide the perquisites and other amenities as aforesaid to the Whole-Time Director as and by way of minimum remuneration, subject to applicable provision of Schedule V of the act and the approval of the Central Government, if required or any other approval as may be required under law.</p>

The compensation payable to our Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Section 2(54), Section 2(94), Section 188, Section 196, Section 197, Section 198 and Section 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, for the time being in force).

Set forth below is the remuneration payable by our Company to the Directors for the upcoming financial years:

(₹ In Lakh)

Sr. No	Name of the Director	Remuneration shall not exceed
1.	Jitendra Narayan Das	24.00
2.	Poonam Das	20.00
	<b>Total</b>	<b>44.00</b>

Remuneration paid for F.Y. 2023-24, the directors have been paid gross remuneration as follows:

(₹ in Lakh)

Sr. No	Name of the Director	Remuneration paid
1.	Praveen Kumar Dubey*	24.75
2.	Poonam Das	31.50

Sr. No	Name of the Director	Remuneration paid
3.	Jitendra Narayan Das**	12.90
	<b>Total</b>	<b>69.15</b>

\* Resignation of Director of the Company w.e.f. November 01, 2023.

\*\* Appointed as Additional Director of the Company w.e.f. October 10, 2023.

### SITTING FEES

Pursuant to the Resolution passed by the Board of Directors of our Company on January 31, 2024, the Non-Executive Independent Directors of our Company would be entitled to a sitting fee of ₹10,000/- with effect from January 31, 2024 for attending every meeting of Board and committees thereof.

### REMUNERATION PAID OR PAYABLE TO OUR DIRECTORS BY OUR SUBSIDIARY OR ASSOCIATES

As on the date of this Draft Red Herring Prospectus, we do not have any Subsidiary.

### PAYMENT OF BENEFITS (NON-SALARY RELATED)

Except as disclosed above, no amount or benefit has been paid or given within the two (2) years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given to any of our directors except the remuneration for services rendered and/or sitting fees as 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.

### BONUS OR PROFIT-SHARING PLAN FOR THE DIRECTORS

None of the Directors are party to any bonus or profit-sharing plan of our Company.

### SHAREHOLDING OF OUR DIRECTORS

Our Articles of Association do not require our directors to hold any qualification shares.

The details of the shareholding of our Directors as on the date of this Draft Red Herring Prospectus are as follows:

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre-Issue Capital	% of Post-Issue Capital;
1.	Poonam Das	96,76,650	53.98%	●
2.	Jitendra Narayan Das	12,06,185	6.73%	●

### INTEREST OF OUR DIRECTORS

All our directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them by our Company as well as sitting fees, if any, payable to them for attending meetings of our Board or Committees thereof payable to them.

Further our directors may be deemed to be interested to the extent of shareholding held by them in our Company or held by the entities in which they are associated as directors or partners, or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue and any dividend and other distributions payable in respect of such Equity Shares. For the shareholding of the Directors, please refer chapter titled “*Our Management*” beginning on page 157 of this Draft Red Herring Prospectus.

Further, relatives of certain of our directors are also shareholders and / or employees of our Company and may be deemed to be interested to the extent of the payment of remuneration made by our Company and dividends declared on the Equity Shares held by them, if any. For the payments that are made by our Company to such relatives of the Directors, see “*Restated Standalone Financial Statements – Annexure 36- Related Party Transactions*” beginning on page 174 of this Draft Red Herring Prospectus.

Except mentioned in the Restated Financial Statements, no loans have been availed or extended by our directors from or to, our Company. No sum has been paid or agreed to be paid to our directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce them to become, or to qualify them as, a director, or otherwise for services rendered by them by such firm or company, in connection with the promotion or formation of our

Company.

Except as stated in the heading titled “*Properties*” under the chapter titled “*Business Overview*”, beginning on page 117 of this Draft Red Herring Prospectus, none of our directors have interest in any property acquired or proposed to be acquired by our Company, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Except as stated in the chapter titled “*Business Overview*” and “*Restated Financial Statements*” beginning on page 117 and 174 of this Draft Red Herring Prospectus respectively and to the extent of shareholding in our Company, if any, our directors do not have any other business interest in our Company.

Except Jitendra Narayan Das and Poonam Das, who are the Promoters of our Company, none of the other Directors are interested in the promotion of our Company.

## POLICIES ADOPTED BY OUR COMPANY

Our Company has adopted the following policies:

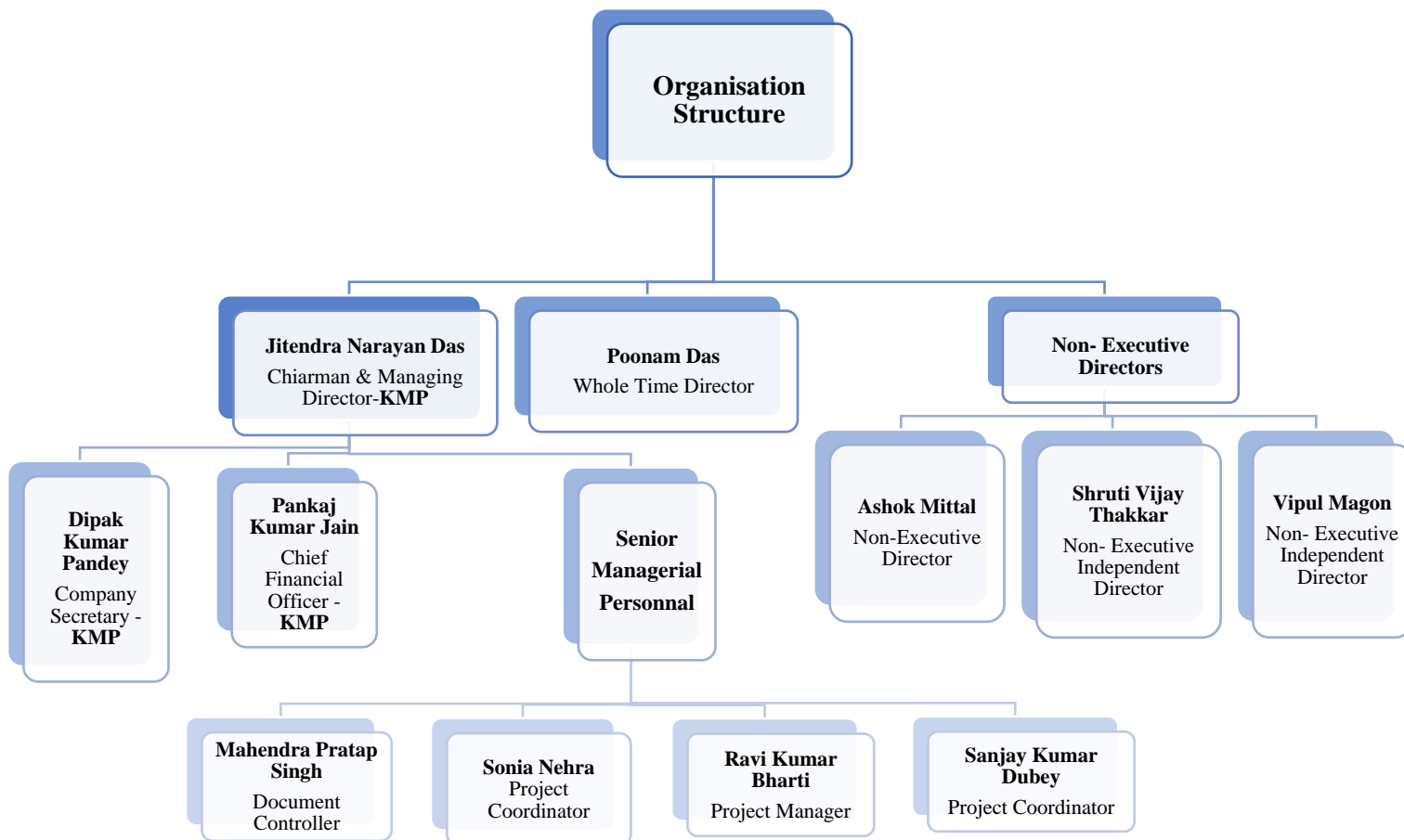
- Policy on Code of Conduct for Directors and Senior Management.
- Policy of Audit Committee.
- Policy of Nomination and Remuneration Committee.
- Policy of Stakeholder Relationship Committee.
- Policy on Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information.
- Policy on Disclosure and Internal Procedure for Prevention of Insider Trading.
- Policy on Whistle Blower and Vigil Mechanism.
- Policy on Related Party Transactions (RPT).
- Policy for Preservation of Documents and Archival of Documents.
- Policy for Prevention of Sexual Harassment.
- Policy on Materiality for Disclosures of events to Stock Exchanges.
- Policy on Code of Independent Directors and Familiarization of Independent Director.
- Policy for identification of Materiality of outstanding Litigations involving Company, its subsidiary, Directors, Promoter and other Group Company.

## CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Sr. No.	Name of the Director	Date of Appointment/Change in Designation	Reason for Change
1.	Jitendra Narayan Das	October 01, 2023	Appointed as Additional Director of our Company.
2.	Parveen Kumar Dubey	November 01, 2023	Resignation as Director of our Company.
3.	Poonam Das	January 31, 2024	Change in Designation to Whole Time Director of our Company.
4.	Jitendra Narayan Das	January 31, 2024	Change in Designation to Chairman and Managing Directors of our Company.
5.	Ashok Mittal	January 31, 2024	Appointed as Non-Executive Director of our Company.
6.	Ashi Jain	January 31, 2024	Appointed as Non-Executive Independent Director of our Company.
7.	Vipul Magon	January 31, 2024	Appointed as Non-Executive Independent Director of our Company.
8.	Dipak Kumar Pandey	January 31, 2024	Appointed as the Company Secretary of our Company.
9.	Pankaj Kumar Jain	January 31, 2024	Appointed as the Chief Financial Officer and Key Managerial Personnel of our Company.
10.	Ashi Jain	March 21, 2024	Resignation as Non-Executive Independent Director of our Company.

Sr. No.	Name of the Director	Date of Appointment/Change in Designation	Reason for Change
1.	Jitendra Narayan Das	October 01,2023	Appointed as Additional Director of our Company.
2.	Parveen Kumar Dubey	November 01, 2023	Resignation as Director of our Company.
3.	Poonam Das	January 31, 2024	Change in Designation to Whole Time Director of our Company.
11.	Shruti Vijay Thakkar	March 21, 2024	Appointed as Non-Executive Independent Director of our Company.

## ORGANISATION STRUCTURE



## CORPORATE GOVERNANCE

We are in compliance with the requirements of the Companies Act in respect of corporate governance including constitution of the Board and committees thereof. Further, conditions of corporate governance as stipulated in Regulation 17 to 27 of the SEBI LODR Regulations is not applicable to our company in terms of the Regulation 15(2)(b) of the SEBI LODR Regulations. Our Board has been constituted in compliance with the Companies Act. The Board functions either as a full board or through various committees constituted to oversee specific functions.

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealing with our stakeholders, emphasis on communication and transparent report.

Our Board functions either as a full Board or through the various committees constituted to oversee specific operational areas. As on the date of this Draft Red Herring Prospectus, our Company has 5 (Five) Directors on the Board, 1 (One) as Chairman and Managing Director, 1 (One) Whole Time Director, 1 (One) Non- Executive Director and 2 (Two) as Non-Executive Independent Directors.

## COMMITTEES OF THE BOARD OF DIRECTORS

Our Board of Directors presently has four (4) committees which have been constituted/ re-constituted in accordance with



the relevant provisions of the Companies Act: (i) Audit Committee, (ii) Stakeholders' Relationship Committee, (iii) Nomination and Remuneration Committee, and (iv) Corporate Social Responsibility.

**Audit Committee.**

Our Board has constituted the Audit Committee *vide* Board Resolution dated May 18, 2024 Which was in accordance with Section 177 of the Companies Act, 2013. The audit committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Shruti Vijay Thakkar	Non-Executive Independent Director	Chairperson
Vipul Magon	Non-Executive Independent Director	Member
Jitendra Narayan Das	Chairman and Managing Director	Member

The Company Secretary & Compliance Officer of the Company will act as the Secretary of the Committee.

**A. Powers of Audit Committee**

The Audit Committee shall have the following powers:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

**B. Role of the Audit Committee**

The role of the audit committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions; and
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Monitoring the end use of funds raised through public offers and related matters;
8. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
9. Approval of any subsequent modification of transactions of the company with related parties; **Explanation:** The term "related party transactions" shall have the same meaning as provided in Clause 2 (zc) of the SEBI Listing Regulations and/or the Accounting Standards.

10. Scrutiny of inter-corporate loans and investments;
11. Valuation of undertakings or assets of the company, wherever it is necessary;
12. Evaluation of internal financial controls and risk management systems;
13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
14. 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;
15. Discussion with internal auditors of any significant findings and follow up there on;
16. 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;
17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
19. Reviewing the functioning of the whistle blower mechanism;
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee; and
22. Reviewing the utilization of loans and/or advances from/investments by the holding company in the subsidiary exceeding rupees hundred crores or 100% of the asset size of the subsidiary, whichever is lower including existing loans / advances/ investments, as may be applicable.
23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

Further, the Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- Appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- statement of deviations:
  - a. 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.
  - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) the SEBI Listing Regulations.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

***Meeting of Audit Committee and Relevant Quorum.***

The Audit Committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum for audit committee meeting shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

**Stakeholders' Relationship Committee.**

Our Board has constituted the Stakeholders' Relationship Committee vide Board Resolution dated May 18, 2024 pursuant to Section 178 of the Companies Act, 2013. The Stakeholder's Relationship Committee comprises of:

<b>Name of the Member</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Shruti Vijay Thakkar	Non-Executive Independent Director	Chairperson
Vipul Magon	Non-Executive Independent Director	Member
Jitendra Narayan Das	Chairman and Managing Director	Member

The Company Secretary of the Company will act as the Secretary of the Committee.

The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations and the terms of reference, powers and scope of the Stakeholders' Relationship Committee of our Company include:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipts of annual reports, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
- Review of measures taken for effective exercise of voting rights of by shareholders;
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar and Share Transfer Agent;
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipts of dividend warrants/ annualreports/ statutory notices by the shareholders of the Company; and
- Carrying out any other function as prescribed under the SEBI Listing Regulations as and when amended from time to time.

**Meeting of Stakeholders' Relationship Committee and Relevant Quorum**

The Stakeholders' Relationship committee shall meet at least four times in a year and shall report to the Board of Directors on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum for a meeting of the Stakeholder's Relationship Committee shall be two members present.

**Nomination and Remuneration Committee.**

Our Board has constituted the Nomination and Remuneration Committee vide Board Resolution dated May 18, 2024 pursuant to section 178 of the Companies Act, 2013.

The Nomination and Remuneration Committee comprises of:

<b>Name of the Member</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Shruti Vijay Thakkar	Non-Executive Independent Director	Chairperson
Vipul Magon	Non-Executive Independent Director	Member
Ashok Mittal	Non-Executive Director	Member

The Company Secretary of our Company acts as the Secretary to the Committee.

The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;'

2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a) use the services of an external agencies, if required;
  - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c) consider the time commitments of the candidates.
3. formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. devising a policy on diversity of board of directors;
5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
6. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. recommend to the board, all remuneration, in whatever form, payable to senior management;
8. framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  - the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 or the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent each is applicable; or
  - the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;
9. evaluating the performance of the independent directors and on the basis of their performance evaluation recommending the Board of Directors and the members of the Company to extend or continue the term of appointment of the independent director; and
10. Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

#### **Meeting of Nomination and Remuneration Committee and Relevant Quorum**

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members. The Committee shall meet as and when required.

#### **Corporate Social Responsibility (CSR) Committee.**

Our Board has constituted the Nomination and Remuneration Committee vide Board Resolution dated May 18, 2024 pursuant to section 178 of the Companies Act, 2013.

The Corporate Social Responsibility Committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Shruti Vijay Thakkar	Non-Executive Independent Director	Chairman
Vipul Magon	Non-Executive Independent Director	Member
Jitendra Narayan Das	Chairman and Managing Director	Member

The scope of Corporate Social Responsibility Committee shall include but shall not be restricted to the following:

1. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;

2. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
3. To monitor the CSR policy of the Company from time to time; and
4. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

#### **Meeting of Corporate Social Responsibility Committee and Relevant Quorum.**

The quorum necessary for a meeting of the Corporate Social Responsibility Committee shall be two members or one third of the members of the committee whichever is greater. The Committee shall meet at least once in a year.

### **KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL**

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel and senior management of our Company:

#### **Key Managerial Personnel of our Company:**

Jitendra Narayan Das is the Chairman & Managing Director of the Company and Poonam Das is the Whole Time Director of the Company. For detailed profile, see para, “*Brief Profile of our Directors*” beginning on page 150 of this Draft Red Herring Prospectus.

**Dipak Kumar Pandey**, aged 33 years, is the Company Secretary of our Company. He has completed Company Secretary Course from the Institute of Companies Secretaries of India in the year June 2021 and became an Associate member of the Institute of Companies Secretaries of India in the year August 2021. He was appointed as the Company Secretary of our Company with effect of from February 01, 2024, and he looks after the secretarial matters of our Company. He has a prior experience of 2 years in the field of secretarial compliances. He is responsible for looking after the compliance of the company and guiding the Board of Directors with respect to various applicable laws.

**Pankaj Kumar Jain**, aged 59 years, is the Chief Financial Officer of our Company. He has been associate with our company since October 2023. He was appointed as “Vice President- Commercial Operation” as on October 21, 2023, and was late promoted to Chief Financial Officer w.e.f. January 31, 2024. He holds Bachelor Degree in Commerce in the year 1982 from Agra University, Uttar Pradesh and has completed Master of commerce in the year 1984 from University of Garhwal, Srinagar. Additionally, he has passed the Intermediate Examination of The Institute of Cost and Work Accountants of India in the year of 1991. He has around 36 years of experienced in the field of Finance and Account. He looks after the Finance matters of our Company.

#### **Senior Managerial Personnel of our Company:**

In addition to the above, the details of our other Senior Management Personnel in terms of the SEBI ICDR Regulations, as of the date of this Draft Red Herring Prospectus are set forth below:

**Mahendra Pratap Singh**, aged 41 years, is the Document Controller of our Company. He has experience in civil engineering infrastructure and system integrator projects in India which helped for the overall development of the company. He has been associated with our company since July, 2020. He has extensive expertise in planning, Project execution, documentation and contract management.

**Sonia Nehra**, aged 40 years, is the Project Coordinator of our Company. She has been associated with our company since May, 2019. She has experience in Business Development and Project Management Field. She has a strong background in Business development, having previously worked as a Business Analyst in company. She is playing vital role in formulating business strategies and effective implementation of the same. She is responsible for the expansion and overall management of the business of our Company.

**Ravi Kumar Bharti**, aged 42 years, is the Project Manager of our Company. He has been associated with our company since July, 2021. He was appointed as “Associate Manager and Project Execution” on July 15, 2021 and then was promoted to Project Manager on April 01, 2023. He vast experience in IT related Field.

**Sanjay Kumar Dubey**, aged 52 years, is the Project Coordinator of our Company. He has been associated with our company since May, 2018. He has vast experience in Project management related Field. He is looks after the all over operational activities in our Company.

## STATUS OF OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGERIAL PERSONNEL

All our Key Managerial Personnel and Senior Managerial Personnel are permanent employees of our Company.

## RELATIONSHIP BETWEEN OUR DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGERIAL PERSONNEL

None of our directors are related to each other or to our Key Managerial Personnel and Senior Management. Except as mentioned below:

- Jitendra Narayan Das and Poonam Das are related to each other as Spouses.

Furthermore, none of the Key Managerial Personnel and Senior Managerial Personnel of our Company are not related to the Book Running Lead Merchant Banker appointed for this Issue in any manner.

## SHAREHOLDING OF THE KEY MANAGEMENT PERSONNEL AND SENIOR MANAGERIAL PERSONNEL

Except as mentioned below, none of the Key Managerial Personnel and Senior Managerial Personnel of our Company hold any shares in the Company:

Sr. No.	Name of the Director	Designation	No. of Equity Shares	% of Pre-issue Capital	% of Post-Issue Capital
1.	Poonam Das	Whole Time Director	96,76,650	53.98%	[●]
2.	Jitendra Narayan Das	Chairman & Managing Director.	12,06,185	6.73%	[●]

## SERVICE CONTRACTS WITH KEY MANAGERIAL PERSONNEL AND SENIOR MANAGERIAL PERSONNEL

Our Key Managerial Personnel or Senior Managerial Personnel have not entered into any service contracts with our Company which provide for any benefits upon termination of their employment in our Company.

## INTEREST OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGERIAL PERSONNEL

None of our Key Management Personnel or Senior Managerial Personnel has any interest in our Company except to the extent of their remuneration, benefits, reimbursement of expenses incurred by them in the ordinary course of business. Our Key Managerial Personnel or Senior Managerial Personnel may also be interested to the extent of Equity Shares, if any, held by them and any dividend payable to them and other distributions in respect of such Equity Shares in future.

## ARRANGEMENT OR UNDERSTANDING WITH MAJOR SHAREHOLDERS/ CUSTOMERS/ SUPPLIERS

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel or Senior Managerial Personnel of our Company.

## BONUS OR PROFIT-SHARING PLAN OF THE KEY MANAGEMENT PERSONNEL AND SENIOR MANAGERIAL PERSONNEL

There is no profit-sharing plan for the Key Managerial Personnel or Senior Managerial Personnel. However, our Company provides performance linked bonus payments, in accordance with their terms of appointment.

## CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGERIAL PERSONNEL

There is no contingent or deferred compensation payable to our Key Managerial Personnel and Senior Managerial Personnel, which form part of their remuneration.

## EMPLOYEE SHARE PURCHASE AND EMPLOYEE STOCK OPTION PLAN

Our Company does not have an employee stock option scheme as on the date of this Draft Red Herring Prospectus.

## PAYMENT OR BENEFIT TO OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGERIAL PERSONNEL

No non-salary related amount or benefit has been paid or given to any officer of our Company within the two years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

**CHANGES IN OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGERIAL PERSONNEL IN THE LAST THREE YEARS FROM THE DATE OF FILING OF THIS DRAFT RED HERRING PROSPECTUS**

The changes in our Key Managerial Personnel and Senior Management during the three years immediately preceding the date of filing of this Draft Red Herring Prospectus are set forth below:

Name	Designation	Date of Appointment/ Change in designation	Reason for Change
Jitendra Narayan Das	Chairman & Managing Director	January 31, 2024	Change in Designation to Chairman and Managing Directors of our Company.
Poonam Das	Whole Time Director	January 31, 2024	Change in Designation to Whole Time Director of our Company.
Pankaj Kumar Jain	Chief Financial Officer	January 31, 2024	Appointed as Chief Financial Officer of our Company.
Dipak Kumar Pandey	Company Secretary and Compliance Officer	January 31, 2024	Appointed as Company Secretary and Compliance Officer of our Company.

**ATTRITION OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGERIAL PERSONNEL**

The attrition of Key Managerial Personnel and Senior Managerial Personnel is not high in our Company compared to the industry.

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## OUR PROMOTERS AND PROMOTER GROUP



### OUR PROMOTERS

The Promoters of our Company are Jitendra Narayan Das and Poonam Das.

As on the date of this Draft Red Herring Prospectus, our Promoters holds in aggregate 1,08,82,835 Equity Shares of face value ₹10/- each, representing 60.71% of the pre-issued, subscribed and paid-up Equity Share capital of our Company.

For details, see the section “*Capital Structure - Details of Shareholding of our Promoters and members of the Promoter Group in the Company*” beginning on page 56 of this Draft Red Herring Prospectus.

### BRIEF PROFILE OF OUR PROMOTERS IS AS FOLLOWS:

	<b>Jitendra Narayan Das (Chairman &amp; Managing Director)</b>	
	<b>Qualification</b>	Bachelor of Commerce
	<b>Date of Birth</b>	June 03, 1974
	<b>Age</b>	49 Year
	<b>Address</b>	46, Anuradha Apartment, Block A-2, Pashchim Vihar West Delhi 110 063 Delhi India.
	<b>Experience</b>	23 years
	<b>Occupation</b>	Business
	<b>Permanent Account Number</b>	AGGPD9095G
	<b>Passport Number</b>	Z3273951
	<b>License Number</b>	DL0720060215791
	<b>No. of Equity Shares held in [% of Shareholding (Pre-Issue)]</b>	12,06,185 Equity Shares of face value ₹10/- each, representing 6.73%.
	<b>DIN</b>	00743818
	<b>Other Interests</b>	<ol style="list-style-type: none"> <li>1. Trafiksol Electromechanical Private Limited</li> <li>2. S. J. Infraequipments Private Limited</li> <li>3. Easedata Solutions Private Limited</li> <li>4. Trafikways Infratech &amp; Consultancy LLP.</li> </ol>
		<b>Poonam Das, Whole-Time Director</b>
<b>Qualification</b>		Master of Arts in Sociology, Post Graduate Diploma in Business Administration.
<b>Date of Birth</b>		April 08, 1977
<b>Age</b>		47 years
<b>Address</b>		1223, Mahavir Apartments, Sector-29 Noida, Gautam Buddha Nagar, 201 301 Uttar Pradesh India.
<b>Experience</b>		6 years
<b>Occupation</b>		Business
<b>Permanent Account Number</b>		AEMPC2313Q
<b>Passport Number</b>		M9789429
<b>License Number</b>		-
<b>No. of Equity Shares held in [% of Shareholding (Pre-Issue)]</b>	96,76,650 Equity Shares of face value ₹10/- each, representing 53.98%.	
<b>DIN</b>	08139157	



	<b>Other Interests</b>	<ul style="list-style-type: none"> <li>• Trafiksol Electromechanical Private Limited</li> </ul>
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## DECLARATION

Our Company confirms that the Permanent Account Number (PAN), Aadhar Card Number, Driving License Number, Bank Account Details and Passport Number of our Promoter shall be submitted with the Stock Exchange at the time of filing this Draft Red Herring Prospectus.

## UNDERTAKING

None of our Promoter or Promoter Group or Group Company or person in control of our Company has been:

- Prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority;
- Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad;
- No material regulatory or disciplinary action is taken by any by a stock exchange or regulatory authority in the past one year in respect of our Promoter, Group Company and Company promoted by the promoter of our company;
- There are no defaults in respect of payment of interest and principal to the debenture / bond / fixed deposit holders, banks, FIs by our Company, our Promoter, Group Company and Company promoted by the promoters since incorporation;
- The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoter are disclosed in chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 195 of this Draft Red Herring Prospectus;
- None of our Promoters person in control of our Company are or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

## OTHER VENTURES OF OUR PROMOTERS

Other than as disclosed in this section “*Our Promoter and Promoter Group*” beginning on page 165 of this Draft Red Herring Prospectus, our Promoter is not involved in any other ventures.

## CHANGE IN THE MANAGEMENT AND CONTROL OF OUR COMPANY

There has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus and except otherwise stated in the chapter titled “*Our Management*” beginning on page 150 of this Draft Red Herring Prospectus, there has been no change in the management of our Company.

## INTEREST OF PROMOTERS

### ***Interest in Promotion of our Company***

Our Company is promoted by Jitendra Narayan Das and Poonam Das who hold an aggregate of 1,08,82,835 Equity Shares of face value ₹10/- each, representing 60.71% of the pre-issued, subscribed and paid-up Equity Share capital of our Company as of the date of this Draft Red Herring Prospectus.

Our Promoters are interested in our Company to the extent of the promotion of our Company and to the extent of their shareholdings in our Company and/or the shareholding of their relatives in our Company and/or employment related benefits paid by our Company i.e., remuneration and reimbursement of expenses payable to the individual promoters in such capacities. For further details in this regard, please refer chapter titled “*Capital Structure*” and “*Our Management*” beginning on page 56 and 150 respectively of this Draft Red Herring Prospectus.

### ***Interest in the properties, land, construction of building, supply of machinery, etc.***

Except as mentioned in the chapter titled “*Business Overview*” and “*Restated Financial Statements*” beginning on page 117

and 174 respectively of this Draft Red Herring Prospectus, neither of our Promoters have any other interest in any property acquired or proposed to be acquired by our Company in the period of 2 (two) years before filing of this Draft Red Herring Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

#### ***Payment or Benefit to the Promoters or Promoter Group in the last 2 (two) years***

Except as stated above in chapters “*Restated Financial Statements*” beginning on page 174 of this Draft Red Herring Prospectus, there has been no amount or benefit paid or given during the preceding 2 (two) years of filing of this Draft Red Herring Prospectus or intended to be paid or given to any Promoter or member of our Promoter Group and no consideration for payment of giving of the benefit.

#### ***Interest in our Company other than as Promoters***

Except as mentioned in this chapter and chapters titled “*Business Overview*”, “*History and Corporate Structure*”, “*Our Management*” and “*Restated Financial Statements*” beginning on page 117, 138 and 174 respectively, our Promoters do not have any other interest in our Company

#### ***Other ventures of our Promoters***

Most of our Promoters are also the Director on the board, or is a shareholder, member or partner, and other entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to such entities forming part of the Promoter Group and such other entities. For the payments that are made by our Company to certain entities forming part of the Promoter Group and other related parties, see “*Summary of Issue Document*” and “*Our Group Company*” beginning on page 20 and 171 respectively of this Draft Red Herring Prospectus.

### **INTEREST OF DIRECTORS**

For further details, please refer Chapter “*Our Management*” beginning on page 150 of this Draft Red Herring Prospectus.

### **INTEREST OF GROUP COMPANY**

For further details, please refer Chapter “*Our Group Company*” beginning on page 171 of this Draft Red Herring Prospectus.

### **EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY**

For details in relation to experience of our Promoters in the business of our Company, see Chapter titled “*Business Overview*” and “*Our Management*” beginning on page 117 and 150 respectively of this Draft Red Herring Prospectus.

### **RELATED PARTY TRANSACTIONS**

For the transactions with our Group Company, please refer to chapter titled “*Restated Financial Statements- Annexure – 36- Related Party Transactions*” beginning on page 174 of this Draft Red Herring Prospectus.

### **OUTSTANDING LITIGATION INVOLVING OUR PROMOTERS**

For details of legal and regulatory proceedings involving our Promoters, please refer chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 195 of this Draft Red Herring Prospectus.

### **MATERIAL GUARANTEES**

Except as stated in the chapter titled and chapter titled “*Restated Financial Statements*” beginning on page 174 of this Draft Red Herring Prospectus, respectively, there are no material guarantees given by our Promoters to third parties with respect to specified securities of the Company as on the date of this Draft Red Herring Prospectus.

### **COMPANIES WITH WHICH OUR PROMOTERS HAVE DISASSOCIATED IN THE LAST THREE (3) YEARS**

Our Promoters have not disassociated themselves from any firms or companies in the last three (3) years preceding this Draft Red Herring Prospectus except as mentioned below:

Name of Promoter	Name of Company	Date of Disassociation
Poonam Das	Ars Technocrats Private Limited	08/07/2021
Poonam Das	Techno Fabmechanico Private Limited	08/07/2021

## OUR PROMOTER GROUP

Our Promoter Group in terms of Regulations 2(1) (pp) of the SEBI (ICDR) Regulations 2018, is as under:

### A. Individuals related to our natural Individual Promoters:

Promoter	Jitendra Narayan Das
<b>Relationship with Promoter</b>	
<b>Father</b>	Madhu Sudan Das
<b>Mother</b>	Hemangini Das
<b>Spouse</b>	Poonam Das
<b>Brother(s)</b>	Rabindra Narayan Das
<b>Sister(s)</b>	NIL
<b>Son(s)</b>	Bhavya Das
<b>Daughter(s)</b>	Harshita Das
<b>Spouse's Father</b>	S. G. Chandnani
<b>Spouse's Mother</b>	Sheela Bai
<b>Spouse's Brother(s)</b>	Rajesh Chandnani
<b>Spouse's Sister(s)</b>	NIL

Promoter	Poonam Das
<b>Relationship with Promoter</b>	
<b>Father</b>	S. G. Chandnani
<b>Mother</b>	Sheela Bai
<b>Spouse</b>	Jitendra Narayan Das
<b>Brother(s)</b>	Rajesh Chandnani
<b>Sister(s)</b>	NIL
<b>Son(s)</b>	Bhavya Das
<b>Daughter(s)</b>	Harshita Das
<b>Spouse's Father</b>	Madhu Sudan Das
<b>Spouse's Mother</b>	Hemangini Das
<b>Spouse's Brother(s)</b>	Rabindra Narayan Das
<b>Spouse's Sister(s)</b>	NIL

### B. In case promoter is a Body Corporate:

Sr. No.	Nature of Relationship	Name of the Promoter Entities / Company
1.	Subsidiary or holding company of Promoter Company.	NA
2.	Any Body corporate in which promoter (Body Corporate) holds 20% or more of the equity share capital or which holds 20% or more of the equity share capital of the promoter (Body Corporate).	NA
3.	Any Body corporate in which a group of individuals or companies or combinations thereof acting in concert, which hold 20% or more of the equity share capital in that body corporate and such group of individuals or companies or combinations thereof also holds 20% or more of the equity share capital of the issuer and are also acting in concert.	NA

### C. In case promoter is an Individual:

#### i. Jitendra Narayan Das:

Sr. No.	Nature of Relationship	Name of the Entities / Company
1.	Any Body Corporate in which 20% or more of the equity share capital is held by promoter or an immediate relative of the promoter or a firm or HUF in which promoter or any one or more of his immediate relatives is a member.	1. Trafikways Infratech & Consultancy LLP*
2.	Any Body corporate in which Body Corporate as provided above holds 20% or more of the equity share capital.	NA
3.	Any Hindu Undivided Family or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than 20%.	NA

\* Trafikways Infratech & Consultancy LLP is under process of striking off.

**ii. Poonam Das:**

Sr. No.	Nature of Relationship	Name of the Entities / Company
1.	Any Body Corporate in which 20% or more of the equity share capital is held by promoter or an immediate relative of the promoter or a firm or HUF in which promoter or any one or more of his immediate relatives is a member.	1. Trafiksol Its Technologies Private Limited
2.	Any Body corporate in which Body Corporate as provided above holds 20% or more of the equity share capital.	NA
3.	Any Hindu Undivided Family or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than 20%.	NA

**D. All persons whose shareholding is aggregated under the heading “shareholding of the Promoter Group”:**

The following person’s forms part of promoter group for the purpose of shareholding of the Promoter Group under Regulation 2(1) (pp)(v) of SEBI (ICDR) Regulations 2018:

Name of the Promoters	Name of the Relative	Relationship	No of Shares Held
Jitendra Narayan Das	Poonam Das*	Spouse	12,06,185
Poonam Das	Jitendra Narayan Das*	Spouse	96,76,650

\*They are also Promoters of the Company.

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## DIVIDEND POLICY

Under the Companies Act, 2013 our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Articles of Association of our Company. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. All Dividends upon recommendation by our Board of Directors and approved by the shareholders at the General Meeting will be paid to credit of registered shareholders by way of cheque or warrant or in any electronic mode.

Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

For details of risks in relation to our capability to pay dividend, see “*Risk Factors*” beginning on page no. 28 of this Draft Red Herring Prospectus. Our ability to pay Dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition.

Our Company has not paid / declared any dividend in last three years and during stub period from date of this Draft Red Prospectus.

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## OUR GROUP COMPANY

In accordance with Sections 2(1)(t) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, Group Company shall include such companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the board of the Company.

In terms of the SEBI ICDR Regulations and in terms of the policy of materiality defined by the Board pursuant to its resolution dated May 18, 2024 our Group Company includes:

- (i) Those companies disclosed as related parties in accordance with Accounting Standards (“AS 18”) issued by the Institute of Chartered Accountants of India, during the period for which Financial Information is disclosed.
- (ii) All such companies which are deemed to be material by the Board of Directors.

Except as stated below, there is no company which is considered material by the Board of Directors of our Company to be identified as Group Company. No equity shares of our group entities are listed on any of the stock exchange and they have not made any public or rights issue of securities in the preceding three years.

1. Trays Tunnel Solutions Private Limited.
2. Trafiksol Electromechanical Private Limited.

In accordance with the SEBI ICDR Regulations, certain financial information in relation to our Group Companies for the previous three financial years, extracted from their respective audited financial statements (as applicable), are available at the websites indicated below.

Our Company is providing links to such websites solely to comply with the requirements specified under the SEBI ICDR Regulations. Such financial information of the Group Companies and other information provided on the websites given below does not constitute a part of this Draft Red Herring Prospectus. Such information should not be considered as part of information that any investor should consider before making any investment decision.

### 1. TRAYS TUNNEL SOLUTIONS PRIVATE LIMITED

#### **Corporate Information:**

Trays Tunnel Solutions Private Limited was incorporated as a private limited company under the Companies Act, 2013 on June 20, 2020 having its registered office at B-68, Second Floor, Sector-63, Gautam Buddha Nagar, Noida, Ghaziabad, Noida - 201301, Uttar Pradesh, India.

The Corporate Identity Number is U74999UP2020PTC129784.

#### **Object of the Company:**

To carry on the business of contractors, sub-contractors, quasi contractors whether for government or for semi government bodies or corporation or company or society or body corporate or firms or individuals or schools or clubs or other bodies or private works and to undertake contracts and sub contracts relating to Tunnel Management system, Tunnel Traffic Safety, Tunnel Lighting & Tunnel Ventilation System.

#### **Financial Information:**

As required under the SEBI ICDR Regulations, Trays Tunnel Solutions Private Limited shall host the financial information derived from the audited financial statements for the years ended March 2023, March, 2022 and March, 2021 on the website of our company since Trays Tunnel Solutions Private Limited does not have a separate website. Such financial information is available at [www.trafiksol.com](http://www.trafiksol.com).

### 2. TRAFIKSOL ELECTROMECHANICAL PRIVATE LIMITED

#### **Corporate Information:**

Trafiksol Electromechanical Private Limited was incorporated as a private limited company under the Companies Act, 2013 on February 15, 2019 having its registered office at B-68, SECOND FLOOR, SECTOR-63, NOIDA, GAUTAM BUDDHA NAGAR, Noida, Ghaziabad, Noida - 201301, Uttar Pradesh, India.

The Corporate Identity Number is U93000UP2019PTC113719.

**Object of the Company:**

To carry on the business of Software designing, development, customisation, implementation, maintenance, testing and benchmarking, designing, developing and dealing in advanced traffic management system, automation solution and computer software, and to import, export, sell, purchase, distribute, host (in data centers or over the web) or otherwise deal in own and third-party computer software packages, programs and solutions, and to provide internet/web-based applications, services and solutions, provide or take up Information technology related assignments on sub-contracting basis, offering services on-site/ offsite or through development centers using owned /hired or third-party infrastructure and equipment, providing recruitment and HR related services, providing and taking personnel / consultants/ human resources to / from other organizations, providing solutions/ Packages/ services through applications services provider mode via internet or otherwise, to undertake IT enabled services like call Centre Management, data processing, Back office processing, data warehousing and database management, and traffic management.

**Financial Information:**

As required under the SEBI ICDR Regulations, Trafiksol Electromechanical Private Limited shall host the financial information derived from the audited financial statements for the years ended March, 2023, March, 2022 and March, 2021 on the website of our company since Trafiksol Electromechanical Private Limited does not have a separate website. Such financial information is available at [www.trafiksol.com](http://www.trafiksol.com).

**CONFIRMATION**

Our Promoters and persons forming part of Promoter Group have confirmed that they have not been declared as willful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them. Additionally, none of the Promoters and persons forming part of Promoter Group has been restrained from accessing the capital markets for any reasons by SEBI or any other authorities as on the date of this Draft Red Herring Prospectus.

Further, our company or our group entity or any entity promoted by the promoters, has not been in default in payment of listing fees to any stock exchange in the last three years or has not been delisted or suspended in the past and not been proceeded against by SEBI or other regulatory authority in connection with investor related issues or otherwise.

**INTEREST OF OUR GROUP ENTITIES**

None of our Group Entities are interested in the promotion of our Company. Except as disclosed in the section titled “*Restated Financial Statements*” beginning on page 174 of this Draft Red Herring Prospectus and to the extent of their shareholding in our Company, our Group Entities do not have any other interest in our Company.

**SICK COMPANIES / WINDING UP**

No Promoters Group Entities listed above have been declared as a sick company under the Sick Industrial Companies (Special Provisions) Act, 1985. There are no winding up proceedings against any of the Promoter Group Entities.

**LITIGATION**

For details on litigations and disputes pending against the Promoters and Promoter Group entities and defaults made by them, please refer to the chapter titled, “*Outstanding Litigations and Material Developments*” beginning on page 195 of this Draft Red Herring Prospectus.

**DISASSOCIATION BY THE PROMOTERS IN THE LAST THREE YEARS**

None of our Promoters have disassociated themselves from any of the companies during preceding three years.

**SALES / PURCHASES BETWEEN OUR COMPANY AND GROUP ENTITIES**

There is no sale purchase between our Company and Group Entities except as mentioned in Annexure 36 Related Party Disclosures under the chapter titled “*Restated Financial Statement*” beginning on page 174 of this Draft Red Herring Prospectus.

**COMMON PURSUITS BETWEEN OUR GROUP COMPANY AND OUR COMPANY**

Our Group Companies have common pursuits with our Company and each other and are engaged in similar lines of business to that of our Company. While there may be instances of competition with TrafikSol Its Technologies Limited, we believe that there is no conflict of interest with it. We shall adopt necessary procedures and practices as permitted by law to address any instances of conflict of interest, if and when they may arise.

#### **RELATED PARTY TRANSACTION WITHIN THE GROUP AND SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY**

Other than the transactions disclosed in “*Annexure 36- Restated Financial Statements*” beginning on page 174 of this Draft Red Herring Prospectus, there are no other business transactions between our Company and the Group Company which are significant to the financial performance of our Company.

#### **OTHER CONFIRMATIONS**

Our Group Company are not listed on any stock exchange. Our Group Company have not made any public or rights issue of securities in the preceding three years.

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**SECTION VII – FINANCIAL INFORMATION**

**RESTATED FINANCIAL STATEMENTS**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Page No.</b>
1.	Restated Consolidated Financial Statements.	CFS – 1 to CFS – 35
2.	Restated Standalone Financial Statements.	SFS – 1 to SFS – 33

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# M/S VIJAY DARJI AND ASSOCIATES

## CHARTERED ACCOUNTANTS



**'Independent Auditor's Report on the Restated Consolidated Statement of Assets and Liabilities as on 31<sup>st</sup> March, 2024, 31<sup>st</sup> March 2023 and 2022, Restated Consolidated Statement of Profit and Loss and Restated Consolidated Statement of Cash Flows for each of the years ended on 31<sup>st</sup> March, 2024, 31<sup>st</sup> March 2023, and 2022 of Trafiksol ITS Technologies Limited (formerly known as Trafiksol ITS Technologies Private Limited) (collectively, the "Restated Consolidated Summary Statements")**

**To,**  
**The Board of Directors,**  
**Trafiksol ITS Technologies Limited**  
B-68, Second Floor,  
Parthala Khanjarpur, Noida,  
Uttar Pradesh, India,  
Pincode -201307

Dear Sir/Ma'am

1. We have examined the attached Restated Consolidated Financial Information of Trafiksol ITS Technologies Limited (formerly known as Trafiksol ITS Technologies Private Limited) (the "Company" or the "Issuer") and its associates (the Company and its associates together referred to as the "Group"), comprising the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2024, March 31, 2023 and March 31, 2022 the Restated Consolidated Statements of Profit and Loss, the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Cash Flow Statement for the year ended March 31, 2024 and for the year ended March 31, 2023 and March 31, 2022 the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 20<sup>th</sup> May, 2024 for the purpose of inclusion in the Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO").

These restated Summary Statement have been prepared in terms of the requirements of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act")
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("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 is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus to be filed with Securities and Exchange Board of India, Registrar of Companies, Mumbai and the SME Platform of BSE Limited (BSE SME) in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Annexure 4 to the Restated Consolidated Financial Information. The respective Board of Directors' of the Companies included in the Group responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The 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 such Restated Consolidated Financial Information taking into consideration:
  - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated December 12, 2023 in connection with the proposed IPO of equity shares of the Issuer;
  - 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. These Restated Consolidated Financial Information have been compiled by the management from:-
  - a. Audited Special Purpose Consolidated Financial Statements of the Company for the year ended March 31, 2024 prepared in accordance with the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts Rules), 2014, which has been approved by the Board of Directors at their meeting held on 20<sup>th</sup> May, 2024.

Audited the Consolidated financial statements of the company as at and for March 31, 2023, March 31, 2022 and March 31, 2021 prepared in accordance with the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts Rules), 2014, which has been approved by the Board of Directors at their meeting held on 20<sup>th</sup> May, 2024 respectively.

# M/S VIJAY DARJI AND ASSOCIATES

## CHARTERED ACCOUNTANTS



5. We have audited the Special Purpose Consolidated Financial Information of the Group for the year ended March 31, 2023 and March 31, 2022 prepared by the Company in accordance with the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts Rules), 2014 for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the ICAI as required by ICDR Regulations in relation to proposed IPO. We have issued our report dated 20<sup>th</sup> May, 2024 respectively on this special purpose financial information to the Board of Directors who have approved these in their meeting held on 20<sup>th</sup> May, 2024.
6. For the purpose of our examination, we have relied on:
  - a. Auditor's Report issued by us dated 20<sup>th</sup> May, 2024 and 20<sup>th</sup> May, 2024 on the Consolidated financial statements of the Group as at and for the year ended March 31, 2024 and as at and for the year ended on March 31, 2023 respectively as referred in paragraph 4 and 5 above.
  - b. Auditors' Report issued by us dated 20<sup>th</sup> May, 2024 on the Consolidated financial statements of the company as at and for the year ended on March 31, 2022 as referred in Paragraph 4(b) and 5 above.
7. The audit reports on the Special purpose consolidated financial statements as at and for the year ended on March 31, 2023, March 31, 2022 and March 31, 2021 as referred in paragraph 4 and 5 above were issued by us, as the Company have not prepared its Consolidated financial statements for those years in past. As per the Management of the Company, Company was required to prepare the Consolidated financial statements as at and for the year ended on March 31, 2023, and March 31, 2022 and the said provisions on non- preparation and adoption of consolidated financial statements of the Group is vetted by renowned Chartered accountant, from whom company have obtained opinion dated 28<sup>th</sup> May, 2024 and issued to us, we have relied on chartered accountant.

As required by 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"), we have audited special purpose consolidated financial statements as at and for the year ended March 31, 2023 and March 31, 2022 in order audit the Restated Financial Information of the Company and its Associates.

8. The Special purpose consolidated financial statements as at and for the year ended March 31, 2024, and as at and for the year ended March 31, 2023 and March 31, 2022 include the financial information of Associate company "Trays Tunnel Solution Private Limited" whose financial statements are audited by us in accordance with the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts Rules), 2014, which has been approved by their Board of Directors at their meeting held on 20<sup>th</sup> May, 2024.

(Amount in Lakhs)

Particulars	For the period ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Share of Profits	8.00	6.80	(5.12)	0.12

9. Based on our examination and according to the information and explanations given to us, we report that:
- a. The “**Restated Consolidated Summary Statement of Assets and Liabilities**” as set out in **Annexure 1** to this report, of the Company as at and for the year ended on March 31, 2024, as at and for the year ended on March 31, 2023 and March 31, 2022 are prepared by the Company and approved by the Board of Directors. These Restated Consolidated Summary Statement of Assets and Liabilities have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure 4 to this Report.
  - b. The “**Restated Consolidated Summary Statement of Profit and Loss**” as set out in **Annexure 2** to this report, of the Company as at and for the year ended on March 31, 2024, as at and for the year ended on March 31, 2023 and March 31, 2022 are prepared by the Company and approved by the Board of Directors. These Restated Consolidated Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure 4 to this Report.
  - c. The “**Restated Consolidated Summary Statement of Cash Flow**” as set out in **Annexure 3** to this report, of the Company as at and for the year ended on March 31, 2024, as at and for the year ended on March 31, 2023 and March 31, 2022 are prepared by the Company and approved by the Board of Directors. These Restated Consolidated Summary Statement of Cash Flow have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure 4 to this Report.
  - d. The Restated Consolidated Summary Statement has been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
  - e. The Restated Consolidated Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
  - f. The Restated Consolidated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate, if any and there are no qualifications which require adjustments.
  - g. Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;
  - h. There were no qualifications in the Audit Reports issued by the Statutory Auditors as at and for the year ended on March 31, 2024, and as at and for the year ended on March 31, 2023, and March 31, 2022 which would require adjustments in this Restated Financial Statements of the

Company;

- i. Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Policies and Notes to Accounts as set out in **Annexure 4** to this report.
  - j. There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements
  - k. There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements.
  - l. The Company has not declared dividends during the period.
10. We have also examined the following other financial information relating to the Group prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company as at and for the year ended on March 31, 2024, as at and for the year ended March 31, 2023 and March 31, 2022 proposed to be included in the Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus.

### **Annexure of Restated Financial Statements of the Company: -**

- a. Restated Summary Consolidated Statement of Assets and Liabilities in Annexure 1;
- b. Restated Summary Consolidated Statement of Profit and Loss in Annexure 2;
- c. Restated Summary Consolidated Statement of Cash Flows in Annexure 3
- d. Significant Accounting Policies and Notes to Accounts as restated in Annexure 4;
- e. Reconciliation of Consolidated Restated Profit and Loss as appearing in Annexure 38 to this report.
- f. Reconciliation of Consolidated Restated Equity/Net worth as appearing in Annexure 38 to this report.
- g. Details of Share Capital as Restated appearing in Annexure 5 to this report;
- h. Details of Consolidated Reserves and Surplus as Restated appearing in Annexure 6 to this report;
- i. Details of Consolidated Long Term/Short Term Borrowings as Restated appearing in Annexure 7 and Annexure 10 to this report.
- j. Details of Consolidated Deferred Tax Assets/Liabilities (Net) as Restated appearing in Annexure 9 to this report.
- k. Details of Consolidated Long Term/Short Term Provisions as Restated appearing in Annexure 8 and Annexure 13 to this report.
- l. Details of Consolidated Trade Payables as Restated appearing in Annexure 11 to this report.
- m. Details of Consolidated Other Current Liabilities as Restated appearing in Annexure 12 to this report.
- n. Details of Consolidated Property Plant Equipment & Intangible Asset & Capital work in progress as Restated appearing in Annexure 14 to this report.
- o. Details of Consolidated Short Term Loans and Advances as Restated appearing in Annexure 19 to this report.
- p. Details of Consolidated Non-Current Investments and Current Investments as Restated appearing in Annexure 15 and Annexure 16 to this report.
- q. Details of Consolidated Other Current assets as Restated appearing in Annexure 20 to this report.
- r. Details of Consolidated Trade Receivables as Restated appearing in Annexure 17 to this report.
- s. Details of Consolidated Inventories as Restated appearing in Annexure 23 to this report.
- t. Details of Consolidated Cash and Bank Balances as Restated appearing in Annexure 18 to this report.
- u. Details of Consolidated Revenue from operations as Restated appearing in Annexure 21 to this report.
- v. Details of Consolidated Other Income as Restated appearing in Annexure 22 to this report.
- w. Details of Consolidated Cost of Material Consumed as restated appearing in Annexure 24

# M/S VIJAY DARJI AND ASSOCIATES

## CHARTERED ACCOUNTANTS



- to this report.
- y. Details of Consolidated Purchase of Stock in Trade as restated appearing in Annexure 23 to this report.
  - z. Details of Consolidated Employee Benefit Expense as restated appearing in Annexure 25 to this report.
  - aa. Details of Consolidated Finance Cost as restated appearing in Annexure 27 to this report;
  - bb. Details of Consolidated Other Expense as restated appearing in Annexure 26 to this report.
  - cc. Details of Consolidated Accounting and other ratios as restated appearing in Annexure 35 to this report.
  - dd. Statement of Consolidated Tax Shelter as Restated appearing in Annexure 37 to this report:
  - ee. Details of Consolidated statement of Capitalization as restated appearing in Annexure 33 to this report.
  - ff. Details of Consolidated Related Parties Transactions as Restated appearing in Annexure 36 to this report.
  - gg. Details of Consolidated Additional notes as restated appearing in Annexure 34 to this report.
  - ii. Details of Consolidated Ratios as restated appearing in Annexure 32 to this report.
  - jj. Details of Consolidated Segment reporting as restated appearing in Annexure 31 to this report.

11. We, M/s. Vijay Darji and Associates, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate (Certificate Number 013293) issued by the “**Peer Review Board**” of the ICAI which is valid till July 31, 2024.
12. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim financial statements and audited financial statements mentioned in paragraph 4 above.
13. 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, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
14. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
15. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus to be filed with Securities and Exchange Board of India, SME Platform of BSE Limited (BSE SME) and Registrar of Companies,



# **M/S VIJAY DARJI AND ASSOCIATES**

## **CHARTERED ACCOUNTANTS**



Mumbai 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 whose hands it may come without our prior consent in writing.

**For,**  
**Vijay Darji and Associates**  
**Chartered Accountants**  
**Firm's Registration Number – 118614W**

**Vijay Darji**  
**Membership Number - 105197**  
**UDIN – 24105197BKFMUP7065**  
**Place: Mumbai**  
**Date: 20<sup>th</sup> May, 2024**

**TRAFIKSOL ITS TECHNOLOGIES LIMITED**  
(Erstwhile Trafiksol ITS Technologies Private Limited)

**Annexure 1 : Restated Consolidated Summary Statement of Assets and Liabilities**

Particulars	Note No.	Amount in Lakhs		
		31st March, 2024 Amount (Rs)	31st March, 2023 Amount (Rs)	31st March, 2022 Amount (Rs)
<b>I. EQUITY AND LIABILITIES</b>				
<b>(1) Shareholders' Funds</b>				
(a) Share Capital	5	1792.50	10.00	10.00
(b) Reserves and Surplus	6	1620.12	1198.79	720.94
(c) Money received against share warrants		-	-	-
<b>(2) Share Application money pending allotment</b>				
<b>(3) Non-Current Liabilities</b>				
(a) Long-Term Borrowings	7	785.48	506.42	388.04
(b) Long Term Provisions	8	31.96	26.44	21.22
<b>(4) Current Liabilities</b>				
(a) Short-Term Borrowings	10	264.76	292.27	118.38
(b) Trade Payables	11	1051.69	1099.52	854.42
(c) Other Current Liabilities	12	223.67	110.76	82.76
(d) Short-Term Provisions	13	445.34	118.96	88.25
<b>Total Liabilities</b>		<b>6215.52</b>	<b>3363.17</b>	<b>2284.01</b>
<b>II. ASSETS</b>				
<b>(1) Non-Current Assets</b>				
(a) Property, Plant and Equipments				
(i) Tangible Assets	14	22.19	30.83	13.27
(ii) Intangible Assets	14	3.09	3.40	4.59
(iii) Capital Work in progress	14	216.66	216.66	-
(c) Deferred Tax Assets ( NET)	9	6.08	5.20	6.29
(d) Non-Current Investments	15	14.80	6.80	-
<b>(2) Current Assets</b>				
(a) Current Investment	16	-	-	1.00
(b) Inventories		643.45	628.96	129.39
(c) Trade Receivables	17	4057.51	1812.15	1688.39
(d) Cash and Cash Equivalents	18	445.22	379.60	282.66
(e) Short-Term loans and Advances	19	609.33	62.54	32.46
(f) Other Current Assets	20	197.19	217.02	125.97
<b>Total Assets</b>		<b>6215.52</b>	<b>3363.17</b>	<b>2284.01</b>

**Note:**

The above statement should be read with the Consolidated Statement of Notes to the Restated Consolidated Financial Information in Annexure 4.

**For**  
**Vijay Darji And Associates**  
**Chartered Accountant**  
**FRN - 118614W**

Sd/-

**Vijay Darji**  
**Partner**  
**M. No. : 105197**  
Place : Mumbai

Date : 20-May-2024

**For & on behalf of Board of Directors**

Sd/-

**Poonam Das**  
**Director**  
**DIN : 08139157**  
Place : Noida

Date : 20-May-2024

Sd/-

**Jitendra Narayan**  
**Das**  
**Director**  
**DIN : 00743818**  
Place : Noida

Date : 20-May-2024

Sd/-

**Pankaj Kumar Jain**  
**Chief Financial officer**  
**PAN : ADSPJ5734F**  
Place : Noida  
Date : 20-May-2024

**TRAFIKSOL ITS TECHNOLOGIES LIMITED**  
(Erstwhile Trafiksol ITS Technologies Private Limited)

**Annexure 2 : Restated Consolidated Summary Statement of Profit and Loss**

Sr. No	Particulars	Note No.	Amount in Lakhs		
			31st March, 2024 Amount (Rs)	31st March, 2023 Amount (Rs)	31st March, 2022 Amount (Rs)
I	Revenue from operations	21	6581.12	3629.59	2791.21
II	Other Income	22	27.39	45.40	10.71
III	<b>Total Revenue</b>	<b>(I + II)</b>	<b>6608.50</b>	<b>3675.00</b>	<b>2801.92</b>
IV	Expenses:				
	Change in Inventory	23	-14.49	-499.57	-75.48
	Cost of Raw Material Consumed	24	4049.95	3184.00	2069.31
	Employee Benefits Expenses	25	509.78	213.63	372.97
	Finance Costs	26	84.55	52.79	36.48
	Depreciation and Amortisation Expenses	14	13.33	10.71	14.25
	Other Expenses	27	265.53	236.37	171.89
	<b>Total Expenses</b>	<b>(IV)</b>	<b>4908.65</b>	<b>3197.93</b>	<b>2589.42</b>
V	Profit before exceptional and extraordinary items and tax	<b>(III - IV)</b>	<b>1699.85</b>	<b>477.07</b>	<b>212.50</b>
VI	Exceptional Items		-	-	-
VII	Profit before extraordinary items and tax	<b>(V - VI)</b>	<b>1699.85</b>	<b>477.07</b>	<b>212.50</b>
VIII	Extraordinary Items		-	-	-
IX	Share of Profit in associate enterprises		8.00	6.80	-5.12
X	Profit before tax	<b>(VII - VIII)</b>	<b>1707.85</b>	<b>483.87</b>	<b>207.38</b>
XI	Tax expenses:				
	(1) Current Tax		325.74	3.28	3.24
	(2) Tax Pertaining to earlier year		-4.43	-1.64	0.00
	(3) Minimum Alternate Tax (MAT) Credit entitlement		169.26	-	-
	(4) Deferred tax		-0.88	1.09	-1.05
XII	Profit(Loss) for the period from continuing operations	<b>(IX-X)</b>	<b>1209.30</b>	<b>477.85</b>	<b>205.19</b>
XIII	Profit/(Loss) from discontinuing operations		-	-	-
XIV	Tax expense of discounting operations		-	-	-
XV	Profit/(Loss) from Discontinuing operations (after tax)	<b>(XII - XIII)</b>	<b>-</b>	<b>-</b>	<b>-</b>
XVI	Profit/(Loss) for the period	<b>(XI + XIV)</b>	<b>1209.30</b>	<b>477.85</b>	<b>205.19</b>
XVII	Earnings per equity share:	28			
	(1) Basic		6.77	2.68	1.15
	(2) Diluted		6.77	2.68	1.15

**Note:**

The above statement should be read with the Consolidated Statement of Notes to the Restated Consolidated Financial Information in Annexure 4.

For  
**Vijay Darji And Associates**  
Chartered Accountant  
FRN - 118614W

Sd/-  
**Vijay Darji**  
Partner  
M. No. : 105197  
Place : Mumbai  
Date : 20-May-2024

For & on behalf of Board of Directors

Sd/-  
**Poonam Das**  
Director  
DIN : 08139157  
Place : Noida  
Date : 20-May-2024

Sd/-  
**Jitendra Narayan Das**  
Director  
DIN : 00743818  
Place : Noida  
Date : 20-May-2024

Sd/-  
**Pankaj Kumar Jain**  
Chief Financial officer  
PAN : ADSPJ5734F  
Place : Noida  
Date : 20-May-2024

Annexure 3 : Restated Consolidated Summary Statement of Cash Flows

Amount in Lakhs

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>A. Cash flow from operating activities</b>			
Profit before tax, as restated	1707.85	483.87	207.38
<b>Adjustments for :</b>			
Depreciation and amortisation expense	13.33	10.71	14.25
Assets written off	-	-	0.77
Finance costs	84.55	52.79	36.48
Interest & Dividend income	-14.98	-12.62	-9.30
<b>Operating profit before working capital changes</b>	<b>1790.75</b>	<b>534.75</b>	<b>249.58</b>
<b>Changes in working capital:</b>			
(Increase) / decrease Inventories	-14.49	-499.57	-75.48
(Increase) / decrease in Trade Receivables	-2245.36	-123.76	-252.95
(Increase) / decrease in Other Current Assets	-149.43	-91.05	-46.23
(Increase) / decrease in Short term Loans and Advances	-546.79	-30.08	-2.82
Increase / (decrease) in Trade Payables	-47.83	245.10	130.53
Increase / (decrease) in Other Current Liabilities	112.91	28.00	-30.50
Increase / (decrease) in Long Term Provision/ Non Current Liabilities	5.52	5.22	-2.28
Increase / (decrease) in Short Term Borrowings	-27.51	173.89	106.03
Increase / (decrease) in Short Term Provision	0.64	30.66	-84.10
<b>Cash generated from / (utilised in) operations</b>	<b>-1121.59</b>	<b>273.16</b>	<b>-8.23</b>
Less : Taxes paid	-4.43	-4.88	-11.35
<b>Net cash flow generated from/ (utilised in) operating activities (A)</b>	<b>-1126.02</b>	<b>268.28</b>	<b>-19.57</b>
<b>B. Cash flow from investing activities</b>			
Net (Purchase) / Proceeds on property, plant and equipment, Intangible assets	-(4.38)	-(243.75)	-(2.90)
Net of Purchase/ Proceeds from Sale of Investments	-(8.00)	-5.80	(0.62)
Interest and Dividend Received	14.98	12.62	9.30
<b>Net cash flow utilised in investing activities (B)</b>	<b>2.61</b>	<b>-(236.93)</b>	<b>7.02</b>
<b>C. Cash flow from financing activities</b>			
Share Capital Issued	994.52	-	-
Net Fixed Deposit (invested) / redeemed	-(116.08)	-(8.49)	-(112.05)
Net of (Repayment)/Proceeds from Long Term Borrowings	279.06	118.38	188.41
Interest/Finance Charges Paid	-(84.55)	-(52.79)	-(36.48)
<b>Net cash flow generated from/ (utilised in) financing activities (C)</b>	<b>1072.95</b>	<b>57.10</b>	<b>39.88</b>
<b>Net (decrease)/ increase in cash &amp; cash equivalents (A+B+C)</b>	<b>-(50.46)</b>	<b>88.45</b>	<b>27.33</b>
Cash and cash equivalents at the beginning of the period/ year	136.05	47.60	20.28
<b>Cash and cash equivalents at the end of the period/ year</b>	<b>85.60</b>	<b>136.05</b>	<b>47.60</b>

**Note:**

The above statement should be read with the Consolidated Statement of Notes to the Restated Financial Information of the Company in Annexure 1, 2 and 4

The Consolidated Cash Flow Statement has been prepared under Indirect Method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under Section 133 of the Companies Act, 2013.

As per our report of even date attached

For  
Vijay Darji And Associates  
Chartered Accountant  
FRN - 118614W

Sd/-  
Vijay Darji  
Partner  
M. No. : 105197  
Place : Mumbai  
Date : 20-May-2024

For & on behalf of Board of Directors

Sd/-  
Poonam Das  
Director  
DIN : 08139157  
Place : Noida  
Date : 20-May-2024

Sd/-  
Jitendra Narayan Das  
Director  
DIN : 00743818  
Place : Noida  
Date : 20-May-2024

Sd/-  
Pankaj Kumar Jain  
Chief Financial officer  
PAN : ADSPJ5734F  
Place : Noida  
Date : 20-May-2024

**Annexure 4: Statement of Consolidated Notes to the Restated Financial Information**

**A. Background of the Company**

The company is engaged in the Business of Offering a comprehensive range of consulting and design services, the company specializes in Road and Tunnel ITS design, management, and integration. It provides secure, resilient, and scalable industrial solutions tailored to meet the specific needs of its clients in the areas of Road, Tunnel, and Cities.

Moreover, TrafikSol ITS Technologies Private Limited offers customized ITS design solutions, including procurement, supply, installation, testing, and commissioning. The company specializes in the entire lifecycle of Intelligent Transportation Systems, from requirements analysis and solution selection to implementation, business transition, and systems optimization. Leveraging its extensive experience and flexible approaches, the company supports its clients in modernizing and transforming their businesses to achieve success.

**B SIGNIFICANT ACCOUNTING POLICIES**

**a. Basis of Preparation:**

The Consolidated restated financial statements (CFS) relate to Trafiksol ITS Technologies Pvt Ltd (Investor Company) and Trays Tunnel Solutions Private Limited (Associate Company).

The CFS has been prepared on following basis:-

(i) The Restated Financial Statement of Holding Company and Associate Company has been consolidated using equity method as per AS 23.

(ii) There is no change in accounting policies by Investor or Associate Company.

(iii) Goodwill / Capital reserve emerges as the investor company has equitable proportion of shareholding in associate company.

(iv) Inter group balances are not recognised as no line by line consolidation has been carried out.

The Financial Statements have been prepared in accordance with applicable accounting standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts Rules), 2014 under historical cost convention on accrual basis.

All the assets and liabilities have been classified as current or non-current as per Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of activities, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

**b. Use of Equipment:**

The preparation of the financial statements is in conformity with Indian GAAP (Generally Accepted Accounting Principles) which requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities as on the date of the financial statements. The estimates and assumptions made and applied in preparing the financial statements are based upon management's best knowledge of current events and actions as on the date of financial statements. However, due to uncertainties attached to the assumptions and estimates made actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

**c. Revenue Recognition**

(i) Revenue from sale of goods is recognised when significant risk and rewards of ownership of the goods have been passed to the buyer and it is reasonable to expect ultimate collection. Sale of goods is recognised net of GST and other taxes as the same is recovered from customers and passed on to the government.

(ii) Revenue from providing services is recognised in the accounting period in which the services are rendered. Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer.

(ii) Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(iii) Other items of income and expenses are recognised on accrual basis.

(iv) Income from export entitlement is recognised as on accrual basis.

**d. Investments:**

Non-Current/ Long-term Investments are stated at cost. Provision is made for diminution in the value of the investments, if, in the opinion of the management, the same is considered to be other than temporary in nature. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

Current investments are carried at lower of cost and fair value determined on an individual basis. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

**f. Property, Plant and Equipment:**

**(i) Tangible Assets**

Property, plant and equipment are stated at historical cost less accumulated depreciation, and accumulated impairment loss, if any. Historical cost comprises of the purchase price including duties and non-refundable taxes, borrowing cost if capitalization criteria are met, directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management and initial estimate of decommissioning, restoring and similar liabilities.

Subsequent costs related to an item of property, plant and equipment are recognized 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 derecognized when replaced. All other repairs and maintenance are recognized in statement of profit and loss during the reporting period when they are incurred.

An item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gains or losses arising from de-recognition are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is de-recognized.

**g. Depreciation & Amortization:**

Depreciation is calculated using the Straight Line method over their estimated useful lives. The estimates of useful lives of tangible assets are as follows:

Class of Assets	Useful life as per schedule II	Useful Life as per Company
Office equipment	5 Years	5 years
Computers	3 years	3 years
Electrical Installations	10 years	10 years
Furniture and fixtures	10 years	10 years
Plant and Machinery	15 years	15 years
Software	5 years	5 years
Vehicles	8 years	8 years

**h. Inventories:**

Inventories of traded goods are valued at lower of cost and net realizable value. Cost comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location and condition . Cost formula used is FIFO/weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale.

**i. Impairment of Assets:**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the consolidated statement of profit and loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit and loss.

**j. Retirement Benefits:**

(i) Short-term employee benefits

Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of Profit and loss for the year which includes benefits like salary, wages, bonus and are recognised as expenses in the period in which the employee renders the related service

(ii) Post employment benefits:

Defined Contribution Plan

'Retirement benefit in the form of provident fund and pension fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit Plans

Unfunded Plan: The Company has a defined benefit plan for Post-employment benefit in the form of Gratuity.

Liability for the above defined benefit plan is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method.

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

'The Company recognises termination benefit as a liability and an expense when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.

**k. Borrowing Costs**

Borrowing costs are interest, commitment charges and other costs incurred by an enterprise in connection with Short Term/ Long Term borrowing of funds. Borrowing cost directly attributable to acquisition or construction of qualifying assets are capitalized as a part of the cost of the assets, upto the date the asset is ready for its intended use. All other borrowing costs are recognized in the Consolidated Statement of Profit and Loss in the year in which they are incurred.

**l. Earnings per share:**

The earnings in ascertaining the Company's EPS comprises the net profit after tax attributable to equity shareholders and includes the post tax effect of any extraordinary items. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit/(loss) after tax attributable to Equity Shareholders (including the post tax effect of extra ordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period.



**m. Taxation:**

Tax expense for the year comprising current tax & deferred tax are considered in determining the net profit for the year. Provision is made for current tax and based on tax liability computed in accordance with relevant tax laws applicable to the Company. Provision is made for deferred tax for all timing difference arising between taxable incomes & accounting income at currently enacted or substantively enacted tax rates, as the case may be. Deferred tax assets (other than in situation of unabsorbed depreciation and carry forward losses) are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date. Deferred tax assets, in situation of unabsorbed depreciation and carry forward losses under tax laws are recognised only to the extent that where is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be recognised. Deferred Tax Assets and Deferred Tax Liability are been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liability and where the Deferred Tax Asset and Deferred Tax Liability relate to Income taxes is levied by the same taxation authority.

**n. Provisions, Contingent Liabilities And Contingent Assets:**

**(i) Provisions**

A provisions is recognized when the Company has a present obligation as a result of past event, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

**(ii) Contingent Liability**

Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**(ii) Contingent Assets**

Contingent Assets are neither recognised nor disclosed in the financial statements.

**o. Segment Reporting**

Segment reporting is not applicable on the company.

**p. Cash & Cash Equivalents**

Cash & cash equivalents comprise cash and cash on deposit with banks and corporations. The company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amount of cash to be cash equivalents.

**q. Leases**

Leases where the Lessor effectively retains substantially all the risks and benefits of ownership of the Leased Asset, are classified as 'Operating Leases'. Lease rentals with respect to assets taken on 'Operating Lease' are charged to Statement of Profit and Loss on a straight line basis over the lease term.

Leases which effectively transfer to the Company substantially all the risks and benefits incidental to the ownership of the leased item are classified as 'Finance Lease'. Assets acquired on Finance Lease which substantially transfer all the risks and rewards of ownership to the Company are capitalized as assets by the Company at the lower of the fair value and the present value of the minimum lease payment and a liability is created for an equivalent amount. Lease rentals payable is apportioned between the liability and finance charge so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

**r. Government Grants**

Government grants / subsidies received towards specific fixed assets have been deducted from the gross value of the concerned fixed assets and grant / subsidies received during the year towards revenue expenses have been reduced from respective expenses.

Export benefits / incentives are accounted on accrual basis. Accordingly, estimated export benefits against exports affected during the year are taken into account as estimated incentives accrued till the end of the year. In case of License not revalidated after the date of expiry, the proportionate export benefit / incentive taken credit in earlier year(s) is written off in the year of expiry of License.

**TRAFIKSOL ITS TECHNOLOGIES LIMITED**  
**(Erstwhile Trafiksol ITS Technologies Private Limited)**  
**Annexures Forming Integral Part of the Restates Balance Sheet**

Amount in Lakhs

**Restated Consolidated Statement of Share Capital**

Annexure No. 5

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
<b>Equity Share Capital Authorised</b>			
Equity Shares of Rs.10 each	2500.00	10.00	10.00
<b>Issued, subscribed and fully paid-up</b>			
100,000 Equity Shares of Rs. 10 each : Opening	10.00	10.00	10.00
Add : Issued during the year	1782.50	-	-
<b>Total</b>	<b>1792.50</b>	<b>10.00</b>	<b>10.00</b>

**Reconciliation of Equity shares outstanding**

Annexure No. 5(a)

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023	As at 31st March, 2022
	No. of Shares	No. of Shares	No. of Shares
As at the beginning of the year	100,000	100,000	100,000
Add : Issued during the year	79,100	-	-
Bonus Shares issued	17,745,900	-	-
<b>As at the end of the year</b>	<b>17,925,000</b>	<b>100,000</b>	<b>100,000</b>

**Details of Shareholding above 5 %**

Annexure No. 5(b)

In case of share holders holding more than 5% of Total No. of shares issued, subscribed and paid up

Particulars	As at 31st March, 2024		As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares Held	% of Total Holding	No. of Shares Held	% of Total Holding	No. of Shares Held	% of Total Holding
Praveen Kumar Dubey	N.A.	N.A.	42,500	43%	42,500	42.50%
Poonam Das	9,746,807	54.38%	42,500	43%	42,500	42.50%
Amit Mohan Gupta	N.A.	N.A.	5,000	5%	5,000	5.00%
Prasanjit Mohanty	N.A.	N.A.	5,000	5%	5,000	5.00%
Jitendra Narayan Das	2,235,000	12.47%	-	0%	-	0.00%
Comercinate Enterprises Private Limited	1,139,403	6.36%	-	0%	-	0.00%
Pranita Behera	N.A.	N.A.	5,000	5%	5,000	5.00%

**TRAFIKSOL ITS TECHNOLOGIES LIMITED (Erstwhile Trafiksol ITS Technologies Private Limited)**  
**Annexures Forming Integral Part of the Restates Balance Sheet**

Amount in Lakhs  
Annexure No. 6

**Reserves and Surplus**

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
<b>a) Securities Premium Reserve</b>	14.40	-	-
<b>b) Surplus in statement of profit and loss</b>			
Opening Balance	1198.79	720.94	515.75
Add/(Less) : Net profit/(Net Loss) for the year	1209.30	477.85	205.19
Less : Bonus Issue	-(802.38)	-	-
<b>Closing Balance</b>	<b>1605.72</b>	<b>1198.79</b>	<b>720.94</b>
<b>Total</b>	<b>1620.12</b>	<b>1198.79</b>	<b>720.94</b>

**Long Term Borrowings**

Annexure No. 7

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
<b>Secured Loans</b>			
<b>Unsecured Loans</b>			
From Banks & NBFC	288.98	325.92	207.54
from Directors	496.50	81.50	81.50
From Shareholders	-	99.00	99.00
<b>Total</b>	<b>785.48</b>	<b>506.42</b>	<b>388.04</b>

- The Company has not defaulted in repayment of interest. Further, there have been no default in repayment of loan and no breaches in the financial covenants of and interest bearing loans.
- Loan from Directors and Shareholders is interest free.

**Long Term Provisions**

Annexure No. 8

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
Provision for Gratuity	17.82	16.44	11.90
Provision for Leave Encashment	14.14	10.00	9.32
<b>Total</b>	<b>31.96</b>	<b>26.44</b>	<b>21.22</b>

**Short Term Borrowings**

Annexure No. 10

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
Loan Repayable on Demand (OD & CC)*	2.55	143.88	0.00
Term loans	-		
From Banks	262.21	116.01	95.72
From Others	-	32.38	22.67
<b>Total</b>	<b>264.76</b>	<b>292.27</b>	<b>118.38</b>

\* Loan repayable on demand is secured by hypothecation of book debt and Inventory and is personal guaranteed by director.

**Trade Payables**

Annexure No. 11

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
<b>Due of micro enterprises and small enterprises</b>			
<b>Due of creditors other than micro enterprises and small enterprises</b>			
From related parties	-	446.08	310.59
From others	1051.69	653.44	543.83
<b>Total</b>	<b>1051.69</b>	<b>1099.52</b>	<b>854.42</b>

**Other Current Liabilities**

Annexure No. 12

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
Interest on loan payable ( accrued but not due)	-	-	3.78
GST Payable	71.64	-	-
Advance from customers	47.65	17.01	0.01
Statutory Dues	9.67	13.12	6.47
Salary Payable	92.46	79.49	71.22
Others Payable	2.25	1.14	1.28
<b>Total</b>	<b>223.67</b>	<b>110.76</b>	<b>82.76</b>

**Short-term provisions**

Annexure No. 13

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
Provision for Income Tax	329.02	3.28	3.24
SA Tax Payable	-	-	-
Provision for Gratuity	0.29	0.29	0.08
Provision for Leave Encashment	0.53	0.37	0.28
Provision for Expenses	115.49	115.01	84.65
<b>Total</b>	<b>445.34</b>	<b>118.96</b>	<b>88.25</b>

**Non-Current Investments**

Annexure No. 15

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
Investment in Trays Tunnel Solutions Private Limited (50% share In equity capital)	6.80	-	5.12
Share of Profit in Trays Tunnel Solutions Private Limited	8.00	6.80	-(5.12)
<b>Total</b>	<b>14.80</b>	<b>6.80</b>	<b>-</b>

**Current Investment**

Annexure No. 16

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
Other Investment ( Investment in IV)	-	-	1.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>1.00</b>

**Trade receivables**

Annexure No. 17

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
<b>Outstanding for more than six months from the date they are due for payment</b>			
Unsecured, considered good	3515.77	634.28	559.19
Others			
<b>Outstanding for less than six months from the date they are due for payment</b>			
Unsecured, considered good	541.74	1177.87	1129.20
Others			
<b>Total</b>	<b>4057.51</b>	<b>1812.15</b>	<b>1688.39</b>

**Cash and Cash Equivalents**

Annexure No. 18

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
(a) Cash and cash equivalents			
Cash in hand	-	0.35	0.63
Balances with Bank in current account	85.60	135.70	46.97
(b) Fixed Deposits			
Fixed deposit having maturity less than 12 months under lien			
*Fixed deposit Balance is inclusive of interest on FD receivable	359.63	243.55	235.06
<b>Total</b>	<b>445.22</b>	<b>379.60</b>	<b>282.66</b>

**Short-term loans and advances**

Annexure No. 19

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
Imprest	4.41	3.54	-1.34
<b>Advance to suppliers &amp; others</b>			
From related parties	396.45	-	-
From others	175.40	44.99	21.28
Others	33.07	14.00	12.52
<b>Total</b>	<b>609.33</b>	<b>62.54</b>	<b>32.46</b>

**Other current assets**

Annexure No. 20

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
MAT credit entitlement	0.00	169.26	94.97
Security Deposit	73.84	8.70	2.93
GST ITC	-	20.88	9.53
Advance Tax & TDS (net of provision for Tax)	119.12	14.95	15.32
Prepaid Expenses	4.23	3.23	3.22
<b>Total</b>	<b>197.19</b>	<b>217.02</b>	<b>125.97</b>

**TRAFIKSOL ITS TECHNOLOGIES LIMITED (Erstwhile Trafiksol ITS Technologies Private Limited)**

**Annexures Forming Part of the Restated Balance Sheet and Restated Statement of Profit and Loss**

Amount in Lakhs

Annexure No 14

**Property, Plant and Equipment and Intangible Assets**

Particulars	Computers	Plant and Machinery	Furniture and Fixtures	Office Equipments	Vehicles	Total Tangible Assets	Tally Software	Trafikview	Total intangible Asset
<b>Gross Block</b>									
Balance as on 01/04/2021	27.28	2.12	2.44	14.53	6.40	52.76	0.52	14.63	15.15
Addition during the period	2.07	-	0.43	0.40	-	2.90	-	-	-
Sold / Disposal during the period	1.06	-	-	-	-	1.06	-	-	-
<b>Closing as on 31/03/2022</b>	<b>28.29</b>	<b>2.12</b>	<b>2.87</b>	<b>14.93</b>	<b>6.40</b>	<b>54.60</b>	<b>0.52</b>	<b>14.63</b>	<b>15.15</b>
Balance as on 01/04/2022	28.29	2.12	2.87	14.93	6.40	54.60	0.52	14.63	15.15
Addition during the period	7.47	-	0.98	0.94	17.70	27.09	-	-	-
Sold / Disposal during the period	-	-	-	-	-	-	-	-	-
<b>Closing as on 31/03/2023</b>	<b>35.76</b>	<b>2.12</b>	<b>3.84</b>	<b>15.86</b>	<b>24.10</b>	<b>81.69</b>	<b>0.52</b>	<b>14.63</b>	<b>15.15</b>
Balance as on 01/04/2023	35.76	2.12	3.84	15.86	24.10	81.69	0.52	14.63	15.15
Addition during the period	1.82	0.82	0.16	0.62	0.24	3.65	0.05	0.67	0.73
Sold / Disposal during the period	-	-	-	-	-	-	-	-	-
<b>Closing as on 31/03/2024</b>	<b>37.58</b>	<b>2.94</b>	<b>4.00</b>	<b>16.48</b>	<b>24.33</b>	<b>85.34</b>	<b>0.57</b>	<b>15.31</b>	<b>15.88</b>
<b>Accumulated Depreciation</b>									
Balance as on 01/04/2020	9.62	5.30	0.62	3.22	2.54	21.29	0.20	6.60	6.80
Addition during the period	7.06	0.70	0.47	3.00	1.20	12.44	0.08	2.08	2.16
Sold / Disposal during the period	-	4.75	-	-	-	4.75	-	-	-
<b>Closing as on 31/03/2021</b>	<b>16.68</b>	<b>1.26</b>	<b>1.09</b>	<b>6.21</b>	<b>3.75</b>	<b>28.99</b>	<b>0.28</b>	<b>8.68</b>	<b>8.96</b>
Balance as on 01/04/2021	16.68	1.26	1.09	6.21	3.75	28.99	0.28	8.68	8.96
Addition during the period	7.18	0.39	0.39	3.86	0.83	12.64	0.06	1.54	1.60
Sold / Disposal during the period	0.29	-	-	-	-	0.29	-	-	-
<b>Closing as on 31/03/2022</b>	<b>23.57</b>	<b>1.65</b>	<b>1.48</b>	<b>10.07</b>	<b>4.57</b>	<b>41.33</b>	<b>0.34</b>	<b>10.22</b>	<b>10.56</b>
Balance as on 01/04/2022	23.57	1.65	1.48	10.07	4.57	41.33	0.34	10.22	10.56
Addition during the period	5.17	0.21	0.42	2.39	1.33	9.52	0.05	1.14	1.19
Sold / Disposal during the period	-	-	-	-	-	-	-	-	-
<b>Closing as on 31/03/2023</b>	<b>28.73</b>	<b>1.86</b>	<b>1.90</b>	<b>12.46</b>	<b>5.90</b>	<b>50.85</b>	<b>0.39</b>	<b>11.36</b>	<b>11.75</b>
Balance as on 01/04/2023	28.73	1.86	1.90	12.46	5.90	50.85	0.39	11.36	11.75
Addition during the period	4.28	0.13	0.52	1.67	5.70	12.29	0.04	1.01	1.04
Sold / Disposal during the period	-	-	-	-	-	-	-	-	-
<b>Closing as on 31/03/2024</b>	<b>33.01</b>	<b>2.00</b>	<b>2.42</b>	<b>14.13</b>	<b>11.60</b>	<b>63.14</b>	<b>0.42</b>	<b>12.37</b>	<b>12.79</b>
<b>Net Block as on 31/03/2022</b>	<b>4.73</b>	<b>0.47</b>	<b>1.39</b>	<b>4.86</b>	<b>1.82</b>	<b>13.27</b>	<b>0.18</b>	<b>4.42</b>	<b>4.59</b>
<b>Net Block as on 31/03/2023</b>	<b>7.03</b>	<b>0.26</b>	<b>1.94</b>	<b>3.40</b>	<b>18.20</b>	<b>30.83</b>	<b>0.13</b>	<b>3.27</b>	<b>3.40</b>
<b>Net Block as on 31/03/2024</b>	<b>4.57</b>	<b>0.94</b>	<b>1.59</b>	<b>2.35</b>	<b>12.74</b>	<b>22.19</b>	<b>0.15</b>	<b>2.94</b>	<b>3.09</b>

**TRAFIKSOL ITS TECHNOLOGIES LIMITED**  
**(Erstwhile Trafiksol ITS Technologies Private Limited)**  
**Annexures Forming Part of the Restated Statement of Profit and Loss**

Amount in Lakhs

**Revenue from Operations**

Annexure No. 21

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
Revenue from Work Contract & Consultancy from:			
Advance Traffic Management System	2584.53	2095.67	1247.60
Toll management System	371.43	107.61	426.77
Electrical	3522.17	1037.53	803.72
Tunnel Management System	102.98	388.78	313.12
<b>Total</b>	<b>6581.12</b>	<b>3629.59</b>	<b>2791.21</b>

**Other Income**

Annexure No. 22

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
Interest Income on FD	14.98	12.62	9.30
Other Income	12.40	32.78	1.41
<b>Total</b>	<b>27.39</b>	<b>45.40</b>	<b>10.71</b>

**Change in Inventory**

Annexure No. 23

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
Opening Stock	628.96	129.39	53.91
Closing Stock	643.45	628.96	129.39
	<b>-14.49</b>	<b>-499.57</b>	<b>-75.48</b>
<b>Total</b>	<b>4035.45</b>	<b>2684.43</b>	<b>1993.83</b>

**Cost of Goods Sold & Operating Expenses**

Annexure No. 24

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
Purchases & Operating Expenses	4049.95	3184.00	2069.31
<b>Total</b>	<b>4049.95</b>	<b>3184.00</b>	<b>2069.31</b>

**Employee Benefit Expenses**

Annexure No. 25

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
Salaries, Wages and Allowances	458.87	176.79	352.62
Gratuity Expenses	9.93	4.76	-(0.65)
Leave Encashment Expenses	8.03	2.98	-
Contribution to provident and other funds	27.56	22.48	16.40
Staff Training & Welfare expenses	5.39	6.62	4.60
<b>Total</b>	<b>509.78</b>	<b>213.63</b>	<b>372.97</b>

**Administrative and General Expenses****Annexure No. 26**

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
Audit Fees	4.00	2.46	3.80
Fixed Asset Written off	-	-	0.77
Forex Exchange Rate Loss	0.18	-	-
Bad Debt Written Off	3.35	18.68	-
Bank Charges	12.31	11.43	8.61
Boarding & Lodging	1.53	3.96	3.84
Business Promotion Expenses	1.24	0.00	3.48
Electricity Expenses	6.27	3.41	4.32
Freight Charges	9.45	37.08	16.53
Guest House Expenses	23.69	23.68	21.10
Insurance Expenses	18.39	11.55	14.33
Interest & Late Fees on Statutory Dues	5.47	2.07	0.37
Legal & Professional Charges	6.70	2.43	6.77
Office Expenses	2.78	3.04	1.54
Other Expenses	20.43	3.09	0.99
Postage & Courier Charges	-	0.01	0.30
Printing & Stationary	1.27	0.87	1.07
Pre-IPO Expenses	9.22	-	-
Rate & Taxes	22.43	-	-
Rent Expenses	34.13	27.01	19.31
Repairs & Maintenance Expenses	3.44	2.66	2.44
Site Expenses	24.81	15.35	3.22
Telephone & Interest Expenses	2.20	1.70	0.50
Tour & Travelling Expenses	12.81	21.28	14.26
Vehicle Hiring & Repair Expenses	16.09	25.68	20.51
Vehicle Running & Maintenance Expenses	16.55	17.33	19.75
Website & Software Expenses	6.79	1.59	4.10
<b>Total</b>	<b>265.53</b>	<b>236.37</b>	<b>171.89</b>

**Finance Costs****Annexure No. 27**

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
Interest on Unsecured loans	78.83	48.34	29.64
Processing & other charges	5.72	4.45	6.84
<b>Total</b>	<b>84.55</b>	<b>52.79</b>	<b>36.48</b>

**Earnings Per Share****Annexure No. 28**

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
<u>Profit/(Loss) after Tax</u>	1209.30	477.85	205.19
Weighted number of Equity shares outstanding	17,858,102	17,845,900	17,845,900
Nominal Value of equity shares	10.00	10.00	10.00
Basic Earnings per share	6.77	2.68	1.15
<u>Diluted Earnings per share</u>	6.77	2.68	1.15

**Contingent Liabilities and Commitments****Annexure No. 29**



Fixed deposits of Rs.2,65,55,589 have been kept in lein with bankers in respect of bank guarantee of Rs.2,65,55,589 provided to clients to procure the work.

**Annexure 9: Deferred Tax Assets/Liabilities**

**Amount in Lakhs**

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b><u>Deffered Tax Assets &amp; Liabilities Provision</u></b>			
WDV As Per Companies Act 2013	25.28	34.24	17.86
WDV As Per Income Tax Act	49.12	56.92	43.14
<b>Difference in WDV</b>	<b>-23.84</b>	<b>-22.69</b>	<b>-25.28</b>
Gratuity Provision	9.56	16.74	11.98
Leave Encashment	11.25	10.16	9.27
<b>Total Timming Differece</b>	<b>-3.03</b>	<b>4.20</b>	<b>-4.02</b>
Tax Rate as per Income Tax	29.12%	26.00%	26.00%
(DTA) / DTL	-0.88	1.09	-1.05
<b><u>Deffered Tax Assets &amp; Liabilities Summary</u></b>			
<b>Opening Balance of (DTA) / DTL</b>	<b>-5.20</b>	<b>-6.29</b>	<b>-5.24</b>
Add: Provision for the Year	-0.88	1.09	-1.05
<b>Closing Balance of (DTA) / DTL</b>	<b>-6.08</b>	<b>-5.20</b>	<b>-6.29</b>

**Note:**

In accordance with accounting standard 22, Accounting for taxes on income, issued by the institute of Chartered Accountant of India, the Deferred Tax Laibilities (net of Assets) is provided in the books of account as at the end of the year/ (period)

The following table sets out the status of the Gratuity Scheme in respect of employees of the Company:

Particulars	As at 31st March, 2024	As at 31 March, 2023	As at 31 March, 2022
Present Value Obligation	18.11	16.74	11.98
Funding Status	Undefined	Undefined	Undefined
Fund Balance	N.A	N.A	N.A
Current Liability	0.29	0.29	0.08
Non Current Liability	17.82	16.44	11.90

The actuarial assumptions used in accounting for the gratuity plan were as follows:

Particulars	As at 31st March, 2024	As at 31 March, 2023	As at 31 March, 2022
<b>Demographic Assumption:</b>			
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Retirement Age	65 years	58 years	58 years
Attrition Rate:-			
Upto 30 years	3.00%	3.00%	3.00%
31-44 years	2.00%	2.00%	2.00%
Above 44 years	1.00%	1.00%	1.00%
<b>Financial Assumption:</b>			
Salary Escalation Rate	5.00%	5.00%	5.00%
Discount Rate	7.20%	7.50%	7.30%

The following table sets out the status of the Leave Encashment in respect of employees of the Company:

Particulars	As at 31st March, 2024	As at 31 March, 2023	As at 31 March, 2022
Projected Benefit Obligation	14.67	10.37	9.60
Funding Status	Undefined	Undefined	Undefined
Fund Balance	N.A	N.A	N.A
Current Liability	0.53	0.37	0.28
Non Current Liability	14.14	10.00	9.32

The actuarial assumptions used in accounting for the gratuity plan were as follows:

Particulars	As at 31st March, 2024	As at 31 March, 2023	As at 31 March, 2022
<b>Demographic Assumption:</b>			
Mortality Rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Leave Availment rate	0.00%	0.00%	0.00%
Leave Encashment rate	0.00%	0.00%	0.00%
Attrition Rate:-			
Upto 30 years	3.00%	3.00%	3.00%
31-44 years	2.00%	2.00%	2.00%
Above 44 years	1.00%	1.00%	1.00%
<b>Financial Assumption:</b>			
Salary Escalation Rate	5.00%	5.00%	5.00%
Discount Rate	7.20%	7.50%	7.30%

AS 15 (revised) Employee Benefits is not applicable to Associate company as no obligation is due or required under any provisions of the Act.

**Annexure No. 27.1: Restated Standalone Statement of Provisions**

The provisions of section 135 of Companies Act 2013 related to Corporate Social Responsibility are applicable to the company in the next year i.e. Financial Year 2024-25 wherein company will be required to spend during the next year however the provision has been made in the current year.

Average profits of last 3 years	79,647,421
Prescribed CSR Expenditure (2% of average profit)	1,592,948
<b>Provision during the FY 24-25</b>	<b>1,592,948</b>

**TRAFIKSOL ITS TECHNOLOGIES LIMITED (Erstwhile Trafiksol ITS Technologies Private Limited)**  
**Annexures Forming Part of the Restated Statement of Profit and Loss**

**Trade Receivables Ageing Schedule**

**Annexure No. 30**

Particulars	As at 31st March, 2024 Rs. in Lakhs	As at 31st March, 2023 Rs. In Lakhs	As at 31st March, 2022 Rs. In Lakhs
<b>(i) Undisputed - Considered Good</b>			
Less than Six Months	3515.77	634.28	559.19
6 Months to 1 Year	326.61	934.36	941.06
1 Year to 2 Years	18.35	72.78	188.14
2 Years to 3 Years	74.43	170.73	
More Than 3 Years	122.36		
<b>(ii) Undisputed – which have significant increase in credit risk</b>			
<b>(iii) Undisputed – credit impaired</b>			
<b>(iv) Disputed – considered good</b>			
<b>(v) Disputed – which have significant increase in credit risk</b>			
<b>(vi) Disputed– credit impaired</b>			
<b>Total</b>	<b>4057.51</b>	<b>1812.15</b>	<b>1688.39</b>

**Note :-**

1. Trade Receivables as on 31st December, 2023 has been taken as certified by the Management of the Company.
2. As per the view of the Management of the Company there is no doubtful debts and hence provision for doubtful debts have not been made.
3. Trade Receivables as on 31st March, 2024 has been certified by the management of the company.

**Trade Payables Ageing Schedule**

**Annexure No. 31**

Particulars	As at 31st March, 2024 Rs. in Lakhs	As at 31st March, 2023 Rs. In Lakhs	As at 31st March, 2022 Rs. In Lakhs
<b>Disputed Dues</b>			
<b>Undisputed Dues</b>			
<b>(a) Micro, Small &amp; Medium Enterprises</b>			
Less than 1 year	-	-	-
1 to 2 years	-	-	-
2 to 3 years	-	-	-
More than 3 Years	-	-	-
<b>(b) Others</b>			
Less than 1 year	860.61	952.63	709.47
1 to 2 years	51.88	36.51	144.95
2 to 3 years	28.79	110.37	0.00
More than 3 Years	110.40	0.00	0.00
<b>Total</b>	<b>1051.69</b>	<b>1099.52</b>	<b>854.42</b>

**Note :-**

1. The Company is in the process of obtaining necessary confirmations from suppliers regarding their status under the Micro, Small and Medium Enterprises (MSME) Development Act, 2006 (the 'Act') and hence disclosures regarding the following have not been made:
    - i. Amount due and outstanding to MSME suppliers as at the end of the accounting period / year.
    - ii. Interest paid during the period / year to MSME.
    - iii. Interest payable at the end of the accounting period / year to MSME.
    - iv. Interest accrued and unpaid at the end of the accounting period / year to MSME.
- Management believes that the figures for disclosures, if any, will not be significant.
2. Trade Payables as on 31st March, 2024 has been taken as certified by the management of the company.
  3. All Trade Payables and Receivables have been vet and included as per management's decision.

Amount in Lakhs

Annexure 32: Restated Consolidated Statement of Ratios

Sr No.	Particulars	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022	% Change	% Change
		1	2	3	(1-2)/(2)	(2-3)/(3)
1	<b>Current Ratio (in times)</b>					
	Current Assets	5952.70	3100.27	2259.86		
	Current Liabilities	1985.47	1621.51	1143.81		
	<b>Current Ratio</b>	<b>3.00</b>	<b>1.91</b>	<b>1.98</b>	<b>56.81%</b>	<b>-3.23%</b>
2	<b>Debt-Equity Ratio (in times)</b>					
	Total Debts	1050.24	798.70	506.42		
	Share Holder's Equity + RS	3412.62	1208.79	730.94		
	<b>Debt-Equity Ratio</b>	<b>0.31</b>	<b>0.66</b>	<b>0.69</b>	<b>-53.42%</b>	<b>-4.63%</b>
3	<b>Debt Service Coverage Ratio (in times)</b>					
	Earning available for debt service	1301.47	536.90	249.08		
	Interest + Installment	306.95	185.14	85.90		
	<b>Debt Service Coverage Ratio</b>	<b>4.24</b>	<b>2.90</b>	<b>2.90</b>	<b>46.21%</b>	<b>0.01%</b>
4	<b>Return on Equity Ratio (in %)</b>					
	Net Profit After Tax	1209.30	477.85	205.19		
	Share Holder's Equity	2310.71	969.87	628.34		
	<b>Return on Equity Ratio</b>	<b>52.33%</b>	<b>49.27%</b>	<b>32.66%</b>	<b>6.22%</b>	<b>50.87%</b>
5	<b>Inventory Turnover Ratio (in times)</b>					
	Cost of Goods Sold	4035.45	2684.43	1993.83		
	Average Inventory	379.17	91.65	54.33		
	<b>Inventory turnover ratio</b>	<b>10.64</b>	<b>29.29</b>	<b>36.70</b>	<b>-63.66%</b>	<b>-20.19%</b>
6	<b>Trade Receivables Turnover Ratio (in times)</b>					
	Net Credit Sales	6581.12	3629.59	2791.21		
	Average Receivable	2934.83	1750.27	1561.91		
	<b>Trade Receivables Turnover Ratio</b>	<b>2.24</b>	<b>2.07</b>	<b>1.79</b>	<b>8.13%</b>	<b>16.04%</b>
7	<b>Trade Payables Turnover Ratio (in Times)</b>					
	Credit Purchase	4049.95	3184.00	2069.31		
	Average Payable	1075.61	976.97	789.16		
	<b>Trade Payables Turnover Ratio</b>	<b>3.77</b>	<b>3.26</b>	<b>2.62</b>	<b>15.53%</b>	<b>24.29%</b>
8	<b>Net Capital Turnover Ratio (in Times)</b>					
	Revenue from Operations	6581.12	3629.59	2791.21		
	Net Working Capital	3967.23	1478.76	1116.05		
	<b>Net capital turnover ratio</b>	<b>1.66</b>	<b>2.45</b>	<b>2.50</b>	<b>-32.41%</b>	<b>-1.86%</b>
9	<b>Net Profit ratio (in %)</b>					
	Net Profit	1209.30	477.85	205.19		
	Sales	6581.12	3629.59	2791.21		
	<b>Net Profit ratio</b>	<b>18.38%</b>	<b>13.17%</b>	<b>7.35%</b>	<b>39.57%</b>	<b>79.09%</b>
10	<b>Return on Capital employed (in %)</b>					
	Earning Before Interest and Taxes	1124.19	526.74	235.88		
	Capital Employed	4198.10	1715.21	1118.98		
	<b>Return on Capital employed</b>	<b>26.78%</b>	<b>30.71%</b>	<b>21.08%</b>	<b>-12.80%</b>	<b>45.68%</b>
11	<b>Return on investment. (in %)</b>					
	Return	14.98	12.62	9.30		
	Investments	359.63	243.55	235.06		
	<b>Return on investment</b>	<b>4.17%</b>	<b>5.18%</b>	<b>3.96%</b>	<b>-19.59%</b>	<b>30.94%</b>

\* Reason for variance More than 25 %

**1 Current Ratio**

Trade receivables increased in FY 23-24 and trade payables remain constant although increase in volume in FY 23-24

**2 Debt-Equity Ratio (in times)**

New loans were disbursed and Earnings increased in FY 23-24  
New loans were disbursed in FY 21-22, FY 22-23 and in FY 23-24

**3 Debt Service Coverage Ratio (in times)**

New loans were disbursed and Earnings increased in FY 23-24  
New loans were disbursed in FY 21-22, FY 22-23 and in FY 23-24

**4 Return on Equity Ratio (in %)**

Share Holder's Equity increased due to Bonus and new shares issued during the FY 23-24  
Net Profit decreased in FY 21-22 as compared to FY 20-21

**5 Inventory Turnover Ratio (in times)**

FY 2023-24, inventory and cost of goods sold increased due to increase in volume

**6 Trade Receivables Turnover Ratio (in times)**

Trade receivables were lower in FY 20-21 as compared to FY 21-22 with the similar turnover

**7 Trade Payables Turnover Ratio (In Times)**

NA

**8 Net Capital Turnover Ratio (In Times)**

Higher revenues in FY 2023-24 and increase in working Capital

**9 Net Profit ratio (in %)**

Profit increased in FY 2023-24 by 1.5 times as compared to previous financial year.  
Profit increased in FY 2022-23 by 2 times as compared to previous financial year.

**10 Return on Capital employed (in %)**

Higher operating profit during FY 2022-23, due to focus on increasing in volume of turnover

**11 Return on investment. (in %)**

Fixed deposits matured in FY 2021, hence lower closing balance in FY 2021 as compared to FY 2022

**TRAFIKSOL ITS TECHNOLOGIES LIMITED (Erstwhile Trafiksol ITS Technologies Private Limited)**

**Annexure 33: Restated Consolidated Statement of Capitalisation**

**(Amount in Lakhs)**

Particulars	Pre Issue	Post Issue
<b>Borrowings</b>		
Long- term (A)	788.03	[-]
Short- term (including current maturities of Long term)	262.21	[-]
<b>Total Borrowings (B)</b>	<b>1050.24</b>	[-]
<b>Shareholders' funds</b>		
Share capital	1792.50	[-]
Reserves and surplus	1620.12	[-]
<b>Total Shareholders' funds (C)</b>	<b>3412.62</b>	[-]
<b>Long- term borrowings/ equity* {(A)/(C)}</b>	<b>0.23</b>	[-]
<b>Total borrowings / equity* {(B)/(C)}</b>	<b>0.31</b>	[-]

\* equity= total shareholders' funds

**Notes:**

- 1 Short-term borrowings implies borrowings repayable within 12 months from the Balance Sheet date. Long-term borrowings are debts other than short-term borrowings and also includes the current maturities of long-term borrowings (included in Short term borrowing).
- 2 The above ratios have been computed on the basis of the Restated Summary Statement of Assets and Liabilities of the Company.
- 3 The above statement should be read with the Statement of Notes to the Restated Standalone Financial Information of the Company

**TRAFIKSOL ITS TECHNOLOGIES LIMITED (Erstwhile Trafiksol ITS Technologies Private Limited)**

**Annexure 34: Consolidated Additional Notes**

A) The title deeds of immovable properties (other than properties where the Company is the lessee and

the lease reements are duly executed in favour of the lessee) are held in the name of the Company.

B) The Company does not have any investment property.

C) The Company has not revalued its Property, Plant and Equipment and Intangible assets.

D) There are no loans or advances in the nature of loans are granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are outstanding as on 31 March 2024:

(i) repayable on demand; or,

(ii) without specifying any terms or period of repayment.

F) The company is not declared willful defaulter by any bank or financial institution or other lender.

G) The company has not undertaken any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

H) No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

I) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (Ultimate Beneficiaries) by or on behalf of the company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

J) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (Ultimate Beneficiaries) by or on behalf of the Funding Party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

K) No transactions has been surrendered or disclosed as income during the year in the tax assessment

under the Income Tax Act, 1961. There are no such previously unrecorded income or related assets.

L) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

M) The Provision of Section 135 of the Companies Act 2013 in relation to Corporate Social Responsibility are not applicable to the Company during the year and hence reporting under this clause is not applicable.



Annexure 35: Restated Consolidated Statement of Accounting and Other Ratios

Amount in Lakhs

Sr. no. Particulars	Period Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
A Net worth, as restated (₹)	3412.62	1208.79	730.94
B Profit after tax, as restated (₹)	1209.30	477.85	205.19
<b>Weighted average number of equity shares outstanding during the year</b>	<b>17,858,102</b>	<b>17,845,900</b>	<b>17,845,900</b>
C For Basic/Diluted earnings per share - Weighted average number of equity shares outstanding during the period/ year	178.58	178.46	178.46
D For Diluted earnings per share	178.58	178.46	178.46
<b>Earnings per share</b>			
D Basic/Diluted earnings per share (₹) (B/C)	6.77	2.68	1.15
<b>E Return on Net Worth (%) (B/A*100)</b>	<b>35.44%</b>	<b>39.53%</b>	<b>28.07%</b>
F Number of shares outstanding at the end of the period/ year	17,858,102	17,845,900	17,845,900
I Number of shares outstanding at the end of the period/ year after Sub Division of Face Value of Rs 10.00/- each (in lakhs)		17,845,900	17,845,900
G <b>Net asset value per equity share of ₹ 100 each(A/C)</b>	<b>19.11</b>	<b>6.77</b>	<b>4.10</b>
H <b>Net asset value per equity share of ₹ 10 each after Sub Division of Face Value of Rs 10.00/- each (₹) (A/I)</b>			
H Face value of equity shares (₹)	10.00	10.00	10.00
I Earning Before Interest , Taxes, Depreciation & Amortization (EBITDA)	1778.35	501.96	247.41

Notes :-

- 1) The ratios have been computed in the following manner :  
Basic and Diluted earnings per share (₹)

a)	$\frac{\text{Restated Profit after tax attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the period/year}}$
b) Return on net worth (%) =	$\frac{\text{Restated Profit after tax}}{\text{Restated Net worth as at period/ year end}}$
c) Net asset value per share (₹)	$\frac{\text{Restated Net Worth as at period/ year end}}{\text{Total number of equity shares as at period/ year end}}$

- 2) The figures disclosed above are based on the Restated Financial Information of the Company.
- 3) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted for the number of equity shares issued during the period/year multiplied by the time weightage factor. The time weightage 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.
- 5) Ratios for the Year ended on March, 2021 have not been annualised.
- 4) Net worth for the ratios represents sum of share capital and reserves and surplus (share premium and surplus in the Restated Summary Statement of Profit and Loss).
- 5) The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure 4.
- 6) Earning Before Interest , Taxes, Depreciation & Amortization (EBITDA) = Profit before Tax + Finance Cost + Depreciation - Other Income

TRAFIKSOL ITS TECHNOLOGIES LIMITED (Erstwhile Trafiksol ITS Technologies Private Limited)											
Annexure 36: Restated Consolidated Statement of Related Party Transaction											
Amount in Lakhs											
Name of Party	Nature of Relation	Nature of Transaction	Amount outstanding as on 31.03.2024 Payable/(Receivable)	Amount of Transaction debited in 1-4-23 to 31-03-24	Amount of Transaction credited in 1-4-23 to 31-03-24	Amount outstanding as on 31.03.2023 Payable/(Receivable)	Amount of Transaction debited in 2022-23	Amount of Transaction credited in 2022-23	Amount outstanding as on 31.03.2022 Payable/(Receivable)	Amount of Transaction debited in 2021-22	Amount of Transaction credited in 2021-22
Praveen Kumar Dubey	Director	Reimbursement of expense incurred by Party in behalf of Company	-	0.57	0.00	0.57	3.60	3.74	0.44	3.47	3.70
		Director Remuneration	-	-	-	-	2.48	-	-	26.12	-
		Professional Fees paid	-	-	-	-	-	-	-	-	-
Radikha Dubey	Relative of Director(Key)	Salary	-	-	-	-	6.55	-	-	6.55	-
Poonam Das	Director	Reimbursement of expense incurred by Party in behalf of Company	-	0.02	0.02	-	-	-	-	-	-
		Director Remuneration	-	31.50	-	-	2.48	-	-	26.12	-
		Advance taken / Repaid	-	-	-	-	-	-	-	-	-
		Payable / (Receivables)	306.50	-	225.00	81.50	-	-	81.50	-	-
Jitendra Narayan Das	Director	Director Remuneration	-	12.90	-	-	-	-	-	-	-
		Advance taken / Repaid	190.00	-	190.00	-	-	-	-	-	-
		Payable / (Receivables)	-	-	-	-	-	-	-	-	-
Jitendra Narayan Das	Relative of Director(Key management personnel)	Reimbursement of expense incurred by Party in behalf of Company	-	-	-	0.00	0.30	0.11	0.19	0.41	0.56
		Salary	-	-	-	-	6.21	-	-	6.55	-
Tam IT Service	Joint Venture	Revenue	-	-	-	-	-	-	-	-	-
		Purchase	-	-	-	-	-	-	-	-	-
		Advance taken / Repaid	-	-	-	-	1.00	-	0.00	8.00	-
		Payable / (Receivables)	-	-	-	24.65	-	-	25.65	-	-
		Share Capital	-	-	-	-	-	1.00	1.00	-	-
Trays Tunnel Solution Private Limited	Associate Company	Revenue	-	-	-	-	24.41	-	-	-	37.85
		Purchase	-	246.41	-	-	642.18	-	-	295.41	-
		Advance taken / Repaid	-	-	-	-	-	-	-	-	-
		Payable / (Receivables)	75.78	-	-	123.04	-	-	76.16	-	-
Trafiksol Electromechanical Private Limited	Companies under same management (Common Directors)	Share Capital	5.00	-	-	5.00	-	-	5.00	4.50	-
		Revenue	-	-	689.16	-	-	1.08	-	-	36.61
		Purchase	-	971.38	-	-	758.08	-	-	691.64	-
		Advance taken / Repaid	-	-	-	-	-	-	-	-	-
Vipul Magon	Independent Director	Payable / (Receivables)	472.23	-	-	298.38	-	-	555.10	-	-
		Share Capital	-	-	-	-	-	-	-	-	-
		Director Remuneration	-	0.10	-	-	-	-	-	-	-
Vipul Magon	Independent Director	Advance taken / Repaid	-	-	-	-	-	-	-	-	-
		Payable / (Receivables)	-	-	-	-	-	-	-	-	-

**Annexure 37: Consolidated Statement of Tax Shelter**

(Amount in Lakhs)

Particulars	Period Ended 31st	Year Ended 31st	Year Ended 31st
	March, 2024	March, 2023	March, 2022
<b>Profit before tax, as restated (A)</b>	1707.85	25.21	2.09
Tax rate (%) (B)	29.12%	26.00%	26.00%
<b>Tax expense at nominal rate [C= (A*B)]</b>	<b>497.33</b>	<b>6.56</b>	<b>0.54</b>
<b>Adjustments</b>			
<b>Permanent differences</b>	-	-	-
<b>Total permanent differences (D)</b>			
<b>Timing differences</b>			
Depreciation difference as per books and as per tax	1.15	-2.59	1.82
Adjustment on account of Section 43B under Income tax Act, 1961			
Adjustment on account of Section 28 to 44 DA Income tax other Additions			
Preoperative expense writeoff Restated	0.00	0.00	
Provision for gratuity	9.56	16.74	11.98
Provision for Leave Encashment	11.25	10.16	9.27
Brought Forward Losses			
<b>Total timing differences (E)</b>	<b>21.96</b>	<b>24.30</b>	<b>23.08</b>
<b>Deduction under Chapter VI-A (F)</b>	-	-	-
<b>Net adjustments(G)=(D+E+F)</b>	21.96	24.30	23.08
<b>Brought Forward Loss (ab)</b>	-	-	-
<b>Brought Forward Loss (Utilisation)(ac)</b>	-	-	-
<b>Carried Forward Loss</b>	-	-	-
<b>Net Adjustment After Loss Utilisation (H)= (G)+(ac)</b>	21.96	24.30	23.08
<b>Tax impact of adjustments (I)=(H)*(B)</b>	6.39	6.32	6.00
<b>Tax expenses (Normal Tax Liability) (J= C+I) (derived)</b>	<b>21.96</b>	<b>24.30</b>	<b>23.08</b>
<b>Minimum Alternate Tax (MAT) (Note 6)</b>			
<b>Income as per MAT **</b>	<b>1707.85</b>	<b>483.87</b>	<b>207.38</b>
<b>Less :- Business Loss or Unabsorbed Depre w.e. Lower</b>	-	-	-
<b>Net Income as per MAT</b>	<b>1707.85</b>	<b>483.87</b>	<b>207.38</b>
Tax rate (%) (B)	17.47%	16.69%	16.69%
<b>Tax as per MAT</b>	<b>298.40</b>	<b>80.77</b>	<b>34.62</b>
<b>Tax Expenses= Normal Provision of Income Tax</b>	<b>497.33</b>	<b>80.77</b>	<b>34.62</b>
<b>Tax paid as per "Normal" provision</b>	<b>Normal</b>	<b>MAT</b>	<b>MAT</b>

**Notes:**

1. The above statement is in accordance with Accounting Standard - 22, "Accounting for Taxes on Income" prescribed under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014 ( as amended).
2. The permanent/timing differences for the years 31 March 2021,2022 and 2023 have been computed based on the Income-tax returns filed for the respective years after giving adjustments to restatements, if any.
3. Figures for the Period ended 31st December, 2023 have been derived from the provisional computation of total income prepared by the Company in line with the final return of income will be filed for the assessment year 2024-2025 and are subject to any change that may be considered at the time of filing return of income for the assessment year 2024-2025
4. Statutory tax rate includes applicable surcharge, education cess and higher education cess of the year concerned.
5. The above statement should be read with the Statement of Notes to the Financial Information of the Company.

Annexure 38: Statement of Notes to the Restated Consolidated Financial Information

H. Consolidated Restatement adjustments, Material regroupings and Non-adjusting items

(a) Impact of Consolidated restatement adjustments

Below mentioned is the summary of results of restatement adjustments made to the audited financial statements of the respective period/years and its impact on profits.

(Amount in Lakhs)			
Particulars	Period Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Profit after tax as per audited financial statements	1201.30	462.73	203.65
Share of Profit of Associate	8.00	6.80	-5.12
<b>Adjustments to net profit as per audited financial statements</b>			
Foreign Exchange Fluctuation Loss			
Depreciation change in method (refer note (b)(i) below)		9.17	0.33
Gratuity expense provided (refer note (b)(ii) below)			
Leave expense provided (refer note (b)(ii) below)		3.20	0.10
Write off / Write Back Preoperative expenses Push back (refer note (b)(iii) below)			
Income Tax Provision (refer note (b)(v) below)		-4.92	3.54
Gain / (Loss) on Sale of Assets - Motor Car (Jeep) (refer note (b)(iv) below)			
Deferred Tax Liability / Assets Adjustments (refer note (b)(vi) below)	-	0.88	2.70
<b>Total adjustments</b>	<b>8.00</b>	<b>8.32</b>	<b>6.67</b>
<b>Restated profit after tax for the period/ years</b>	<b>1217.30</b>	<b>477.85</b>	<b>205.19</b>

**Note:**

A positive figures represents addition and figures in brackets represents deletion in the corresponding head in the audited financial statements for respective reporting periods to arrive at the restated numbers.

(b) Explanatory notes for the restatement adjustments

- (i) The Amount relating to the change in life of the asstes starting from stub period March 2024. The said change in life of assets has been restated in respective years accordingly.
- (ii) The Amount relating to the Gratuity Income / Expenses have been adjusted in the year to which the same related to & under which head the same relates to.
- (iii) The Amount relating to the Preoperative Income / Expenses have been adjusted in the year to which the same related to & under which head the same relates to.
- (iv) The Amount relating to the gain / loss resulted due to change in depreciation method from WDV to SLM as mentioned in point no. (i) above.
- (v) The Company has provided Excess or Short Provision in the year in which the Income Tax Return has been filled for the respective financial year. But in the Restated Financial Information the company has provided Excess or Short Provision in the year to which it relates to.
- (vi) There is change in deferred tax assets / liabilities as per audited books of accounts and as per restated books for respective financial covered under the restated financial information and the same has been given effect in the year to which the same relates to.

**To give Explanatory Notes Regarding Adjustment :-**

Appropriate adjustment have been made in the Standalone restated financial statement, wherever required, by reclassification of the corresponding item of income, expenses, assets and liabilities, in order to bring them I line with the groupings asper audited financial of the company for all the years and the requirements of the Securities and Exchange Board of India ( Issue of Capital and Disclosure Requirements) Regulation 2018.

(c) Reconciliation of Consolidated restated Equity / Networth:

(Amount in Lakhs)			
Particulars	Period Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Equity / Networth as per Audited Financials</b>	3402.82	1209.52	746.80
<b>Adjustment for:</b>			
Share of Profit from Associate	9.80	1.80	-5.00
Adjustment of items pertaining to Statement of Profit and loss (Refer profit and loss reco adjustments)			
Excess / Short Provision for Tax/MAT pushback		-12.73	-7.80
Preoperative expense pushed back			
Deferred Tax Impact		-3.53	-4.40
Gratuity Provision			
Leave Encashment	-	3.30	0.10
Accumulated Depreciation and Revaluation reserve reversed	-	10.42	1.26
<b>Equity / Networth as Restated</b>	<b>3412.62</b>	<b>1208.79</b>	<b>730.94</b>

**To give Explanatory Notes Regarding Adjustment :-**

Appropriate adjustment have been made in the Standalone restated financial statement, wherever required, by reclassification of the corresponding item of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per audited financial of the company for all the years and the requirements of the Securities and Exchange Board of India ( Issue of Capital and Disclosure Requirements) Regulation 2018.

# M/S VIJAY DARJI AND ASSOCIATES

## CHARTERED ACCOUNTANTS



**'Independent Auditor's Report on the Restated Standalone Statement of Assets and Liabilities as on 31st March, 2024, 31<sup>st</sup> March 2023 and 2022 Restated Standalone Statement of Profit and Loss and Restated Standalone Statement of Cash Flows for each of the period/years ended on 31<sup>st</sup> March, 2024, 31<sup>st</sup> March 2023 and 2022 of Trafiksol ITS Technologies Limited (formerly known as Trafiksol ITS Technologies Private Limited) (collectively, the "Restated Standalone Summary Statements")**

**To,**  
**The Board of Directors,**  
**Trafiksol ITS Technologies Limited**  
B-68, Second Floor,  
Parthala Khanjarpur, Noida,  
Uttar Pradesh, India,  
Pincode -201307

Dear Sir/Ma'am

1. We have examined the attached Restated Standalone Financial Information of Trafiksol ITS Technologies Limited (formerly known as Trafiksol ITS Technologies Private Limited) (the "Company" or the "Issuer"), comprising the Restated Standalone Statement of Assets and Liabilities as at March 31, 2024, March 31, 2023 and March 31, 2022 the Restated Standalone Statements of Profit and Loss, the Restated Statement of Changes in Equity, the Restated Standalone Cash Flow Statement for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Standalone Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 20<sup>th</sup> May, 2024 for the purpose of inclusion in the Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO").

These restated Summary Statement have been prepared in terms of the requirements of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act")
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("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 is responsible for the preparation of the Restated Standalone Financial Information for the purpose of inclusion in the Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus to be filed with Securities and Exchange Board of India, Registrar of Companies, Mumbai and the SME Platform of BSE Limited (BSE SME) in connection with the proposed IPO. The Restated Standalone Financial Information have been prepared by the management of the Company on the basis of preparation stated in Annexure 4 to the Restated Standalone Financial Information. The Board of Directors'

# M/S VIJAY DARJI AND ASSOCIATES

## CHARTERED ACCOUNTANTS



responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Standalone Financial Information taking into consideration:
  - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 12<sup>th</sup> December, 2023 in connection with the proposed IPO of equity shares of the Issuer;
  - 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 Standalone 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. These Restated Standalone Financial Information have been compiled by the management from:-
  - a. Audited **Special Purpose Standalone Financial Statements** of the Company for the year ended March 31, 2024 prepared in accordance with the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts Rules), 2014, which has been approved by the Board of Directors at their meeting held on 20<sup>th</sup> May, 2024.
  - b. Audited Standalone financial statements of the company as at and for March 31, 2023, and March 31, 2022 prepared in accordance with the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts Rules), 2014, which has been approved by the Board of Directors at their meeting held on 20<sup>th</sup> May, 2024.
5. We have audited the special purpose standalone financial information of the Company for the year ended March 31, 2023 prepared by the Company in accordance with the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts Rules), 2014 for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the ICAI as required by ICDR Regulations in relation to proposed IPO. We have issued our report dated 20<sup>th</sup> May 2024 for the special purpose financial information to the Board of Directors who have approved these in their meeting held on 20<sup>th</sup> May 2024
6. For the purpose of our examination, we have relied on:

- a. Auditors' Report issued by us dated 20<sup>th</sup> May, 2024 on the standalone financial statements of the Company as at and for the year ended on March 31, 2024, March 31, 2023 respectively as referred in paragraph 4 and 5 above.
  - b. Auditors' Report issued by previous auditors dated 22 August 2022 on the financial statements of the company as at and for the year ended on March 31, 2022 as referred in Paragraph 4(b) above.
7. Based on our examination and according to the information and explanations given to us, we report that:
- a. The **"Restated Standalone Summary Statement of Assets and Liabilities"** as set out in **Annexure 1** to this report, of the Company as at and for the year ended on March 31, 2024, as at and for the year ended on March 31, 2023 and March 31, 2022 are prepared by the Company and approved by the Board of Directors. These Restated Standalone Summary Statement of Assets and Liabilities have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure 4 to this Report.
  - b. The **"Restated Standalone Summary Statement of Profit and Loss"** as set out in **Annexure 2** to this report, of the Company as at and for the year ended on March 31, 2024, as at and for the year ended on March 31, 2023, and March 31, 2022 are prepared by the Company and approved by the Board of Directors. These Restated Standalone Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure 4 to this Report.
  - c. The **"Restated Standalone Summary Statement of Cash Flow"** as set out in **Annexure 3** to this report, of the Company as at and for the year ended on March 31, 2024, as at and for the year ended on March 31, 2023 and March 31, 2022 are prepared by the Company and approved by the Board of Directors. These Restated Standalone Summary Statement of Cash Flow have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure 4 to this Report.
  - d. The Restated Standalone Summary Statement have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
  - e. The Restated Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
  - f. The Restated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate, if any and there are no qualifications which require adjustments.

- g. Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required.
  - h. There were no qualifications in the Audit Reports issued by the Statutory Auditors as at and for the year ended on March 31, 2024, March 31, 2023, and March 31, 2022 which would require adjustments in this Restated Financial Statements of the Company;
  - i. Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in **Annexure 4** to this report.
  - j. There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements
  - k. There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements.
  - l. The Company has not declared dividend during the period.
8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company as at and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 proposed to be included in the Draft Red Herring Prospectus / Red Herring Prospectus /Prospectus.

<b>Annexure of Restated Financial Statements of the Company: -</b>
<ul style="list-style-type: none"><li>a. Restated Summary Standalone Statement of Assets and Liabilities in Annexure 1;</li><li>b. Restated Summary Standalone Statement of Profit and Loss in Annexure 2;</li><li>c. Restated Summary Standalone Statement of Cash Flows in Annexure 3;</li><li>d. Significant Accounting Policies and Notes to Accounts as restated in Annexure 4;</li><li>e. Reconciliation of Restated Profit and Loss as appearing in Annexure 38 to this report.</li><li>f. Reconciliation of Restated Equity/Net worth as appearing in Annexure 38 to this report.</li><li>g. Details of Share Capital as Restated appearing in Annexure 5 to this report.</li><li>h. Details of Reserves and Surplus as Restated appearing in Annexure 6 to this report.</li><li>i. Details of Long Term/Short Term Borrowings as Restated appearing in Annexure 7 and Annexure 10 to this report.</li><li>j. Details of Deferred Tax Assets/Liabilities (Net) as Restated appearing in Annexure 9 to this report.</li><li>k. Details of Long Term/Short Term Provisions as Restated appearing in Annexure 8 and Annexure 13 to this report.</li><li>l. Details of Trade Payables as Restated appearing in Annexure 11 to this report;</li><li>m. Details of Other Current Liabilities as Restated appearing in Annexure 12 to this report;</li><li>n. Details of Property Plant Equipment &amp; Intangible Asset &amp; Capital work in progresses Restated appearing in Annexure 14 to this report.</li><li>o. Details of Long/Short Term Loans and Advances as Restated appearing in Annexure 19 to this report.</li></ul>



- p.** Details of Other Current Assets as Restated appearing in Annexure 20 to this report.
- q.** Details of Other Non-Current Investment/Current Investment as Restated appearing in Annexure 15 and Annexure 16 to this report;
- r.** Details of Trade Receivables as Restated appearing in Annexure 17 to this report.
- s.** Details of Inventories as Restated appearing in Annexure 23 to this report.
- t.** Details of Cash and Bank Balances as Restated appearing in Annexure 18 to this report.
- u.** Details of Revenue from operations as Restated appearing in Annexure 21 to this report.
- v.** Details of Other Income as Restated appearing in Annexure 22 to this report.
- w.** Details of Cost of Material Consumed as restated appearing in Annexure 24 to this report.
- x.** Details of Change in Inventory of Finished Goods, Stock in Trade as restated appearing in Annexure 23 to this Report;
- y.** Details of Employee Benefit Expense as restated appearing in Annexure 25 to this report;
- z.** Details of Finance Cost as restated appearing in Annexure 26 to this report;
- aa.** Details of Other Expense as restated appearing in Annexure 27 to this report;
- bb.** Details of Accounting and other ratios as restated appearing in Annexure 35 to this report;
- cc.** Statement of Tax Shelter as Restated appearing in Annexure 37 to this report:
- dd.** Details of statement of Capitalization as restated appearing in Annexure 33 to this report;
- ee.** Details of Related Parties Transactions as Restated appearing in Annexure 36 to this report.
- ff.** Details of Additional notes as restated appearing in Annexure 34 to this report;
- gg.** Details of Ratios as restated appearing in Annexure 30 to this report;

9. We, M/s. Vijay Darji and Associates, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the "**Peer Review Board**" of the ICAI which is valid till July 31, 2024.
10. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose financial statements and audited financial statements mentioned in paragraph 4 above.
11. 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, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Red Herring Prospectus / Red Herring Prospectus /Prospectus to be filed with Securities and Exchange Board of India, SME Platform of BSE Limited (BSE SME) and Registrar of Companies, Mumbai 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

# **M/S VIJAY DARJI AND ASSOCIATES**

## **CHARTERED ACCOUNTANTS**



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,**  
**Vijay Darji and Associates**  
**Chartered Accountants**  
**Firm's Registration Number - 118614W**

**Vijay Darji**  
**Membership Number - 105197**  
**UDIN - 24105197BKFMUQ6614**  
**Place: Mumbai**  
**Date: 20<sup>th</sup> May, 2024**

**TRAFIKSOL ITS TECHNOLOGIES LIMITED**  
(Erstwhile Trafiksol ITS Technologies Private Limited)

**Annexure No. 1: Restated Standalone Summary Statement of Assets and Liabilities**

Amount in Lakhs

Particulars	Annexure No.	31st March, 2024	31st March, 2023	31st March, 2022
		Amount (Rs)	Amount (Rs)	Amount (Rs)
<b>I. EQUITY AND LIABILITIES</b>				
<b>(1) Shareholders' Funds</b>				
(a) Share Capital	5	1792.50	10.00	10.00
(b) Reserves and Surplus	6	1610.32	1196.99	725.94
(c) Money received against share warrants		-	-	-
<b>(2) Share Application money pending allotment</b>				
<b>(3) Non-Current Liabilities</b>				
(a) Long-Term Borrowings	7	785.48	506.42	388.04
(b) Long Term Provisions	8	31.96	26.44	21.22
<b>(4) Current Liabilities</b>				
(a) Short-Term Borrowings	10	264.76	292.27	118.38
(b) Trade Payables	11	1051.69	1099.52	854.42
(c) Other Current Liabilities	12	223.67	110.76	82.76
(d) Short-Term Provisions	13	445.34	118.96	88.25
<b>Total Liabilities</b>		<b>6205.72</b>	<b>3361.37</b>	<b>2289.01</b>
<b>II. ASSETS</b>				
<b>(1) Non-Current Assets</b>				
(a) Property, Plant and Equipments				
(i) Tangible Assets	14	22.19	30.83	13.27
(ii) Intangible Assets	14	3.09	3.40	4.59
(iii) Capital Work in progress	14	216.66	216.66	-
(b) Deferred Tax Assets (Net)	9	6.08	5.20	6.29
(c) Non Current Investments	15	5.00	5.00	5.00
<b>(2) Current Assets</b>				
(a) Current Investment	16	-	-	1.00
(b) Inventories		643.45	628.96	129.39
(c) Trade Receivables	17	4057.51	1812.15	1688.39
(d) Cash and Cash Equivalents	18	445.22	379.60	282.66
(e) Short-Term loans and Advances	19	609.33	62.54	32.46
(f) Other Current Assets	20	197.19	217.02	125.97
<b>Total Assets</b>		<b>6205.72</b>	<b>3361.37</b>	<b>2289.01</b>

Significant Accounting Policies

4

For  
**Vijay Darji And Associates**  
Chartered Accountant  
FRN - 118614W

For & on behalf of Board of Directors

Sd/- Poonam Das Director  
DIN : 08139157  
Place : Noida  
Date : 20-May-2024

Sd/- Jitendra Narayan Das Director  
DIN : 00743818  
Place : Noida  
Date : 20-May-2024

Sd/-  
**Vijay Darji**  
Partner  
M. No. : 105197  
Place : Mumbai  
Date : 20-May-2024

Sd/-  
**Pankaj Kumar Jain**  
Chief Financial officer  
PAN : ADSPJ5734F  
Place : Noida  
Date : 20-May-2024

**TRAFIKSOL ITS TECHNOLOGIES LIMITED**  
(Erstwhile Trafiksol ITS Technologies Private Limited)

**Annexure No. 2 : Restated Standalone Summary Statement of Profit and Loss**

Sr. No	Particulars	Note No.	Amount in Lakhs		
			31st March, 2024 Amount (Rs)	31st March, 2023 Amount (Rs)	31st March, 2022 Amount (Rs)
I	Revenue from operations	21	6581.12	3629.59	2791.21
II	Other Income	22	27.39	45.40	10.71
	<b>Total Revenue</b>	<b>(I + II)</b>	<b>6608.50</b>	<b>3675.00</b>	<b>2801.92</b>
IV	<b>Expenses:</b>				
	Change in Inventory	23	-14.49	-499.57	-75.48
	Cost of Raw Material Consumed	24	4049.95	3184.00	2069.31
	Employee Benefits Expenses	25	509.78	213.63	372.97
	Finance Costs	26	84.55	52.79	36.48
	Depreciation and Amortisation Expenses	14	13.33	10.71	14.25
	Other Expenses	27	265.53	236.37	171.89
	<b>Total Expenses</b>	<b>(IV)</b>	<b>4908.65</b>	<b>3197.93</b>	<b>2589.42</b>
V	<b>Profit before exceptional and extraordinary items and tax</b>	<b>(III - IV)</b>	<b>1699.85</b>	<b>477.07</b>	<b>212.50</b>
VI	Exceptional Items		-	-	-
VII	<b>Profit before extraordinary items and tax</b>	<b>(V - VI)</b>	<b>1699.85</b>	<b>477.07</b>	<b>212.50</b>
VIII	Extraordinary Items		-	-	-
IX	<b>Profit before tax</b>	<b>(VII - VIII)</b>	<b>1699.85</b>	<b>477.07</b>	<b>212.50</b>
X	<b>Tax expenses:</b>				
	(1) Current Tax		325.74	3.28	3.24
	(2) Tax Pertaining to earlier year		-4.43	-1.64	-
	(3) Minimum Alternate Tax (MAT) Credit utilisation		169.26	-	-
	(4) Deferred tax		-0.88	1.09	-1.05
XI	<b>Profit(Loss) for the period from continuing operations</b>	<b>(IX - X)</b>	<b>1201.30</b>	<b>471.05</b>	<b>210.31</b>
XII	Profit/(Loss) from discontinuing operations		-	-	-
XIII	Tax expense of discounting operations		-	-	-
XIV	<b>Profit/(Loss) from Discontinuing operations (after tax)</b>	<b>(XII - XIII)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
XV	<b>Profit/(Loss) for the period</b>	<b>(XI + XIV)</b>	<b>1201.30</b>	<b>471.05</b>	<b>210.31</b>
XVI	<b>Earnings per equity share:</b>	28			
	(1) Basic		6.73	2.64	1.18
	(2) Diluted		6.73	2.64	1.18

Significant Accounting Policies

4

For  
Vijay Darji And Associates  
Chartered Accountant  
FRN - 118614W

For & on behalf of Board of Directors

Sd/-  
Vijay Darji  
Partner  
M. No. : 105197  
Place : Mumbai  
Date : 20-May-2024

Sd/-  
Poonam Das  
Director  
DIN : 08139157  
Place : Noida  
Date : 20-May-2024

Sd/-  
Jitendra Narayan Das  
Director  
DIN : 00743818  
Place : Noida  
Date : 20-May-2024

Sd/-  
Pankaj Kumar Jain  
Chief Financial officer  
PAN : ADSPJ5734F  
Place : Noida  
Date : 20-May-2024

**TRAFIKSOL ITS TECHNOLOGIES LIMITED**  
(Erstwhile Trafiksol ITS Technologies Private Limited)

**Annexure No.3: Restated Standalone Summary Statement of Cash Flows**

Amount in lakhs

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>A. Cash flow from operating activities</b>			
<b>Profit before tax, as restated</b>	1699.85	477.07	212.50
<b>Adjustments for :</b>			
Depreciation and amortisation expense	13.33	10.71	14.25
Assets written off	0.00	0.00	0.77
Finance costs	84.55	52.79	36.48
Interest & Dividend income	-14.98	-12.62	-9.30
<b>Operating profit before working capital changes</b>	<b>1782.75</b>	<b>527.94</b>	<b>254.70</b>
<b>Changes in working capital:</b>			
(Increase) / decrease Inventories	-14.49	-499.57	-75.48
(Increase) / decrease in Trade Receivables	-2245.36	-123.76	-252.95
(Increase) / decrease in Other Current Assets	-149.43	-91.05	-46.23
(Increase) / decrease in Short term Loans and Advances	-546.79	-30.08	-2.82
Increase / (decrease) in Trade Payables	-47.83	245.10	130.53
Increase / (decrease) in Other Current Liabilities	112.91	28.00	-30.50
Increase / (decrease) in Long Term Provision/ Non Current Liabilities	5.52	5.22	-2.28
Increase / (decrease) in Short Term Borrowings	-27.51	173.89	106.03
Increase / (decrease) in Short Term Provision	0.64	30.66	-84.10
<b>Cash generated from / (utilised in) operations</b>	<b>-1129.58</b>	<b>266.36</b>	<b>-3.11</b>
Less : Taxes paid	-4.43	-4.88	-11.35
<b>Net cash flow generated from/ (utilised in) operating activities (A)</b>	<b>-1134.02</b>	<b>261.48</b>	<b>-14.45</b>
<b>B. Cash flow from investing activities</b>			
Net (Purchase) / Proceeds on property, plant and equipment, Intangible assets	-4.38	-243.75	-2.90
Net of Purchase/ Proceeds from Sale of Investments	-	1.00	-4.50
Interest and Dividend Received	14.98	12.62	9.30
<b>Net cash flow utilised in investing activities (B)</b>	<b>10.61</b>	<b>-230.13</b>	<b>1.90</b>
<b>C. Cash flow from financing activities</b>			
Share Capital Issued	994.52	-	-
Net Fixed Deposit (invested) / redeemed	-116.08	-8.49	-112.05
Net of (Repayment)/Proceeds from Long Term Borrowings	279.06	118.38	188.41
Interest/Finance Charges Paid	-84.55	-52.79	-36.48
<b>Net cash flow generated from/ (utilised in) financing activities (C)</b>	<b>1072.95</b>	<b>57.10</b>	<b>39.88</b>
<b>Net (decrease)/ increase in cash &amp; cash equivalents (A+B+C)</b>	<b>-50.46</b>	<b>88.45</b>	<b>27.33</b>
Cash and cash equivalents at the beginning of the period/ year	<b>136.05</b>	<b>47.60</b>	<b>20.28</b>
<b>Cash and cash equivalents at the end of the period/ year</b>	<b>85.60</b>	<b>136.05</b>	<b>47.60</b>

Note:

The Standalone Cash Flow Statement has been prepared under Indirect Method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under Section 133 of the Companies Act, 2013

The above statement should be read with the Standalone Statement of Notes to the Restated Financial Information of the Company in

As per our report of even date attached

For

Vijay Darji And Associates  
Chartered Accountant  
FRN - 118614W

Sd/-

Vijay Darji  
Partner

M. No. : 105197  
Place : Mumbai  
Date : 20-May-2024

For & on behalf of Board of Directors

Sd/-

Poonam Das  
Director

DIN : 08139157

Place : Noida

Date : 20-May-2024

Sd/-

Jitendra Narayan Das  
Director

DIN : 00743818

Place : Noida

Date : 20-May-2024

Sd/-

Pankaj Kumar Jain  
Chief Financial officer

PAN : ADSPJ5734F

Place : Noida

Date : 20-May-2024

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**Annexure No. 4: Statement of Standalone Notes to the Restated Financial Information**

**A. Background of the Company**

The company is engaged in the Business of Offering a comprehensive range of consulting and design services, the company specializes in Road and Tunnel ITS design, management, and integration. It provides secure, resilient, and scalable industrial solutions tailored to meet the specific needs of its clients in the areas of Road, Tunnel, and Cities. Moreover, TrafikSol ITS Technologies Private Limited offers customized ITS design solutions, including procurement, supply, installation, testing, and commissioning. The company specializes in the entire lifecycle of Intelligent Transportation Systems, from requirements analysis and solution selection to implementation, business transition, and systems optimization. Leveraging its extensive experience and flexible approaches, the company supports its clients in modernizing and transforming their businesses to achieve success.

**B SIGNIFICANT ACCOUNTING POLICIES**

**a. Basis of Preparation:**

The financial statements have been prepared in accordance with the applicable Accounting Standards notified under Section 133 of the the Companies Act, 2013 read with Rule 7 of Companies (Accounts Rules), 2014 under historical cost convention on accrual basis.

All the assets and liabilities have been classified as current or non-current as per Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of activities, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

**b. Use of Equipment:**

The preparation of the financial statements is in conformity with Indian GAAP (Generally Accepted Accounting Principles) which requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities as on the date of the financial statements. The estimates and assumptions made and applied in preparing the financial statements are based upon management's best knowledge of current events and actions as on the date of financial statements. However, due to uncertainties attached to the assumptions and estimates made actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

**c. Revenue Recognition**

(i) Revenue from sale of goods is recognised when significant risk and rewards of ownership of the goods have been passed to the buyer and it is reasonable to expect ultimate collection. Sale of goods is recognised net of GST and other taxes as the same is recovered from customers and passed on to the government.

(ii) Revenue from providing services is recognised in the accounting period in which the services are rendered. Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer.

(ii) Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(iii) Other items of income and expenses are recognised on accrual basis.

(iv) Income from export entitlement is recognised as on accrual basis.

**d. Investments:**

Non-Current/ Long-term Investments are stated at cost. Provision is made for diminution in the value of the investments, if, in the opinion of the management, the same is considered to be other than temporary in nature. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

Current investments are carried at lower of cost and fair value determined on an individual basis. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

**f. Property, Plant and Equipment:**

**(i) Tangible Assets**

Property, plant and equipment are stated at historical cost less accumulated depreciation, and accumulated impairment loss, if any. Historical cost comprises of the purchase price including duties and non-refundable taxes, borrowing cost if capitalization criteria are met, directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management and initial estimate of decommissioning, restoring and similar liabilities.

Subsequent costs related to an item of property, plant and equipment are recognized 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 derecognized when replaced. All other repairs and maintenance are recognized in statement of profit and loss during the reporting period when they are incurred.

An item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gains or losses arising from de-recognition are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is de-recognized.

**g. Depreciation & Amortization:**

Depreciation is calculated using the Straight Line method over their estimated useful lives. The estimates of useful lives of tangible assets are as follows:

Class of Assets	Useful life as per schedule II	Useful Life as per Company
Office equipment	5 Years	5 years
Computers	3 years	3 years
Electrical Installations	10 years	10 years
Furniture and fixtures	10 years	10 years
Plant and Machinery	15 years	15 years
Software	5 years	5 years
Vehicles	8 years	8 years

**h. Inventories:**

Inventories of traded goods are valued at lower of cost and net realizable value. Cost comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location and condition . Cost formula used is FIFO/weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale.

**i. Impairment of Assets:**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the statement of profit and loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

**j. Retirement Benefits:**

**(i) Short-term employee benefits**

Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of Profit and loss for the year which includes benefits like salary, wages, bonus and are recognised as expenses in the period in which the employee renders the related service

**(ii) Post employment benefits:**

**Defined Contribution Plan**

'Retirement benefit in the form of provident fund and pension fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.

**Defined benefit Plans**

**Unfunded Plan:**The Company has a defined benefit plan for Post-employment benefit in the form of Gratuity.

Liability for the above defined benefit plan is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method.

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

'The Company recognises termination benefit as a liability and an expense when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.

**k. Borrowing Costs**

Borrowing costs are interest, commitment charges and other costs incurred by an enterprise in connection with Short Term/ Long Term borrowing of funds. Borrowing cost directly attributable to acquisition or construction of qualifying assets are capitalized as a part of the cost of the assets, upto the date the asset is ready for its intended use. All other borrowing costs are recognized in the Statement of Profit and Loss in the year in which they are incurred.

**l. Earnings per share:**

The earnings in ascertaining the Company's EPS comprises the net profit after tax attributable to equity shareholders and includes the post tax effect of any extraordinary items. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit/(loss) after tax attributable to Equity Shareholders (including the post tax effect of extra ordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period.



**m. Taxation:**

Tax expense for the year comprising current tax & deferred tax are considered in determining the net profit for the year. Provision is made for current tax and based on tax liability computed in accordance with relevant tax laws applicable to the Company. Provision is made for deferred tax for all timing difference arising between taxable incomes & accounting income at currently enacted or substantively enacted tax rates, as the case may be. Deferred tax assets (other than in situation of unabsorbed depreciation and carry forward losses) are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date. Deferred tax assets, in situation of unabsorbed depreciation and carry forward losses under tax laws are recognised only to the extent that where is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be recognised. Deferred Tax Assets and Deferred Tax Liability are been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liability and where the Deferred Tax Asset and Deferred Tax Liability relate to Income taxes is levied by the same taxation authority.

**n. Provisions, Contingent Liabilities And Contingent Assets:**

**(i) Provisions**

A provisions is recognized when the Company has a present obligation as a result of past event, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

**(ii) Contingent Liability**

Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**(ii) Contingent Assets**

Contingent Assets are neither recognised nor disclosed in the financial statements.

**o. Segment Reporting**

Segment reporting is not applicable on the company.

**p. Cash & Cash Equivalents**

Cash & cash equivalents comprise cash and cash on deposit with banks and corporations. The company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amount of cash to be cash equivalents.

**q. Leases**

Leases where the Lessor effectively retains substantially all the risks and benefits of ownership of the Leased Asset, are classified as 'Operating Leases'. Lease rentals with respect to assets taken on 'Operating Lease' are charged to Statement of Profit and Loss on a straight line basis over the lease term.

Leases which effectively transfer to the Company substantially all the risks and benefits incidental to the ownership of the leased item are classified as 'Finance Lease'. Assets acquired on Finance Lease which substantially transfer all the risks and rewards of ownership to the Company are capitalized as assets by the Company at the lower of the fair value and the present value of the minimum lease payment and a liability is created for an equivalent amount. Lease rentals payable is apportioned between the liability and finance charge so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

**r. Government Grants**

Government grants / subsidies received towards specific fixed assets have been deducted from the gross value of the concerned fixed assets and grant / subsidies received during the year towards revenue expenses have been reduced from respective expenses.

Export benefits / incentives are accounted on accrual basis. Accordingly, estimated export benefits against exports affected during the year are taken into account as estimated incentives accrued till the end of the year. In case of License not revalidated after the date of expiry, the proportionate export benefit / incentive taken credit in earlier year(s) is written off in the year of expiry of License.

**TRAFIKSOL ITS TECHNOLOGIES LIMITED**  
(Erstwhile Trafiksol ITS Technologies Private Limited)

Annexures Forming Integral Part of the Restated Standalone Summary Statement of Assets and Liabilities

Amount in Lakhs

Annexure 5

**Restated Statement of Share Capital**

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
<b>Equity Share Capital Authorised</b>			
Equity Shares of Rs.10 each	2500.00	10.00	10.00
<b>Issued, subscribed and fully paid-up</b>			
100,000 Equity Shares of Rs. 10 each : Opening	10.00	10.00	10.00
Add : Issued during the year	1782.50	-	-
<b>Total</b>	<b>1792.50</b>	<b>10.00</b>	<b>10.00</b>

**Reconciliation of Equity shares outstanding**

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023	As at 31st March, 2022
	No. of Shares	No. of Shares	No. of Shares
As at the beginning of the year	100,000	100,000	100,000
Add : Issued during the year	79,100	-	-
Bonus Shares issued	17,745,900	-	-
<b>As at the end of the year</b>	<b>17,925,000</b>	<b>100,000</b>	<b>100,000</b>

**Details of Shareholding above 5 %**

In case of share holders holding more than 5% of Total No. of shares issued, subscribed and paid up

Particulars	As at 31st March, 2024		As at 31st March, 2023		As at 31st March, 2022		As at 31st March,
	No. of Shares Held	% of Total Holding	No. of Shares Held	% of Total Holding	No. of Shares Held	% of Total Holding	No. of Shares Held
Praveen Kumar Dubey	N.A.	N.A.	42,500	43%	42,500	42.50%	42,500
Poonam Das	9,746,807	54.38%	42,500	43%	42,500	42.50%	42,500
Amit Mohan Gupta	N.A.	N.A.	5,000	5%	5,000	5.00%	5,000
Prasanjit Mohanty	N.A.	N.A.	5,000	5%	5,000	5.00%	5,000
Jitendra Narayan Das	2,235,000	12.47%	-	0%	-	0.00%	-
Comercinate Enterprises Private Limited	1,139,403	6.36%	-	0%	-	0.00%	-
Pranita Behera	N.A.	N.A.	5,000	5%	5,000	5.00%	5,000

**TRAFIKSOL ITS TECHNOLOGIES LIMITED**  
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**Annexures Forming Integral Part of the Restated Standalone Summary Statement of Assets and Liabilities**

		Amount in Lakhs		
		Annexure 6		
Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.	
<b>Reserves and Surplus</b>				
a) Securities Premium Reserve	14.40	-	-	
<b>b) Surplus in statement of profit and loss</b>				
Opening Balance	1196.99	725.94	515.63	
Add/(Less) : Net profit/(Net Loss) for the year	1201.30	471.05	210.31	
Less : Bonus Issue	-802.38	-	-	
<b>Closing Balance</b>	<b>1595.92</b>	<b>1196.99</b>	<b>725.94</b>	
<b>Total</b>	<b>1610.32</b>	<b>1196.99</b>	<b>725.94</b>	

		Annexure 7		
Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.	
<b>Long Term Borrowings</b>				
<b>Secured Loans</b>				
<b>Unsecured Loans</b>				
From Banks & NBFC	288.98	325.92	207.54	
from Directors	496.50	81.50	81.50	
From Shareholders	-	99.00	99.00	
<b>Total</b>	<b>785.48</b>	<b>506.42</b>	<b>388.04</b>	

- The Company has not defaulted in repayment of interest. Further, there have been no default in repayment of loan and no breaches in the financial covenants of and interest bearing loans.
- Loan from Directors and Shareholders is interest free.

		Annexure 8		
		Amount in Lakhs		
Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.	
<b>Long Term Provisions</b>				
Provision for Gratuity	17.82	16.44	11.90	
Provision for Leave Encashment	14.14	10.00	9.32	
<b>Total</b>	<b>31.96</b>	<b>26.44</b>	<b>21.22</b>	

		Annexure 10		
		Amount in Lakhs		
Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.	
<b>Short Term Borrowings</b>				
Loan Repayable on Demand (OD & CC)*	2.55	143.88	0.00	
<b>Term loans</b>				
From Banks	262.21	116.01	95.72	
From Others	-	32.38	22.67	
<b>Total</b>	<b>264.76</b>	<b>292.27</b>	<b>118.38</b>	

\* Loan repayable on demand is secured by hypothecation of book debt and Inventory and is personal guaranteed by director.

		Annexure 11		
		Amount in Lakhs		
Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.	
<b>Trade Payables</b>				
Due of micro enterprises and small enterprises	-	-	-	
<b>Due of creditors other than micro enterprises and small enterprises</b>				
From related parties	-	446.08	310.59	
From others	1051.69	653.44	543.83	
<b>Total</b>	<b>1051.69</b>	<b>1099.52</b>	<b>854.42</b>	

<b>Other Current Liabilities</b>		<b>Annexure 12</b>		<b>Amount in Lakhs</b>
<b>Particulars</b>	<b>As at 31st March, 2024 Rs.</b>	<b>As at 31st March, 2023 Rs.</b>	<b>As at 31st March, 2022 Rs.</b>	
Interest on loan payable ( accrued but not due)	-	-	3.78	
GST Payable	71.64	-	-	
Advance from customers	47.65	17.01	0.01	
Statutory Dues	10.68	13.12	6.47	
Salary Payable	91.44	79.49	71.22	
Others Payable	2.25	1.14	1.28	
<b>Total</b>	<b>223.67</b>	<b>110.76</b>	<b>82.76</b>	

<b>Short-term provisions</b>		<b>Annexure 13</b>		<b>Amount in Lakhs</b>
<b>Particulars</b>	<b>As at 31st March, 2024 Rs.</b>	<b>As at 31st March, 2023 Rs.</b>	<b>As at 31st March, 2022 Rs.</b>	
Provision for Income Tax	329.02	3.28	3.24	
SA Tax Payable	-	-	-	
Provision for Gratuity	0.29	0.29	0.08	
Provision for Leave Encashment	0.53	0.37	0.28	
Provision for Expenses	115.49	115.01	84.65	
<b>Total</b>	<b>445.34</b>	<b>118.96</b>	<b>88.25</b>	

<b>Non Current Investments</b>		<b>Annexure 15</b>		<b>Amount in Lakhs</b>
<b>Particulars</b>	<b>As at 31st March, 2024 Rs.</b>	<b>As at 31st March, 2023 Rs.</b>	<b>As at 31st March, 2022 Rs.</b>	
Investment in Trays Tunnel Solutions Private Limited (50% share In equity capital)	5.00	5.00	5.00	
<b>Total</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	

<b>Current Investment</b>		<b>Annexure 16</b>		<b>Amount in Lakhs</b>
<b>Particulars</b>	<b>As at 31st March, 2024 Rs.</b>	<b>As at 31st March, 2023 Rs.</b>	<b>As at 31st March, 2022 Rs.</b>	
Other Investment ( Investment in IV)	-	-	1.00	
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1.00</b>	

<b>Trade receivables</b>		<b>Annexure 17</b>		<b>Amount in Lakhs</b>
<b>Particulars</b>	<b>As at 31st March, 2024 Rs.</b>	<b>As at 31st March, 2023 Rs.</b>	<b>As at 31st March, 2022 Rs.</b>	
<b>Outstanding for more than six months from the date they are due for payment</b>				
Unsecured, considered good	-	634.28	559.19	
others				
<b>Outstanding for less than six months from the date they are due for payment</b>				
Unsecured, considered good	4057.51	1177.87	1129.20	
others				
<b>Total</b>	<b>4057.51</b>	<b>1812.15</b>	<b>1688.39</b>	

**Cash and Cash Equivalents****Annexure 18****Amount in lakhs**

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
(a) Cash and cash equivalents			
Cash in hand	-	0.35	0.63
Balances with Bank in current account	85.60	135.70	46.97
(b) Fixed Deposits			
Fixed deposit having maturity less than 12 months under lien			
*Fixed deposit Balance is inclusive of interest on FD receivable	359.63	243.55	235.06
<b>Total</b>	<b>445.22</b>	<b>379.60</b>	<b>282.66</b>

**Short-term loans and advances****Annexure 19****Amount in Lakhs**

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
Imprest	4.41	3.54	-1.34
<b>Advance to suppliers &amp; others</b>			
From related parties	396.45	-	-
From others	175.40	44.99	21.28
Others	33.07	14.00	12.52
<b>Total</b>	<b>609.33</b>	<b>62.54</b>	<b>32.46</b>

**Other current assets****Annexure 20****Amount in lakhs**

Particulars	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
MAT credit entitlement	-	169.26	94.97
Security Deposit	73.84	8.70	2.93
GST ITC	-	20.88	9.53
Advance Tax & TDS (net of provision for Tax)	119.12	14.95	15.32
Prepaid Expenses	4.23	3.23	3.22
<b>Total</b>	<b>197.19</b>	<b>217.02</b>	<b>125.97</b>

**Annexure No.9: Deferred Tax Assets/Liabilities**

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b><u>Deferred Tax Assets &amp; Liabilities Provision</u></b>			
WDV As Per Companies Act 2013	25.28	34.24	17.86
WDV As Per Income Tax Act	49.12	56.92	43.14
<b>Difference in WDV</b>	<b>-23.84</b>	<b>-22.69</b>	<b>-25.28</b>
Gratuity Provision	9.56	16.74	11.98
Leave Encashment	11.25	10.16	9.27
<b>Total Timming Differece</b>	<b>-3.03</b>	<b>4.20</b>	<b>-4.02</b>
Tax Rate as per Income Tax (DTA) / DTL	29.12% -0.88	26.00% 1.09	26.00% -1.05
<b><u>Deferred Tax Assets &amp; Liabilities Summary</u></b>			
<b>Opening Balance of (DTA) / DTL</b>	<b>-5.20</b>	<b>-6.29</b>	<b>-5.24</b>
Add: Provision for the Year	-0.88	1.09	-1.05
<b>Closing Balance of (DTA) / DTL</b>	<b>-6.08</b>	<b>-5.20</b>	<b>-6.29</b>

**Note:**

1 In accordance with accounting standard 22, Accounting for taxes on income, issued by the institute of Chartered Accountant of India, the Deferred Tax Liabilities (net of Assets) is provided in the books of account as at the end of the year.

2 The figures disclosed above are based on the restated summary Standalone statement of assets & liabilities of company.

3 The above statement should be read with the restated summary standalone statement of assets & liabilities, restated standalone statements of Profit & Loss, restated standalone statements of Cashflow statement, significant accounting policies & notes to restated standalone summary statements as appearing in annexures 1,2,3 & 4 respectively.

**TRAFIKSOL ITS TECHNOLOGIES LIMITED**  
(Erstwhile Trafiksol ITS Technologies Private Limited)

Annexures Forming Integral Part of the Restated Standalone Summary Statement of Assets and Liabilities

(Amount in Lakhs)

**Property, Plant and Equipment and Intangible Assets**

Annexure No. 14

Particulars	Computers	Plant and Machinery	Furniture and Fixtures	Office Equipments	Vehicles	Total Tangible Assets	Tally Software	Trafikview	Total intangible Asset
<b>Gross Block</b>									
Balance as on 01/04/2021	27.28	2.12	2.44	14.53	6.40	52.76	0.52	14.63	15.15
Addition during the period	2.07	-	0.43	0.40	-	2.90	-	-	-
Sold / Disposal during the period	1.06	-	-	-	-	1.06	-	-	-
<b>Closing as on 31/03/2022</b>	<b>28.29</b>	<b>2.12</b>	<b>2.87</b>	<b>14.93</b>	<b>6.40</b>	<b>54.60</b>	<b>0.52</b>	<b>14.63</b>	<b>15.15</b>
Balance as on 01/04/2022	28.29	2.12	2.87	14.93	6.40	54.60	0.52	14.63	15.15
Addition during the period	7.47	-	0.98	0.94	17.70	27.09	-	-	-
Sold / Disposal during the period	-	-	-	-	-	-	-	-	-
<b>Closing as on 31/03/2023</b>	<b>35.76</b>	<b>2.12</b>	<b>3.84</b>	<b>15.86</b>	<b>24.10</b>	<b>81.69</b>	<b>0.52</b>	<b>14.63</b>	<b>15.15</b>
Balance as on 01/04/2023	35.76	2.12	3.84	15.86	24.10	81.69	0.52	14.63	15.15
Addition during the period	1.82	0.82	0.16	0.62	0.24	3.65	0.05	0.67	0.73
Sold / Disposal during the period	-	-	-	-	-	-	-	-	-
<b>Closing as on 31/03/2024</b>	<b>37.58</b>	<b>2.94</b>	<b>4.00</b>	<b>16.48</b>	<b>24.33</b>	<b>85.34</b>	<b>0.57</b>	<b>15.31</b>	<b>15.88</b>
<b>Accumulated Depreciation</b>									
Balance as on 01/04/2020	9.62	5.30	0.62	3.22	2.54	21.29	0.20	6.60	6.80
Addition during the period	7.06	0.70	0.47	3.00	1.20	12.44	0.08	2.08	2.16
Sold / Disposal during the period	-	4.75	-	-	-	4.75	-	-	-
<b>Closing as on 31/03/2021</b>	<b>16.68</b>	<b>1.26</b>	<b>1.09</b>	<b>6.21</b>	<b>3.75</b>	<b>28.99</b>	<b>0.28</b>	<b>8.68</b>	<b>8.96</b>
Balance as on 01/04/2021	16.68	1.26	1.09	6.21	3.75	28.99	0.28	8.68	8.96
Addition during the period	7.18	0.39	0.39	3.86	0.83	12.64	0.06	1.54	1.60
Sold / Disposal during the period	0.29	-	-	-	-	0.29	-	-	-
<b>Closing as on 31/03/2022</b>	<b>23.57</b>	<b>1.65</b>	<b>1.48</b>	<b>10.07</b>	<b>4.57</b>	<b>41.33</b>	<b>0.34</b>	<b>10.22</b>	<b>10.56</b>
Balance as on 01/04/2022	23.57	1.65	1.48	10.07	4.57	41.33	0.34	10.22	10.56
Addition during the period	5.17	0.21	0.42	2.39	1.33	9.52	0.05	1.14	1.19
Sold / Disposal during the period	-	-	-	-	-	-	-	-	-
<b>Closing as on 31/03/2023</b>	<b>28.73</b>	<b>1.86</b>	<b>1.90</b>	<b>12.46</b>	<b>5.90</b>	<b>50.85</b>	<b>0.39</b>	<b>11.36</b>	<b>11.75</b>
Balance as on 01/04/2023	28.73	1.86	1.90	12.46	5.90	50.85	0.39	11.36	11.75
Addition during the period	4.28	0.13	0.52	1.67	5.70	12.29	0.04	1.01	1.04
Sold / Disposal during the period	-	-	-	-	-	-	-	-	-
<b>Closing as on 31/03/2024</b>	<b>33.01</b>	<b>2.00</b>	<b>2.42</b>	<b>14.13</b>	<b>11.60</b>	<b>63.14</b>	<b>0.42</b>	<b>12.37</b>	<b>12.79</b>
<b>Net Block as on 31/03/2021</b>	<b>10.60</b>	<b>0.86</b>	<b>1.35</b>	<b>8.31</b>	<b>2.65</b>	<b>23.77</b>	<b>0.24</b>	<b>5.96</b>	<b>6.20</b>
<b>Net Block as on 31/03/2022</b>	<b>4.73</b>	<b>0.47</b>	<b>1.39</b>	<b>4.86</b>	<b>1.82</b>	<b>13.27</b>	<b>0.18</b>	<b>4.42</b>	<b>4.59</b>
<b>Net Block as on 31/03/2023</b>	<b>7.03</b>	<b>0.26</b>	<b>1.94</b>	<b>3.40</b>	<b>18.20</b>	<b>30.83</b>	<b>0.13</b>	<b>3.27</b>	<b>3.40</b>
<b>Net Block as on 31/03/2024</b>	<b>4.57</b>	<b>0.94</b>	<b>1.59</b>	<b>2.35</b>	<b>12.74</b>	<b>22.19</b>	<b>0.15</b>	<b>2.94</b>	<b>3.09</b>

**TRAFIKSOL ITS TECHNOLOGIES LIMITED**  
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**Annexures Forming Integral Part of the Restated Standalone Summary Statement of Profit and Loss**

Amount in Lakhs			
Annexure 21			
Revenue from Operations	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
Revenue from Work Contract & Consultancy from:			
Advance Traffic Management System	2584.53	2095.67	1247.60
Toll management System	371.43	107.61	426.77
Electrical	3522.17	1037.53	803.72
Tunnel Management System	102.98	388.78	313.12
<b>Total</b>	<b>6581.12</b>	<b>3629.59</b>	<b>2791.21</b>

Amount in Lakhs			
Annexure 22			
Other Income	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
Interest Income on FD	14.98	12.62	9.30
Other Income	12.40	32.78	1.41
<b>Total</b>	<b>27.39</b>	<b>45.40</b>	<b>10.71</b>

Amount in Lakhs			
Annexure 23			
Change in Inventory	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
Opening Stock	628.96	129.39	53.91
Closing Stock	643.45	628.96	129.39
	<b>-14.49</b>	<b>-499.57</b>	<b>-75.48</b>
<b>Total</b>	<b>4035.45</b>	<b>2684.43</b>	<b>1993.83</b>

Amount in Lakhs			
Annexure 24			
Cost of Material consumed	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
Purchases & Operating Expenses	4049.95	3184.00	2069.31
	<b>4049.95</b>	<b>3184.00</b>	<b>2069.31</b>

Amount in Lakhs			
Annexure 25			
Employee Benefit Expenses	As at 31st March, 2024 Rs.	As at 31st March, 2023 Rs.	As at 31st March, 2022 Rs.
Salaries, Wages and Allowances	458.87	176.79	352.62
Gratuity Expenses	9.93	4.76	-0.65
Leave Encashment Expenses	8.03	2.98	-
Contribution to provident and other funds	27.56	22.48	16.40
Staff Training & Welfare expenses	5.39	6.62	4.60
<b>Total</b>	<b>509.78</b>	<b>213.63</b>	<b>372.97</b>

Finance Costs

Annexure 26    Amount in Lakhs



<b>Particulars</b>	<b>As at 31st March, 2024 Rs.</b>	<b>As at 31st March, 2023 Rs.</b>	<b>As at 31st March, 2022 Rs.</b>
Interest on secured loans	78.83	48.34	29.64
Processing & other charges	5.72	4.45	6.84
<b>Total</b>	<b>84.55</b>	<b>52.79</b>	<b>36.48</b>

**Administrative and General Expenses****Annexure 27 Amount in Lakhs**

<b>Particulars</b>	<b>As at 31st March, 2024 Rs.</b>	<b>As at 31st March, 2023 Rs.</b>	<b>As at 31st March, 2022 Rs.</b>
Audit Fees	4.00	2.46	3.80
Fixed Asset Written off	-	-	0.77
Forex Exchange Loss	0.18	-	-
Bad Debt Written Off	3.35	18.68	-
Bank Charges	12.31	11.43	8.61
Boarding & Lodging	1.53	3.96	3.84
Business Promotion Expenses	1.24	0.00	3.48
Electricity Expenses	6.27	3.41	4.32
Freight Charges	9.45	37.08	16.53
Guest House Expenses	23.69	23.68	21.10
Insurance Expenses	18.39	11.55	14.33
Interest & Late Fees on Statutory Dues	5.47	2.07	0.37
Legal & Professional Charges	6.70	2.43	6.77
Office Expenses	2.78	3.04	1.54
Other Expenses	20.43	3.09	0.99
Postage & Courier Charges	0.00	0.01	0.30
Printing & Stationary	1.27	0.87	1.07
Pre-IPO Expenses	9.22	-	-
Rate & Taxes	22.43	-	-
Rent Expenses	34.13	27.01	19.31
Repairs & Maintenance Expenses	3.44	2.66	2.44
Site Expenses	24.81	15.35	3.22
Telephone & Interest Expenses	2.20	1.70	0.50
Tour & Travelling Expenses	12.81	21.28	14.26
Vehicle Hiring & Repair Expenses	16.09	25.68	20.51
Vehicle Running & Maintenance Expenses	16.55	17.33	19.75
Website & Software Expenses	6.79	1.59	4.10
<b>Total</b>	<b>265.53</b>	<b>236.37</b>	<b>171.89</b>

**Earnings Per Share**

<b>Particulars</b>	<b>As at 31st March, 2024 Rs.</b>	<b>As at 31st March, 2023 Rs.</b>	<b>As at 31st March, 2022 Rs.</b>
Profit/(Loss) after Tax	1201.30	471.05	210.31
Weighted number of Equity shares outstanding	17,858,102	17,845,900	17,845,900
Nominal Value of equity shares	10.00	10.00	10.00
Basic Earnings per share	6.73	2.64	1.18
Diluted Earnings per share	6.73	2.64	1.18

**Contingent Liabilities and Commitments**

Fixed deposits of Rs.2,65,55,589 have been kept in lein with bankers in respect of bank guarantee of Rs.2,65,55,589 provided to clients to procure the work.

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**Annexure No. 25.1: Restated Standalone Statement of Provisions**

The following table sets out the status of the Gratuity Scheme in respect of employees of the Company:

Particulars	Amount in Lakhs		
	As at 31st March, 2024	As at 31 March, 2023	As at 31 March, 2022
Present Value Obligation	18.11	16.74	11.98
Funding Status	Undefined	Undefined	Undefined
Fund Balance	N.A	N.A	N.A
Current Liability	0.29	0.29	0.08
Non Current Liability	17.82	16.44	11.90

The actuarial assumptions used in accounting for the gratuity plan were as follows:

Particulars	As at 31st March, 2024	As at 31 March, 2023	As at 31 March, 2022
<b>Demographic Assumption:</b>			
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Retirement Age	65 years	58 years	58 years
Attrition Rate:-			
Upto 30 years	3.00%	3.00%	3.00%
31-44 years	2.00%	2.00%	2.00%
Above 44 years	1.00%	1.00%	1.00%
<b>Financial Assumption:</b>			
Salary Escalation Rate	5.00%	5.00%	5.00%
Discount Rate	7.20%	7.50%	7.30%

The following table sets out the status of the Leave Encashment in respect of employees of the Company:

Particulars	As at 31st March, 2024	As at 31 March, 2023	As at 31 March, 2022
Projected Benefit Obligation	14.67	10.37	9.60
Funding Status	Undefined	Undefined	Undefined
Fund Balance	N.A	N.A	N.A
Current Liability	0.53	0.37	0.28
Non Current Liability	14.14	10.00	9.32

The actuarial assumptions used in accounting for the gratuity plan were as follows:

Particulars	As at 31st March, 2024	As at 31 March, 2023	As at 31 March, 2022
<b>Demographic Assumption:</b>			
Mortality Rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Leave Availment rate	0.00%	0.00%	0.00%
Leave Encashment rate	0.00%	0.00%	0.00%
Attrition Rate:-			
Upto 30 years	3.00%	3.00%	3.00%
31-44 years	2.00%	2.00%	2.00%
Above 44 years	1.00%	1.00%	1.00%
<b>Financial Assumption:</b>			
Salary Escalation Rate	5.00%	5.00%	5.00%
Discount Rate	7.20%	7.50%	7.30%

**Annexure No. 27.1: Restated Standalone Statement of Provisions**

The provisions of section 135 of Companies Act 2013 related to Corporate Social Responsibility are applicable to the company in the next year i.e. Financial Year 2024-25 wherein company will be required to spend during the next year however the provision has been made in the current year.

Average profits of last 3 years	79,647,421
Prescribed CSR Expenditure (2% of average profit)	1,592,948
<b>Provision during the FY 24-25</b>	<b>1,592,948</b>

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**Annexures Forming Integral Part of the Restated Standalone Summary Statement of Assets and Liabilities**

**Trade Receivables Ageing Schedule**

Particulars	As at 31st March, 2024 Rs. in Lakhs	As at 31st March, 2023 Rs. In Lakhs	As at 31st March, 2022 Rs. In Lakhs
<b>(i) Undisputed -Considered Good</b>			
<u>- Considered good</u>			
Less than Six Months	3515.77	634.28	559.19
6 Months to 1 Year	326.61	934.36	941.06
1 Year to 2 Years	18.35	72.78	188.14
2 Years to 3 Years	74.43	170.73	-
More Than 3 Years	122.36	-	-
<b>(ii) Undisputed – which have significant increase in credit risk</b>	-	-	-
<b>(iii) Undisputed – credit impaired</b>	-	-	-
<b>(iv) Disputed – considered good</b>	-	-	-
<b>(v) Disputed – which have significant increase in credit risk</b>	-	-	-
<b>(vi) Disputed– credit impaired</b>	-	-	-
<b>Total</b>	<b>4057.51</b>	<b>1812.15</b>	<b>1688.39</b>

**Note :-**

1. Trade Receivables as on 31st December, 2023 has been taken as certified by the Management of the Company.
2. As per the view of the Management of the Company there is no doubtful debts and hence provision for doubtful debts have not been made.
3. Trade Receivables as on 31st March, 2024 has been certified by the management of the company.

**Trade Payables Ageing Schedule**

Particulars	As at 31st March, 2024 Rs. in Lakhs	As at 31st March, 2023 Rs. In Lakhs	As at 31st March, 2022 Rs. In Lakhs
<b><u>Disputed Dues</u></b>			
<b><u>Undisputed Dues</u></b>			
<b>(a) Micro, Small &amp; Medium Enterprises</b>			
Less than 1 year	-	-	-
1 to 2 years	-	-	-
2 to 3 years	-	-	-
More than 3 Years	-	-	-
<b>(b) Others</b>			
Less than 1 year	860.61	952.63	709.47
1 to 2 years	51.88	36.51	144.95
2 to 3 years	28.79	110.37	0.00
More than 3 Years	110.40	0.00	0.00
<b>Total</b>	<b>1051.69</b>	<b>1099.52</b>	<b>854.42</b>

**Note :-**

1. The Company is in the process of obtaining necessary confirmations from suppliers regarding their status under the Micro, Small and Medium Enterprises (MSME) Development Act, 2006 (the 'Act') and hence disclosures regarding the following have not been made:

- i. Amount due and outstanding to MSME suppliers as at the end of the accounting period / year.
- ii. Interest paid during the period / year to MSME.
- iii. Interest payable at the end of the accounting period / year to MSME.
- iv. Interest accrued and unpaid at the end of the accounting period / year to MSME.

Management believes that the figures for disclosures, if any, will not be significant.

2. Trade Payables as on 31st March, 2024 has been taken as certified by the management of the company.
3. All Trade Payables and Receivables have been vet and included as per management's decision.

Annexure No.32 : Restated Standalone Statement of Ratios

Sr No.	Particulars	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022	% Change	% Change
		1	2	3	(1-2)/(2)	(2-3)/(3)
1	<b>Current Ratio (in times)</b>					
	Current Assets	5952.70	3100.27	2259.86		
	Current Liabilities	1985.47	1621.51	1143.81		
	<b>Current Ratio</b>	<b>3.00</b>	<b>1.91</b>	<b>1.98</b>	<b>56.81%</b>	<b>-3.23%</b>
2	<b>Debt-Equity Ratio (in times)</b>					
	Total Debts	1050.24	798.70	506.42		
	Share Holder's Equity + RS	3402.82	1206.99	735.94		
	<b>Debt-Equity Ratio</b>	<b>0.31</b>	<b>0.66</b>	<b>0.69</b>	<b>-53.36%</b>	<b>-3.84%</b>
3	<b>Debt Service Coverage Ratio (in times)</b>					
	Earning available for debt service	1293.47	530.10	254.20		
	Interest + Installment	306.95	185.14	85.90		
	<b>Debt Service Coverage Ratio</b>	<b>4.21</b>	<b>2.86</b>	<b>2.96</b>	<b>47.17%</b>	<b>-3.24%</b>
4	<b>Return on Equity Ratio (in %)</b>					
	Net Profit After Tax	1201.30	471.05	210.31		
	Share Holder's Equity	2304.91	971.47	630.78		
	<b>Return on Equity Ratio</b>	<b>52.12%</b>	<b>48.49%</b>	<b>33.34%</b>	<b>7.49%</b>	<b>45.43%</b>
5	<b>Inventory Turnover Ratio (in times)</b>					
	Cost of Goods Sold	4035.45	2684.43	1993.83		
	Average Inventory	379.17	91.65	54.33		
	<b>Inventory turnover ratio</b>	<b>10.64</b>	<b>29.29</b>	<b>36.70</b>	<b>-63.66%</b>	<b>-20.19%</b>
6	<b>Trade Receivables Turnover Ratio (in times)</b>					
	Net Credit Sales	6581.12	3629.59	2791.21		
	Average Receivable	2934.83	1750.27	1561.91		
	<b>Trade Receivables Turnover Ratio</b>	<b>2.24</b>	<b>2.07</b>	<b>1.79</b>	<b>8.13%</b>	<b>16.04%</b>
7	<b>Trade Payables Turnover Ratio (In Times)</b>					
	Credit Purchase	4049.95	3184.00	2069.31		
	Average Payable	1075.61	976.97	789.16		
	<b>Trade Payables Turnover Ratio</b>	<b>3.77</b>	<b>3.26</b>	<b>2.62</b>	<b>15.53%</b>	<b>24.29%</b>
8	<b>Net Capital Turnover Ratio (In Times)</b>					
	Revenue from Operations	6581.12	3629.59	2791.21		
	Net Working Capital	3967.23	1478.76	1116.05		
	<b>Net capital turnover ratio</b>	<b>1.66</b>	<b>2.45</b>	<b>2.50</b>	<b>-32.41%</b>	<b>-1.86%</b>
9	<b>Net Profit ratio (in %)</b>					
	Net Profit	1201.30	471.05	210.31		
	Sales	6581.12	3629.59	2791.21		
	<b>Net Profit ratio</b>	<b>18.25%</b>	<b>12.98%</b>	<b>7.53%</b>	<b>40.65%</b>	<b>72.24%</b>
10	<b>Return on Capital employed (in %)</b>					
	Earning Before Interest and Taxes	1778.69	525.41	242.14		
	Capital Employed	4188.30	1713.41	1123.98		
	<b>Return on Capital employed</b>	<b>42.47%</b>	<b>30.66%</b>	<b>21.54%</b>	<b>38.49%</b>	<b>42.34%</b>
11	<b>Return on investment. (in %)</b>					
	Return	14.98	12.62	9.30		
	Investments	359.63	243.55	235.06		
	<b>Return on investment</b>	<b>4.17%</b>	<b>5.18%</b>	<b>3.96%</b>	<b>-19.59%</b>	<b>30.94%</b>

\* Reason for variance More than 25 %

- 1 **Current Ratio**  
Trade receivables increased in FY 23-24 and trade payables remain constant although increase in volume in FY 23-24
- 2 **Debt-Equity Ratio (in times)**  
New loans were disbursed and Earnings increased in FY 23-24  
New loans were disbursed in FY 21-22, FY 22-23 and in FY 23-24
- 3 **Debt Service Coverage Ratio (in times)**  
New loans were disbursed and Earnings increased in FY 23-24  
New loans were disbursed in FY 21-22, FY 22-23 and in FY 23-24
- 4 **Return on Equity Ratio (in %)**  
Share Holder's Equity increased due to Bonus and new shares issued during the FY 23-24  
Net Profit decreased in FY 21-22 as compared to FY 20-21
- 5 **Inventory Turnover Ratio (in times)**  
FY 2023-24, inventory and cost of goods sold increased due to increase in volume
- 6 **Trade Receivables Turnover Ratio (in times)**  
Trade receivables were lower in FY 20-21 as compared to FY 21-22 with the similar turnover
- 7 **Trade Payables Turnover Ratio (In Times)**  
NA
- 8 **Net Capital Turnover Ratio (In Times)**  
Higher revenues in FY 2023-24 and increase in working Capital
- 9 **Net Profit ratio (in %)**  
Profit increased in FY 2023-24 by 1.5 times as compared to previous financial year.  
Profit increased in FY 2022-23 by 2 times as compared to previous financial year.
- 10 **Return on Capital employed (in %)**  
Higher operating profit during FY 2022-23, due to focus on increasing in volume of turnover
- 11 **Return on investment. (in %)**  
Fixed deposits matured in FY 2021, hence lower closing balance in FY 2021 as compared to FY 2022

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**Annexure No.33 : Restated Standalone Statement of Capitalisation**

**(Amount in Lakhs)**

Particulars	Pre Issue	Post Issue
<b>Borrowings</b>		
Long- term (A)	788.03	[-]
Short- term (including current maturities of Long term)	262.21	[-]
<b>Total Borrowings (B)</b>	<b>1050.24</b>	-
<b>Shareholders' funds</b>		
Share capital	1792.50	[-]
Reserves and surplus	1610.32	[-]
<b>Total Shareholders' funds (C)</b>	<b>3402.82</b>	[-]
<b>Long- term borrowings/ equity* {(A)/(C)}</b>	<b>0.23</b>	[-]
<b>Total borrowings / equity* {(B)/(C)}</b>	<b>0.31</b>	[-]

\* equity= total shareholders' funds

**Notes:**

- 1 Short-term borrowings implies borrowings repayable within 12 months from the Balance Sheet date. Long-term borrowings are debts other than short-term borrowings and also includes the current maturities of long-term borrowings (included in Short term borrowing).
- 2 The above ratios have been computed on the basis of the Restated Summary Statement of Assets and Liabilities of the Company.
- 3 The above statement should be read with the Statement of Notes to the Restated Standalone Financial Information of the Company



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**Annexure No.34: Standalone Additional Notes**

A) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease reements are duly executed in favour of the lessee) are held in the name of the Company.

B) The Company does not have any investment property.

C) The Company has not revalued its Property, Plant and Equipment and Intangible assets.

D)There are no loans or advances in the nature of loans are granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are outstanding as on 31 March 2024:

(i) repayable on demand; or,

(ii) without specifying any terms or period of repayment.

F) The company is not declared willful defaulter by any bank or financial institution or other lender.

G) The company has not undertaken any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

H) No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

I) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the undrstanding (whether recorded in writing or otherwise) that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (Ultimate Beneficiaries) by or on behalf of the company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

J) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (Ultimate Beneficiaries) by or on behalf of the Funding Party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

K) No transactions has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961. There are no such previously unrecorded income or related assets.

L) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

M)The Provision of Section 135 of the Companies Act 2013 in relation to Corporate Social Responsibility are not applicable to the Company during the year and hence reporting under this clause is not applicable.

Annexure No.35: Restated Standalone Statement of Accounting and Other Ratios

(Amount in Lakhs)

Sr. no. Particulars	Period Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
A Net worth, as restated (₹)	3402.82	1206.99	735.94
B Profit after tax, as restated (₹)	1201.30	471.05	210.31
<b>Weighted average number of equity shares outstanding during the year</b>			
	<b>17,858,102</b>	<b>17,845,900</b>	<b>17,845,900</b>
C For Basic/Diluted earnings per share - Weighted average number of equity shares outstanding during the year	178.58	178.46	178.46
D For Diluted earnings per share	178.58	178.46	178.46
<b>Earnings per share</b>			
D Basic/Diluted earnings per share (₹) (B/C)	6.73	2.64	1.18
E Return on Net Worth (%) (B/A*100)	35.30%	39.03%	28.58%
F Number of shares outstanding at the end of the year	17,858,102	17,845,900	17,845,900
I Number of shares outstanding at the end of the year after Bonus, of Face Value of Rs 10.00/- each (in lakhs)	17,858,102	17,845,900	17,845,900
G Net asset value per equity share of ₹ 10 each(A/C)	19.05	6.76	4.12
H Net asset value per equity share of ₹ 10 each after Bonus of Face Value of Rs 10.00/- each (₹) (A/I)			
H Face value of equity shares (₹)	10.00	10.00	10.00
I Earning Before Interest , Taxes, Depreciation & Amortization (EBITDA)	1770.35	495.16	252.52

Notes :-

1) The ratios have been computed in the following manner :

a) Basic and Diluted earnings per share (₹)	$\frac{\text{Restated Profit after tax attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$
b) Return on net worth (%) =	$\frac{\text{Restated Profit after tax}}{\text{Restated Net worth as at year end}}$
c) Net asset value per share (₹)	$\frac{\text{Restated Net Worth as at year end}}{\text{Total number of equity shares as at year end}}$

2) The figures disclosed above are based on the Restated Financial Information of the Company.

3) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted for the number of equity shares issued during the period/year multiplied by the time weightage factor. The time weightage 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.

4) Net worth for the ratios represents sum of share capital and reserves and surplus (share premium and surplus in the Restated Summary Statement of Profit and Loss).

5)

The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure 4.

6) Earning Before Interest , Taxes, Depreciation & Amortization (EBITDA) =Profit before Tax + Finance Cost +Depreciation - Other Income

Annexure No.36: Restated Standalone Statement of Related Party Transaction

Name of Party	Nature of Relation	Nature of Transaction	Amount outstanding as on 31.03.2024 Payable/(Receivable)	Amount of Transaction debited in 1-4-23 to 31-03-24	Amount of Transaction credited in 1-4-23 to 31-03-24	Amount outstanding as on 31.03.2023 Payable/(Receivable)	Amount of Transaction debited in 2022-23	Amount of Transaction credited in 2022-23	Amount outstanding as on 31.03.2022 Payable/(Receivable)	Amount of Transaction debited in 2021-22	Amount of Transaction credited in 2021-22	
Praveen Kumar Dubey	Director	Reimbursement of expense incurred by Party in behalf of Company	-	0.57	0.00	0.57	3.60	3.74	0.44	3.47	3.70	
		Director Remuneration	-	-	-	-	2.48	-	-	26.12	-	
		Professional Fees paid	-	-	-	-	-	-	-	-	-	
Radikha Dubey	Relative of Director(Key management)	Salary	-	-	-	-	6.55	-	6.55	-		
Poonam Das	Director	Reimbursement of expense incurred by Party in behalf of Company	-	0.02	0.02	-	-	-	-	-	-	
		Director Remuneration	-	31.50	-	-	2.48	-	-	26.12	-	
		Loan taken	-	-	-	-	-	-	-	-	-	
		Payable / (Receivables)	306.50	-	225.00	81.50	-	-	81.50	-	-	
Jitendra Narayan Das	Director	Director Remuneration	-	12.90	-	-	-	-	-	-	-	
		Loan taken	190.00	-	190.00	-	-	-	-	-	-	
Jitendra Narayan Das	Relative of Director(Key management personnel)	Payable / (Receivables)	-	-	-	-	-	-	-	-	-	
		Reimbursement of expense incurred by Party in behalf of Company	-	-	-	0.00	0.30	0.11	0.19	0.41	0.56	
Tam IT Service	Joint Venture	Revenue	-	-	-	-	-	-	-	-	-	
		Purchase	-	-	-	-	-	-	-	-	-	
		Advance taken / Repaid	-	-	-	-	1.00	-	0.00	8.00	-	
		Payable / (Receivables)	-	-	-	24.65	-	-	25.65	-	-	
Trays Tunnel Solution Private Limited	Associate Company	Share Capital	-	-	-	-	-	1.00	-	-	-	
		Revenue	-	-	-	-	24.41	-	-	-	37.85	
		Purchase	-	246.41	-	-	642.18	-	-	295.41	-	
		Advance taken / Repaid	-	-	-	-	-	-	-	-	-	
Trafiksol Electromechanical Private Limited	Companies under same management (Common Directors)	Payable / (Receivables)	75.78	-	-	123.04	-	-	76.16	-	-	
		Share Capital	5.00	-	-	5.00	-	-	5.00	4.50	-	
		Revenue	-	-	689.16	-	-	1.08	-	-	-	36.61
		Purchase	-	971.38	-	-	758.08	-	-	691.64	-	
Vipul Magon	Independent Director	Advance taken / Repaid	-	0.10	-	-	-	-	-	-	-	
		Payable / (Receivables)	472.23	-	-	298.38	-	-	555.10	-	-	
		Share Capital	-	-	-	-	-	-	-	-	-	

(Amount in  
Lakhs)

Annexure No.37: Standalone Statement of Tax Shelter

Particulars	Period Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Profit before tax, as restated (A)</b>	1699.85	18.41	7.20
Tax rate (%) (B)	29.12%	26.00%	26.00%
<b>Tax expense at nominal rate [C= (A*B)]</b>	<b>495.00</b>	<b>4.79</b>	<b>1.87</b>
<b>Adjustments</b>			
Permanent differences	-	-	-
<b>Total permanent differences (D)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Timing differences</b>			
Depreciation difference as per books and as per tax	1.15	-2.59	1.82
Adjustment on account of Section 43B under Income tax Act, 1961			
Adjustment on account of Section 28 to 44 DA Income tax other Additions			
Preoperative expense writeoff Restated	0.00	0.00	
Provision for gratuity	9.56	16.74	11.98
Provision for Leave Encashment	11.25	10.16	9.27
Brought Forward Losses	0.00	0.00	0.00
<b>Total timing differences (E)</b>	<b>21.96</b>	<b>24.30</b>	<b>23.08</b>
<b>Deduction under Chapter VI-A (F)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net adjustments(G)=(D+E+F)</b>	<b>21.96</b>	<b>24.30</b>	<b>23.08</b>
Brought Forward Loss (ab)	-	-	-
Brought Forward Loss (Utilisation)(ac)	-	-	-
Carried Forward Loss	-	-	-
<b>Net Adjustment After Loss Utilisation (H)= (G)+(ac)</b>	<b>21.96</b>	<b>24.30</b>	<b>23.08</b>
<b>Tax impact of adjustments (I)=(H)*(B)</b>	<b>6.39</b>	<b>6.32</b>	<b>6.00</b>
<b>Tax expenses (Normal Tax Liability) (J= C+I) (derived)</b>	<b>21.96</b>	<b>24.30</b>	<b>23.08</b>
<b>Minimum Alternate Tax (MAT) (Note 6)</b>			
<b>Income as per MAT **</b>	<b>1699.85</b>	<b>477.07</b>	<b>212.50</b>
<b>Less :- Business Loss or Unabsorbed Depre w.e. Lower</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Income as per MAT</b>	<b>1699.85</b>	<b>477.07</b>	<b>212.50</b>
Tax rate (%) (B)	17.47%	16.69%	16.69%
<b>Tax as per MAT</b>	<b>297.00</b>	<b>79.63</b>	<b>35.47</b>
<b>Tax Expenses= Normal Provision of Income Tax</b>	<b>495.00</b>	<b>79.63</b>	<b>35.47</b>
<b>Tax paid as per "Normal"provision</b>	<b>Normal</b>	<b>MAT</b>	<b>MAT</b>

**Notes:**

- The above statement is in accordance with Accounting Standard - 22, "Accounting for Taxes on Income" prescribed under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014 ( as amended).
- The permanent/timing differences for the years 31 March 2021,2022 and 2023 have been computed based on the Income-tax returns filed for the respective years after giving adjustments to restatements, if any.
- Figures for the Period ended 31st March, 2024 have been derived from the provisional computation of total income prepared by the Company in line with the final return of income will be filed for the assessment year 2024-2025 and are subject to any change that may be considered at the time of filing return of income for the assessment year 2024-2025.
- Statutory tax rate includes applicable surcharge, education cess and higher education cess of the year concerned.
- The above statement should be read with the Statement of Notes to the Financial Information of the Company.

Annexure No.38 : Statement of Annexures to the Restated Financial Information

H. Standalone Restatement adjustments, Material regroupings and Non-adjusting items

(a) Impact of Standalone restatement adjustments

Below mentioned is the summary of results of restatement adjustments made to the audited financial statements of the respective period/years and its impact on profits.

Particulars	(Amount in Lakhs)		
	Year Ended 31st March, 2024	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Profit after tax as per audited financial statements	1201.30	462.73	203.65
<b>Adjustments to net profit as per audited financial statements</b>			
Foreign Exchange Fluctuation Loss	-	-	-
Depreciation change in method (refer note (b)(i) below)	-	9.17	0.33
Gratuity expense provided (refer note (b)(ii) below)	-	-	-
Leave expense provided (refer note (b)(ii) below)	-	3.20	0.10
Write off / Write Back Preoperative expenses Push back (refer note (b)(iii) below)	-	-	-
Income Tax Provision (refer note (b)(v) below)	-	-4.92	3.54
Gain / (Loss) on Sale of Assets - Motor Car (Jeep) (refer note (b)(iv) below)	-	-	-
Deffered Tax Liability / Assets Adjustments (refer note (b)(vi) below)	-	0.88	2.70
<b>Total adjustments</b>	-	<b>8.32</b>	<b>6.67</b>
<b>Restated profit after tax for the year</b>	<b>1201.30</b>	<b>471.05</b>	<b>210.31</b>
<b>Note:</b>	-	0.00	-

A positive figures represents addition and figures in brackets represents deletion in the corresponding head in the audited financial statements for respective reporting periods to arrive at the restated numbers.

(b) Explanatory notes for the restatement adjustments

- The Amount relating to the change in life of the asstes starting from March 2020. The said change in life of assets has been restated in respective years accordingly.
- The Amount relating to the Gratuity Income / Expenses have been adjusted in the year to which the same related to & under which head the same relates to.
- The Amount relating to the Preoperative Income / Expenses have been adjusted in the year to which the same related to & under which head the same relates to.
- The Amount relating to the gain / loss resulted due to change in depreciation method from WDV to SLM as mentioned in point no. (i) above.
- The Company has provided Excess or Short Provision in the year in which the Income Tax Return has been filled for the respective financial year. But in the Restated Financial Information the company has provided Excess or Short Provision in the year to which it relates to.
- There is change in deferred tax assets / liabilities as per audited books of accounts and as per restated books for respective financial covered under the restated financial information and the same has been given effect in the year to which the same relates to.

To give Explanatory Notes Regarding Adjustment :-

Appropriate adjustment have been made in the Standalone restated financial statement, wherever required, by reclassification of the corresponding item of income, expenses, assets and liabilities, in order to bring them I line with the groupings asper audited financial of the company for all the years and the requirements of the Securities and Exchange Board of India ( Issue of Capital and Disclosure Requirements) Regulation 2018.

(c) Reconciliation of Standalone restated Equity / Networth:

(Amount in Lakhs)

Particulars	Period Ended	Year Ended 31st	Year Ended 31st
	31st March, 2024	March, 2023	March, 2022
<b>Equity / Networth as per Audited Financials</b>	3402.82	1209.52	746.80
<u>Adjustment for:</u>			
Adjustment of items pertaining to Statement of Profit and loss (Refer profit and loss reco adjustments)	-	-	-
Excess / Short Provision for Tax/MAT pushback	-	-12.73	-7.80
Preoperative expense pushed back	-	-	-
Deferred Tax Impact	-	-3.53	-4.40
Leave Encashment	-	3.30	0.10
Accumulated Depreciation and Revaluation reserve reversed	-	10.42	1.26
<b>Equity / Networth as Restated</b>	<b>3402.82</b>	<b>1206.99</b>	<b>735.94</b>

To give Explanatory Notes Regarding Adjustment :-

Appropriate adjustment have been made in the Standalone restated financial statement, wherever required, by reclassification of the corresponding item of income, expenses, assets and liabilities, in order to bring them I line with the groupings as per audited financial of the company for all the years and the requirements of the Securities and Exchange Board of India ( Issue of Capital and Disclosure Requirements) Regulation 2018.

## OTHER FINANCIAL INFORMATION

Our Company is providing a link to this website solely to comply with the requirements specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) Red Herring Prospectus (iii) Prospectus, a statement in lieu of a prospectus, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. Neither our Company, nor BRLM, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations, as derived from the Restated Financial Statements, are given below:

### Statement of Accounting & Other Ratios, As Restated (Consolidated):

(₹ in lakhs)

Particulars	31.03.2024	31.03.2023	31.03.2022
Net Profit as Restated - (A)	1,201.30	471.05	210.31
Add: Depreciation	13.33	10.71	14.25
Add: Finance Cost	84.55	52.79	36.48
Add: Income Tax/ Deferred Tax	498.55	6.02	2.19
Less: Other Income	27.39	45.40	10.71
<b>EBITDA</b>	<b>1,770.35</b>	<b>495.16</b>	<b>252.52</b>
<b>EBITDA Margin (%)</b>	<b>26.90%</b>	<b>13.64%</b>	<b>9.05%</b>
Net Worth as Restated - (B)	3,402.82	1,206.99	735.94
<b>Return on Net worth (%) as Restated (A/B)</b>	<b>35.30%</b>	<b>39.03%</b>	<b>28.58%</b>
Profit After Tax (₹ in lakhs)	1,201.30	471.05	210.31
Number of Equity Shares at the end of year	1,79,25,000	1,00,000	1,00,000
Weighted Average Number of Equity Shares at the end of year (Pre-Bonus) (C)	1,78,58,102	1,00,000	1,00,000
Weighted Average Number of Equity Shares (Post-Bonus) (D)	1,78,58,102	1,78,45,900	1,78,45,900
Basic/Diluted Earnings per Equity Share as Restated – (Pre-Bonus) (A/D)	6.73	471.05	210.31
Basic/Diluted Earnings per Equity Share as Restated – (Post Bonus) (A/D)	6.73	2.64	1.18
Net Asset Value per Equity share as Restated (Pre-Bonus) - (B/C)	19.05	1,206.99	735.94
Net Asset Value per Equity share as Restated (Post-Bonus) - (B/D)	19.05	6.76	4.12

#### Note:

1.  $EBITDA\ Margin = EBITDA / Total\ Revenues$
2.  $Net\ worth = Paid\ up\ share\ capital\ plus\ reserves\ and\ surplus\ less\ miscellaneous\ expenditure\ to\ the\ extent\ not\ written\ off$
3.  $Earnings\ per\ share\ (₹) = Profit\ available\ to\ equity\ shareholders / Weighted\ No.\ of\ shares\ outstanding\ at\ the\ end\ of\ the\ year$
4.  $Return\ on\ Net\ worth\ (%) = Restated\ Profit\ after\ taxation / Net\ worth \times 100$
5.  $Net\ asset\ value/Book\ value\ per\ share\ (₹) = Net\ worth / No.\ of\ equity\ shares$
6. The Company does not have any revaluation reserves or extra-ordinary items.

### Statement of Accounting & Other Ratios, As Restated (Standalone):

(₹ in lakhs)

Particulars	31.03.2024	31.03.2023	31.03.2022
Net Profit as Restated - (A)	1209.30	477.85	205.19
Add: Depreciation	13.33	10.71	14.25
Add: Finance Cost	84.55	52.79	36.48
Add: Income Tax/ Deferred Tax	498.55	6.02	2.19
Less: Other Income	27.39	45.40	10.71
<b>EBITDA</b>	<b>1778.35</b>	<b>501.96</b>	<b>247.41</b>
<b>EBITDA Margin (%)</b>	<b>27.02%</b>	<b>13.83%</b>	<b>8.86%</b>
Net Worth as Restated - (B)	3412.62	1208.79	730.94
<b>Return on Net worth (%) as Restated (A/B)</b>	<b>35.44%</b>	<b>39.53%</b>	<b>28.07%</b>
		119%	84%
<b>Profit After Tax (₹ in lakhs)</b>	<b>1209.30</b>	<b>477.85</b>	<b>205.19</b>
<b>Number of Equity Shares at the end of year</b>	<b>1,79,25,000</b>	<b>1,00,000</b>	<b>1,00,000</b>
Weighted Average Number of Equity Shares at the end of year (Pre-Bonus) (C)	1,78,58,102	1,00,000	1,00,000
Weighted Average Number of Equity Shares (Post-Bonus) (D)	1,78,58,102	1,78,45,900	1,78,45,900
<b>Basic/Diluted Earnings per Equity Share as Restated - (Pre-Bonus) (A/D)</b>	<b>6.77</b>	<b>477.85</b>	<b>205.19</b>
<b>Basic/Diluted Earnings per Equity Share as Restated - (Post Bonus) (A/D)</b>	<b>6.77</b>	<b>2.68</b>	<b>1.15</b>
<b>Net Asset Value per Equity share as Restated (Pre-Bonus) - (B/C)</b>	<b>19.11</b>	<b>1,208.79</b>	<b>730.94</b>
<b>Net Asset Value per Equity share as Restated (Post-Bonus) - (B/D)</b>	<b>19.11</b>	<b>6.77</b>	<b>4.10</b>

**Note:**

1.  $EBITDA\ Margin = EBITDA / Total\ Revenues$
2.  $Net\ worth = Paid\ up\ share\ capital\ plus\ reserves\ and\ surplus\ less\ miscellaneous\ expenditure\ to\ the\ extent\ not\ written\ off$
3.  $Earnings\ per\ share\ (₹) = Profit\ available\ to\ equity\ shareholders / Weighted\ No.\ of\ shares\ outstanding\ at\ the\ end\ of\ the\ year$
4.  $Return\ on\ Net\ worth\ (%) = Restated\ Profit\ after\ taxation / Net\ worth \times 100$
5.  $Net\ asset\ value/Book\ value\ per\ share\ (₹) = Net\ worth / No.\ of\ equity\ shares$
6. *The Company does not have any revaluation reserves or extra-ordinary items.*



## STATEMENT OF FINANCIAL INDEBTEDNESS

To,  
**TRAFIKSOL ITS TECHNOLOGIES LIMITED**  
 B-68, Second Floor,  
 Parthala Khanjarpur, Noida,  
 Uttar Pradesh 201 307, India,

Dear Sir,

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of Trafiksol ITS Technologies Ltd. and further explanations and information provided by the management of the Company, which we believe to be true and correct to the best of our information and belief, the sanction amount of financial indebtedness, principal terms of security for loan and other related details as on March 31, 2024 are mentioned below:

### A. SECURED LOANS

#### STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY.

##### 1. From Banks

Sr. No.	Lender Name	Nature of Facility	Date of letter of sanction	Month wise loan payment date	Repayment End date / Validity upto	Annual Rate of Interest	Total Tenor	Sanction Amount	Monthly Payment	Balance principal amount payable
1	HDFC Bank Ltd. <i>(Note-1)</i>	Used Vehicle Purchased Loan	19-Jan-23	7-Feb-23	4-Jan-27	12.50%	48	11,88,496	31,590	9,00,563
2	HDFC Bank Limited <i>(Note-2)</i>	Cash Credit	23-Aug-21	NA	NA	NA	NA	1,50,00,000	NA	2,55,298
3	HDFC Bank Limited <i>(Note-2)</i>	Bank Guarantee	23-Aug-21	NA	NA	NA	NA	50,00,000	NA	NA
4	HDFC Bank Limited <i>(Note-3-a)</i>	Performance Bank Guarantee	13-Jul-22	NA	31-Mar-25	NA	NA	43,40,900	NA	NA
5	HDFC Bank Limited <i>(Note-3-b)</i>	Performance Bank Guarantee	17-Apr-23	NA	31-Mar-26	NA	NA	12,50,000	NA	NA



Sr. No.	Lender Name	Nature of Facility	Date of letter of sanction	Month wise loan payment date	Repayment End date / Validity upto	Annual Rate of Interest	Total Tenor	Sanction Amount	Monthly Payment	Balance principal amount payable
6	HDFC Bank Limited (Note-3-c)	Performance Bank Guarantee	16-Sep-21	NA	29-May-25	NA	NA	4,74,000	NA	NA
7	HDFC Bank Limited (Note-3-d)	Performance Bank Guarantee	15-May-23	NA	23-Feb-26	NA	NA	14,95,000	NA	NA

**Note:**

**Assets on which Charge is created:**

*Note 1: The Borrower hereby hypothecates each and all of the Vehicle(s) as and by way of first and exclusive charge in favour of the bank as security for timely payment and repayment by the borrower of the Outstanding Balance to the bank and for due discharge and performance of all the Borrower's obligations to the bank w.r.t. each and all of the loans.*

**Security:**

**Note 2:**

Hypothecation of Stock in trade both present and future consisting of Raw materials, finished goods, Goods in process of manufacturing and any other goods, movable assets, or merchandise. b) Book Debts and receivables. c) Fixed deposits of Rs. 12,50,000/- with the Bank Branch.

**Bank Guarantee**

**Note 3:**

- a. *Performance Bank Guarantee given to the M/s. Shree Jagannath Expressways Private Limited*
- b. *Performance Bank Guarantee given to the M/s. TP Western Odisha Distribution*
- c. *Performance Bank Guarantee given to the M/s. Ashoka Buildcon Limited*
- d. *Performance Bank Guarantee given to the M/s. Ashoka Buildcon Limited*

## B. UNSECURED LOANS

### 1. From Banks/ NBFC

Sr. No.	Lender Name	Nature of Facility	Date of letter of sanction	Month wise loan payment date	Repayment End date	Annual Rate of Interest	Total Tenor	Sanction Amount	Monthly Payment	Balance principal amount payable
1	Yes Bank	Business Loan	28-Sep-21	4-Nov-21	4-Oct-24	15.75%	36	40,00,000	1,40,135	9,31,402
2	Idfc First Bank Limited	Business Installment Loan	22-Sep-21	2-Nov-21	2-Oct-24	16.00%	36	49,98,000	1,75,715	11,66,938
3	Axis Bank	Business Power Loan	21-Dec-22	5-Jan-23	5-Dec-25	15.00%	36	50,00,000	1,73,327	31,66,598
4	Standard Chartered Bank	Long term Loan	29-Sep-21	1-Nov-21	1-Oct-24	16.00%	36	40,00,000	1,40,629	9,33,897
5	ICICI Bank	Business Loans	18-Sep-21	10-Nov-21	10-Oct-24	15.75%	36	35,00,000	1,23,201	8,18,834
6	Kotak Mahindra Bank	Business Loans	29-Sep-21	1-Nov-21	1-Oct-24	15.25%	36	30,00,000	1,04,364	6,94,903
7	Aditya Birla Finance Ltd (Note -4)	Business Installment Loan	30-Sep-21	5-Nov-21	5-Oct-24	15.00%	36	35,00,000	1,21,329	8,08,382
8	Rbl Bank (Note -4)	Business Loan	25-Oct-21	5-Nov-21	5-Nov-24	16.00%	36	35,00,000	1,23,050	9,26,503
9	Tata Capital Financial Services Ltd	Business Loan	22-Dec-22	3-Feb-23	3-Jan-26	15.50%	36	35,12,250	1,22,615	23,35,109
10	Poonawala Fincorp	Business Loan	15-Dec-22	3-Feb-23	3-Jan-26	15.50%	36	40,06,000	1,39,852	26,63,380
11	Deutsche Bank	Term Loan	20-Jan-23	5-Mar-23	4-Feb-26	15.50%	36	50,00,000	1,74,553	34,90,048
12	Unity Small Finance Limited	Business Loans	14-Mar-23	4-May-23	4-Apr-26	15.50%	36	51,00,000	1,78,045	37,83,280
13	Kisetsu Saison Finance India Private Limited	Business Loans	15-Mar-23	2-May-23	2-Apr-26	15.50%	36	50,00,000	1,74,554	37,09,097
14	Idfc First Bank Limited	Term Loan	22-Sep-23	3-Nov-23	3-Oct-26	14.50%	36	51,00,000	1,75,547	45,16,457
15	L&T Finance	SME- Term - Business Loan	29-Sep-23	3-Nov-23	3-Oct-26	14.50%	36	31,07,980	1,06,980	27,52,363
16	Kotak Mahindra Bank	Personal Finance	30-Sep-23	1-Nov-23	1-Oct-26	14.50%	36	60,00,000	2,05,066	53,12,184

Sr. No.	Lender Name	Nature of Facility	Date of letter of sanction	Month wise loan payment date	Repayment End date	Annual Rate of Interest	Total Tenor	Sanction Amount	Monthly Payment	Balance principal amount payable
17	Aditya Birla Finance Ltd <i>(Note -4)</i>	Term Loan	30-Sep-23	5-Nov-23	5-Oct-26	14.50%	36	55,00,000	1,89,316	48,70,688
18	Smfg India (Fullerton)	Business Loan	20-Sep-23	2-Nov-23	2-Apr-26	14.50%	36	75,33,747	2,59,319	66,71,734
19	Fedbank Financial Services Limited	Business Loan	30-Sep-23	2-Nov-23	2-Oct-26	14.00%	36	50,13,000	1,71,332	44,35,445
20	Mahindra And Mahindra Financial Services Limited <i>(Note-5)</i>	Vehicle Loan	04-Jan-23	5-Feb-23	5-Jan-26		36	3,58,000	11,470	2,30,694

**Note 4: Personal Guarantee of: - 1) Mr. Praveen Kumar Dubey, 2) Mrs. Poonam Das**

**Note 5: Personal Guarantee of: - 1) Mr. Praveen Kumar Dubey, 2) Mrs. Poonam Das**

**2. From Directors***(₹ in Lakhs)*

Name of Lender	Purpose	Rate of Interest	Re-Payment	Outstanding as on 31.03.2024
Poonam Das	Business	NA	NA	306.50
Jitendra Narayan Das	Business	NA	NA	190.00

This certificate may be relied upon by the Book Running Lead Managers appointed in relation to the Issue. We hereby give our consent to include extracts of this certificate and being used in the Draft Red Herring Prospectus/Prospectus in connection with the Issue and for submission to the Securities Exchange Board of India, relevant stock exchanges and any other authority as may be required. We further give my consent for the aforementioned details being included for the records to be maintained by the Lead Manager in connection with the Issue and in accordance with applicable laws.

**For,**  
**Vijay Darji and Associates**  
**Chartered Accountants**  
**Firm's Registration Number – 118614W**

*Sd/-*

**Vijay Darji**  
**Membership Number - 105197**  
**UDIN – 24105197BKFMUW1130**

**Place:** Mumbai.  
**Date:** May 20, 2024.

## CAPITALISATION STATEMENT

The following table sets forth our capitalisation derived from our Restated Financial Statements as at March 31, 2024, 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”, “Restated Financial Information” and “Risk Factors” beginning on page no. 184, 174 and 28 respectively of this Draft Red Herring Prospectus.

### Consolidated Statement of Capitalization, As Restated:

(₹ in Lakhs)

Particulars	Pre-Issue	Post Issue*
	31.03.2024	
<b>Borrowing:</b>		
Long- term (A)	788.03	[●]
Short Term Debt of long term debt (including current maturities of long term debt) (b)	262.21	[●]
<b>Total Debt</b>	<b>1,050.24</b>	<b>[●]</b>
<b>Shareholders’ Fund:</b>		
Equity Share Capital	1792.50	[●]
Reserves and Surplus	1,620.12	[●]
<b>Total Shareholders’ Fund</b>	<b>3,412.62</b>	<b>[●]</b>
<b>Long Term Debt/Shareholders’ Fund</b>	<b>0.23</b>	<b>[●]</b>
<b>Total Debt/Shareholders’ Fund</b>	<b>0.31</b>	<b>[●]</b>

\*The Corresponding post issue figure are not determinable at this stage, due to pendency of public issue, hence not furnished.

#### Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months and includes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than short term Debts as defined above excluding installment of term loans repayable within 12 months grouped under short term borrowings.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.03.2024.

### Standalone Statement of Capitalization, As Restated:

(₹ in Lakhs)

Particulars	Pre-Issue	Post Issue*
	31.03.2024	
<b>Borrowing:</b>		
Long- term (A)	788.03	[●]
Short Term Debt of long term debt (including current maturities of long term debt) (b)	262.21	[●]
<b>Total Debt</b>	<b>1,050.24</b>	<b>[●]</b>
<b>Shareholders’ Fund:</b>		
Equity Share Capital	1792.00	[●]
Reserves and Surplus	1,610.12	[●]
<b>Total Shareholders’ Fund</b>	<b>3,402.62</b>	<b>[●]</b>
<b>Long Term Debt/Shareholders’ Fund</b>	<b>0.23</b>	<b>[●]</b>
<b>Total Debt/Shareholders’ Fund</b>	<b>0.31</b>	<b>[●]</b>

\*The Corresponding post issue figure are not determinable at this stage, due to pendency of public issue, hence not furnished.

#### Notes:

1. *Short term Debts represent which are expected to be paid/payable within 12 months and includes installment of term loans repayable within 12 months.*
2. *Long term Debts represent debts other than short term Debts as defined above excluding installment of term loans repayable within 12 months grouped under short term borrowings.*
3. *The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.03.2024.*

***[THE REMAINDER OF THIS PAGE HAS INTENTIONALLY BEEN LEFT BLANK]***

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion and analysis of our financial condition and results of operations for the Year on March 31, 2024 and for the Fiscal Years 2023 and 2022 on the basis of Consolidated Restated Financial and Year ended on March 31, 2024 and for the Fiscal Years 2023 and 2022 on the basis of Standalone Restated Financial, and should be read in conjunction with, our Restated Financial Statements, including the schedules, notes and significant accounting policies thereto, included in the chapter titled "Restated Financial Statements" beginning on page 174 of this Draft Red Herring Prospectus. Our Restated Financial Statements have been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note. Our financial statements are prepared in accordance with AS. You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in this Draft Red Herring Prospectus. You should also read the section titled "Risk Factors" beginning on page 28 of this Draft Red Herring Prospectus, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.*

*In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Trafiksol ITS Technologies Limited, our Company. Unless otherwise indicated, financial information included herein are based on our "Restated Financial Statements" for the Year on March 31, 2024 and for the Fiscal Years 2023 and 2022 on the basis of Consolidated Restated Financial and Year ended on March 31, 2024 and for the Fiscal Years 2023 and 2022 on the basis of Standalone Restated Financial included in this Draft Red Herring Prospectus beginning on page 174 of this Draft Red Herring Prospectus.*

*Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward Looking Statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.*

### BUSINESS OVERVIEW

Our Company was originally incorporated as Private Limited, under the Companies Act, 2013 ("**Companies Act**") in the name and style of "*Trafiksol ITS Technologies Private Limited*" on March 05, 2018 under the provisions of the Companies Act, 2013 vide Certificate of Incorporation issued by the Registrar of Companies, Central Registration Centre. Later on, company was converted into public limited company, subsequently the name of our Company was changed to "*Trafiksol ITS Technologies Private Limited*" to "*Trafiksol ITS Technologies Limited*" and fresh Certificate of Incorporation dated May 18, 2024 was issued by the Registrar of Companies, Central Processing Centre. The Corporate Identification Number of our Company is U72900UP2018PLC101608.

The team of Trafiksol is led by our visionary promoters, Jitendra Narayan Das and Poonam Das with a mission to provide exceptional, customized services. The initial subscribers to the Company's Memorandum and Articles of Association were Praveen Kumar Dubey and Indira Kammila. Post inception the company registered itself under the "*Startup India Scheme*" in the year 2019 with the Government of India. Our focus lies in creating integrated solutions, conducting structural health monitoring, optimizing traffic management, and ensuring seamless transportation system operations. With this vision our Company procured various ISO certification for Quality Management System, Environment Management System, Occupation Health and Safety Management System and Information Security Management System viz., ISO 9001:2015, ISO 14001:2015, 45001:2018 and ISO/IEC 27001:2013 respectively. For further details of our promoter please refer the chapter titled "*Our Promoters and Promoter Group*" beginning on page 165 of this Draft Red Herring Prospectus.

TrafikSol ITS Technologies Limited has garnered a robust standing for providing top-tier industrial services to clientele throughout India. The company distinguishes itself by adeptly harmonizing business strategies with personnel and procedures, thereby guaranteeing that clients' strategic planning and execution yield favorable outcomes for their organizations. With an extensive array of consulting and design offerings, the company specializes in the design, administration, and incorporation of Intelligent Transportation Systems (ITS) for roads and tunnels. Its solutions are characterized by their security, resilience, and scalability, custom-crafted to precisely match the distinct requirements of clients in the domains of road infrastructure, tunnel management, and urban environments.

For information on our Company's profile, activities, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major vendors and suppliers, please refer the chapter titled "*Business*"

Overview”, “Industry Overview”, “Our Management”, “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages, 108, 150, 174 and 184 respectively of this Draft Red Herring Prospectus.

### SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2024

Except as mentioned below, In the opinion of the Board of Directors of our Company, since March 31, 2024, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

1. The Board of the Company has approved to raise funds through Initial Public Offering in their meeting held on May 18, 2024.
2. The members of the Company approved proposal of Board of Directors to raise funds through Initial Public Offering in the Extra-Ordinary General Meeting held on May 18, 2024.
3. The Board of the Company has approved restated financial statements in their meeting held on May 20, 2024.

### KEY PERFORMANCE INDICATORS OF OUR COMPANY\*

#### As per Restated Consolidated Financial Statements

(₹ in Lakhs)

Key Financial Performance	For the year ended March 31		
	2024	2023	2022
Revenue from Operations <sup>(1)</sup>	6,581.12	3,629.59	2,791.21
EBITDA <sup>(2)</sup>	1,778.35	501.96	247.41
EBITDA Margin (%) <sup>(3)</sup>	27.02%	13.83%	8.86%
PAT	1,209.30	477.85	205.19
PAT Margin (%) <sup>(4)</sup>	18.38%	13.17%	7.35%
Return on equity (%) <sup>(5)</sup>	52.33%	49.27%	32.66%
Return on capital employed (%) <sup>(6)</sup>	26.23%	30.71%	21.08%
Debt-Equity Ratio (times) <sup>(7)</sup>	0.31	0.66	0.69
Net fixed asset turnover ratio (times) <sup>(8)</sup>	26.71	27.01	116.72
Current Ratio (times) <sup>(9)</sup>	3.00	1.91	1.98

\*As certified by M/s Vijay Darji & Associates, Chartered Accountants, by way of their certificate dated May 20, 2024.

#### Notes:

1. Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business.
2. EBITDA provides information regarding the operational efficiency of the business.
3. EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.
4. PAT Margin (%) is an indicator of the overall profitability and financial performance of the business.
5. Return on equity (ROE) is a measure of financial performance.
6. Return on capital employed is a financial ratio that measures our company’s profitability in terms of all of its capital.
7. Debt / Equity Ratio is used to measure the financial leverage of the Company and provides comparison benchmark against peers.
8. Net fixed asset turnover ratio is indicator of the efficiency with which our company is able to leverage its assets to generate revenue from operations.
9. The current ratio is a liquidity ratio that measures our company’s ability to pay short-term obligations or those due within one year.

#### As per Restated Standalone Financial Statements

(₹ in Lakhs)

Key Financial Performance	For the year ended March 31		
	2024	2023	2022
Revenue from Operations <sup>(1)</sup>	6,581.12	3,629.59	2,791.21
EBITDA <sup>(2)</sup>	1,770.35	495.16	252.52



Key Financial Performance	For the year ended March 31		
	2024	2023	2022
EBITDA Margin (%) <sup>(3)</sup>	26.90%	13.64%	9.05%
PAT	1,201.30	471.05	210.31
PAT Margin (%) <sup>(4)</sup>	18.25%	12.98%	7.53%
Return on equity (%) <sup>(5)</sup>	52.12%	48.49%	33.34%
Return on capital employed (%) <sup>(6)</sup>	42.47%	30.66%	21.54%
Debt-Equity Ratio (times) <sup>(7)</sup>	0.31	0.66	0.69
Net fixed asset turnover ratio (times) <sup>(8)</sup>	26.71	27.01	116.72
Current Ratio (times) <sup>(9)</sup>	3.00	1.91	1.98

\*As certified by M/s Vijay Darji & Associates, Chartered Accountants, by way of their certificate dated May 20, 2024.

**Notes:**

1. Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business.
2. EBITDA provides information regarding the operational efficiency of the business.
3. EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.
4. PAT Margin (%) is an indicator of the overall profitability and financial performance of the business.
5. Return on equity (ROE) is a measure of financial performance.
6. Return on capital employed is a financial ratio that measures our company's profitability in terms of all of its capital.
7. Debt / Equity Ratio is used to measure the financial leverage of the Company and provides comparison benchmark against peers.
8. Net fixed asset turnover ratio is indicator of the efficiency with which our company is able to leverage its assets to generate revenue from operations.
9. The current ratio is a liquidity ratio that measures our company's ability to pay short-term obligations or those due within one year.
10. Net Profit Margin (also known as "Profit Margin" or "Net Profit Margin Ratio") is a financial ratio used to calculate the percentage of profit our company produces from its total revenue.

**DISCUSSION ON RESULT OF OPERATIONS**

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements for the Financial Year ended March 31, 2024, March 31, 2023 and March 31, 2022.

**Consolidated Restated Financials**

(₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	% of Total revenue	Year Ended 31 <sup>st</sup> March, 2023	% of Total revenue	Year Ended 31 <sup>st</sup> March, 2022	% of Total revenue
<b>Revenue</b>						
Revenue from operations	6,581.12	99.59%	3,629.59	98.76%	2791.21	99.62%
Other income	27.39	0.41%	45.40	1.24%	10.71	0.38%
<b>Total Revenue (A)</b>	<b>6,608.50</b>	<b>100.00%</b>	<b>3,675.00</b>	<b>100.00%</b>	<b>2,801.92</b>	<b>100.00%</b>
<b>Expenses</b>						
Change in Inventory	(14.49)	(0.22%)	(499.57)	(13.59%)	(75.48)	(2.69%)
Cost of Raw Material Consumed	4,049.95	61.28%	3,184.00	86.64%	2,069.31	73.85%
Employee Benefits Expense	509.78	7.71%	213.63	5.81%	372.97	13.31%
Finance Costs	84.55	1.28%	52.79	1.44%	36.48	1.30%
Depreciation and amortisation Expense	13.33	0.20%	10.71	0.29%	14.25	0.51%
Other Expenses	265.53	4.02%	236.37	6.43%	171.89	6.13%
<b>Total Expenses (B)</b>	<b>4,908.65</b>	<b>74.28%</b>	<b>3,197.93</b>	<b>87.02%</b>	<b>2,589.42</b>	<b>92.42%</b>

Particulars	Year Ended 31 <sup>st</sup> March, 2024	% of Total revenue	Year Ended 31 <sup>st</sup> March, 2023	% of Total revenue	Year Ended 31 <sup>st</sup> March, 2022	% of Total revenue
<b>PROFIT BEFORE TAX</b>	<b>1,699.85</b>	<b>25.72%</b>	<b>477.07</b>	<b>12.98%</b>	<b>212.50</b>	<b>7.58%</b>
<b>Share of Profit in associate enterprises</b>	8.00	0.12%	6.80	0.19%	(5.12)	(0.18%)
<b><u>Tax Expense</u></b>						
Current tax	495.00	7.49%	3.28	0.09%	3.24	0.12%
Tax pertaining to earlier years	(4.43)	(0.07%)	(1.64)	(0.04%)	0.00	0.00%
Deferred tax (credit)/charge	(0.88)	(0.01%)	1.09	0.03%	(1.05)	(0.04%)
<b>Total Tax Expenses</b>	<b>498.55</b>	<b>7.41%</b>	<b>6.02</b>	<b>0.07%</b>	<b>2.19</b>	<b>0.08%</b>
<b>Profit for the period / year</b>	<b>1,209.30</b>	<b>18.43%</b>	<b>477.85</b>	<b>13.09%</b>	<b>205.19</b>	<b>7.32%</b>

#### **Revenue from operations:**

Revenue from operations mainly consists of revenue from services such as Advance Traffic Management System, Toll management System, Electrical, Tunnel Management System.

#### **Other Income:**

Other income primarily comprises of interest on FDR, Bad-debts/Balances written back.

#### **Total Expenses:**

Total expenses consist of operating cost like Cost of Material consumed, Purchase of Stock in trade, Change in inventories of finished goods, Employee benefits expense, Finance costs, Depreciation and amortization expenses and other expenses.

#### **Cost of Material consumed**

Cost of Material consumed expenses primarily comprises of Purchase of raw material and change in stock of raw material.

#### **Change in inventories of finished goods, work in progress and stock in trade**

Change in inventories of finished goods for the projects comprises of increase/ (decrease) in stock of finished goods.

#### **Employee benefits expense:**

Employee benefits expense primarily comprises of Salaries, wages & bonus expenses to Staff and Directors, Staff welfare expenses, labour welfare fund and Employers Contribution to PF and Gratuity.

#### **Finance Costs:**

Our finance cost includes Interest expenses, Loan Processing Charges and Bank charges.

#### **Depreciation and Amortization Expenses:**

Depreciation includes depreciation on building, Plant & machinery, Computers, furniture and fixtures, Electrical Installations, Motor Vehicles and office equipment.

#### **Other Expenses:**

Other Expenses consists Electricity, Rates & Taxes, Insurance expenses, Manpower Expense, legal and professional expenses, Telephone and internet Expense, Rent, Site expenses, Tour and travelling expenses, repair and maintenance, Freight & Forwarding charges, Vehicle related costs, auditor fees and miscellaneous expenditure.

## FINANCIAL PERFORMANCE (CONSOLIDATED) HIGHLIGHTS FOR THE PERIOD ENDED MARCH 31, 2024.

### **Total Income:**

Total income for the period ended March 31, 2024, stood at ₹6,608.50 Lakhs. The total income consists of revenue from operations and other income.

### **Revenue from Operations**

During the period ended March 31, 2024, the net revenue from operation of our Company was ₹6,581.12 Lakhs from services rendered in respect of Advance Traffic Management System, Toll management System, Electrical, Tunnel Management System.

### **Other Income:**

During the period ended March 31, 2024 the other income of our Company stood at ₹27.39 Lakhs. The main components of the other income are from interest on FDR, Balances written back.

### **Total Expenses**

Total expenses consist of cost like cost of material consumed, change in inventories of finished goods, work in progress and stock in trade, employee benefits expense, finance costs, depreciation and amortization expenses and other expenses. During the period ended March 31, 2024, the total expenses of our Company stood at ₹4,908.65 Lakhs.

### **Cost of Material consumed**

During the period ended March 31, 2024 the Cost of Material consumed expenses of our Company stood at ₹4,049.95 Lakhs. Our Cost of Material consumed expenses primarily comprises of Purchase of material and other attributable costs related to purchase of raw material.

### **Change in Site inventories.**

During the period ended March 31, 2024 Change in inventories of finished goods, work in progress and stock in trade of our Company stood at ₹(14.49) Lakhs. Our Change in Site inventories comprises of increase/(decrease) in finished goods.

### **Employee benefits expense:**

During the period ended March 31, 2024 the employee benefit expenses of our Company stood at ₹509.78 Lakhs. The main components of Salaries, wages & bonus expenses, Staff welfare expenses, labour welfare fund and Employers Contribution to PF and Gratuity.

### **Finance Costs:**

During the period ended March 31, 2024, the finance cost expenses of our Company stood at ₹84.55 Lakhs. Our finance cost includes Interest expenses and Bank charges.

### **Depreciation and Amortization Expenses:**

During the period ended March 31, 2024 the Depreciation and amortization charges of our Company stood at ₹13.33 Lakhs, during the period the company has capitalized the fixed assets amounting to ₹4.38 lakhs including Plant and machinery, computers, office equipment and vehicles.

### **Other Expenses:**

During the period ended March 31, 2024, the Other Expenses of our Company stood at ₹265.53 Lakhs.

Other Expenses consists of Electricity, Rates & Taxes, Insurance expenses, Manpower Expense, legal and professional expenses, Telephone and internet Expense, Rent, Site expenses, Tour and travelling expenses, repair and maintenance, Freight & Forwarding charges, Vehicle related costs, auditor fees and miscellaneous expenditure.

**Restated Profit before tax:**

The Company reported Restated profit before tax for period ending March 31, 2024, of ₹1,699.85 Lakhs.

**Restated profit after tax:**

The Company reported Restated profit after tax for period ending March 31, 2024 of ₹1,209.30 Lakhs.

**FINANCIAL YEAR 2024 COMPARED TO FINANCIAL YEAR 2023****Total Income:**

Total income for the financial year 2023-24 stood at ₹6,608.50 Lakhs whereas in Financial Year 2022-23 the same stood at ₹3,675.00 Lakhs representing an increase of 79.82%. The main reason of increase was increase in the volume of business operation of the company.

**Revenue from Operations**

During the financial year 2023-24 the net revenue from operation of our Company increased to ₹6,581.12 Lakhs as against ₹3,629.59 Lakhs in the Financial Year 2022-23 representing an increase of 81.32%.

**Other Income:**

During the financial year 2023-24 the other income of our Company is ₹27.39 as against ₹45.40 in the Financial Year 2022-23 representing a decrease of 39.68 % which was due to reduction of interest on FDR and interest on FDR.

**Total Expenses:**

The total expense for the financial year 2023-24 increased to ₹4,908.65 Lakhs from ₹3,197.93 lakhs in the Financial Year 2022-23 representing an increase of 53.49%. Such increase was due to increase in business operations of the Company. Major reason for such increase is due to Website and Software, Site Expenses, Insurance expenses which is directly related to rendering of Services.

**Cost of material consumed: -****Purchase of Stock in Trade:**

The Purchase of Site related Stock of Inventory for the financial year 2023-24 increased to ₹4,049.95 lakhs from ₹3,184.00 lakhs in the Financial Year 2022-23 representing a increase of 27.20%.

**Change in inventories of finished goods and work in progress:**

The closing Site related inventories for the financial year 2023-24 was ₹(14.49) lakhs as compared to ₹(499.57) lakhs in the Financial Year 2022-23 representing a decrease in change in inventories of 97.10%. Reason for Decrease in Inventory position is due to higher Closing Stock of Inventory vis-à-vis Opening Stock of Inventory.

**Employee benefits expense:**

Our Company has incurred ₹509.78 Lakhs as Employee benefits expense during the financial year 2023-24 as compared to ₹213.63 Lakhs in the financial year 2022-23.

The increase of 138.62 % was due to increase in:

(i) Salary and Wages from ₹ 176.79 lakhs in financial year 2022-23 to ₹458.87 lakhs in financial year 2023-24; and (ii) Gratuity and leave encashment cost increased from ₹ 4.76 lakhs in financial year 2022-23 as compared to ₹ 9.93 lakhs in the financial year 2023-24 and from ₹ 2.98 lakhs in financial year 2022-23 as compared to ₹ 8.03 lakhs in the financial year 2023-24 respectively.

### Finance Cost:

Our Company has incurred ₹84.55 Lakhs as finance cost during the financial year 2023-24 as compared to ₹52.79 Lakhs in the financial year 2022-23. The increase of 60.16 % was due to increase in term loan during the of FY 2023-2024.

### Depreciation and Amortization Expenses:

Depreciation for the financial year 2023-24 stood at ₹13.33 Lakhs as against ₹ 10.71 Lakhs during the financial year 2022-23. The increase in depreciation was around 24.53 % which was due to purchase of Vehicles, Plant & Machinery, Office Equipment and Furniture & Fixtures and Installations of Electrical equipment.

### Other Expenses:

Our Company has incurred ₹ 265.53 Lakhs during the Financial Year 2023-24 on other expenses as against ₹ 236.37 Lakhs during the financial year 2022-23. There was an increase of 12.34 % mainly due (i) increase in Website and Software by 327.19 % from ₹ 1.59 lakhs in financial year 2022-23 to ₹ 6.79 lakhs in financial year 2023-24, (ii) increase in Other Expense by 562.14% from ₹ 3.09 lakhs in financial year 2022-23 to ₹ 20.43 lakhs in financial year 2023-24.

### Restated profit before tax:

Net profit before tax for the financial year 2023-24 increased to ₹1,707.85 Lakhs as compared to ₹483.87 Lakhs in the financial year 2022-23. The increase of 252.96 % was majorly due to factors as mentioned above.

### Restated profit for the year:

As a result of the foregoing factors, our profit after tax for the year increase by 153.07 % from net profit of ₹477.85 Lakhs in in financial year 2022-23 to net profit ₹ 1209.30 lakhs in financial year 2023-24.

## RELATED PARTY TRANSACTIONS

Related party transactions with certain of our promoter, directors and their entities and relatives primarily relate to remuneration, salary, commission and issue of Equity Shares. For further details of related parties kindly refer chapter titled “Restated Financial Statements” beginning on page 174 of this Draft Red Herring Prospectus.

## OFF-BALANCE SHEET ITEMS

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

## QUALIFICATIONS OF THE STATUTORY AUDITORS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS

There are no qualifications in the audit report that require adjustments in the Restated Financial Statements.

### Standalone Restated Financials

(₹ in Lakhs)

Particulars	Year Ended 31 <sup>st</sup> March, 2024	% of Total revenue	Year Ended 31 <sup>st</sup> March, 2023	% of Total revenue	Year Ended 31 <sup>st</sup> March, 2022	% of Total revenue
<b>Revenue</b>						
Revenue from operations	6,581.12	99.59%	3,629.59	98.76%	2791.21	99.62%
Other income	27.39	0.41%	45.40	1.24%	10.71	0.38%
<b>Total Revenue (A)</b>	<b>6,608.50</b>	<b>100.00%</b>	<b>3,675.00</b>	<b>100.00%</b>	<b>2,801.92</b>	<b>100.00%</b>
<b>Expenses</b>						
Change in Inventory	(14.49)	(0.22%)	(499.57)	(13.59%)	(75.48)	(2.69%)
Cost of Raw Material Consumed	4,049.95	61.28%	3,184.00	86.64%	2,069.31	73.85%

Particulars	Year Ended 31 <sup>st</sup> March, 2024	% of Total revenue	Year Ended 31 <sup>st</sup> March, 2023	% of Total revenue	Year Ended 31 <sup>st</sup> March, 2022	% of Total revenue
Employee Benefits Expense	509.78	7.71%	213.63	5.81%	372.97	13.31%
Finance Costs	84.55	1.28%	52.79	1.44%	36.48	1.30%
Depreciation and amortisation Expense	13.33	0.20%	10.71	0.29%	14.25	0.51%
Other Expenses	265.53	4.02%	236.37	6.43%	171.89	6.13%
<b>Total Expenses (B)</b>	<b>4,908.65</b>	<b>74.28%</b>	<b>3,197.93</b>	<b>87.02%</b>	<b>2,589.42</b>	<b>92.42%</b>
<b>PROFIT BEFORE TAX</b>	<b>1,699.85</b>	<b>25.72%</b>	<b>477.07</b>	<b>12.98%</b>	<b>212.50</b>	<b>7.58%</b>
<b>Share of Profit in associate enterprises</b>	8.00	0.12%	6.80	0.19%	(5.12)	(0.18%)
<b>Tax Expense</b>						
Current tax	495.00	7.49%	3.28	0.09%	3.24	0.12%
Tax pertaining to earlier years	(4.43)	(0.07%)	(1.64)	(0.04%)	0.00	0.00%
Deferred tax (credit)/charge	(0.88)	(0.01%)	1.09	0.03%	(1.05)	(0.04%)
<b>Total Tax Expenses</b>	<b>498.55</b>	<b>7.41%</b>	<b>6.02</b>	<b>0.07%</b>	<b>2.19</b>	<b>0.08%</b>
<b>Profit for the period / year</b>	<b>1,209.30</b>	<b>18.43%</b>	<b>477.85</b>	<b>13.09%</b>	<b>205.19</b>	<b>7.32%</b>

#### Revenue from operations:

Revenue from operations mainly consists of revenue from services such as Advance Traffic Management System, Toll management System, Electrical, Tunnel Management System.

#### Other Income:

Other income primarily comprises of interest on FDR, Bad-debts/Balances written back.

#### Total Expenses:

Total expenses consist of operating cost like Cost of Material consumed, Purchase of Stock in trade, Change in inventories of finished goods, Employee benefits expense, Finance costs, Depreciation and amortization expenses and other expenses.

#### Cost of Material consumed

Cost of Material consumed expenses primarily comprises of Purchase of raw material and change in stock of raw material.

#### Change in inventories of finished goods, work in progress and stock in trade

Change in inventories of finished goods for the projects comprises of increase/ (decrease) in stock of finished goods.

#### Employee benefits expense:

Employee benefits expense primarily comprises of Salaries, wages & bonus expenses to Staff and Directors, Staff welfare expenses, labour welfare fund and Employers Contribution to PF and Gratuity.

#### Finance Costs:

Our finance cost includes Interest expenses, Loan Processing Charges and Bank charges.

**Depreciation and Amortization Expenses:**

Depreciation includes depreciation on building, Plant & machinery, Computers, furniture and fixtures, Electrical Installations, Motor Vehicles and office equipment.

**Other Expenses:**

Other Expenses consists Electricity, Rates & Taxes, Insurance expenses, Manpower Expense, legal and professional expenses, Telephone and internet Expense, Rent, Site expenses, Tour and travelling expenses, repair and maintenance, Freight & Forwarding charges, Vehicle related costs, auditor fees and miscellaneous expenditure.

**FINANCIAL PERFORMANCE (CONSOLIDATED) HIGHLIGHTS FOR THE PERIOD ENDED MARCH 31, 2024****Total Income:**

Total income for the period ended March 31, 2024, stood at ₹6,608.50 Lakhs. The total income consists of revenue from operations and other income.

**Revenue from Operations**

During the period ended March 31, 2024, the net revenue from operation of our Company was ₹6,581.12 Lakhs from services rendered in respect of Advance Traffic Management System, Toll management System, Electrical, Tunnel Management System.

**Other Income:**

During the period ended March 31, 2024 the other income of our Company stood at ₹27.39 Lakhs. The main components of the other income are from interest on FDR, Balances written back.

**Total Expenses**

Total expenses consist of cost like cost of material consumed, change in inventories of finished goods, work in progress and stock in trade, employee benefits expense, finance costs, depreciation and amortization expenses and other expenses. During the period ended March 31, 2024, the total expenses of our Company stood at ₹4,908.65 Lakhs.

**Cost of Material consumed**

During the period ended March 31, 2024 the Cost of Material consumed expenses of our Company stood at ₹4,049.95 Lakhs. Our Cost of Material consumed expenses primarily comprises of Purchase of material and other attributable costs related to purchase of raw material.

**Change in Site inventories.**

During the period ended March 31, 2024 Change in inventories of finished goods, work in progress and stock in trade of our Company stood at ₹(14.49) Lakhs. Our Change in Site inventories comprises of increase/(decrease) in finished goods.

**Employee benefits expense:**

During the period ended March 31, 2024 the employee benefit expenses of our Company stood at ₹509.78 Lakhs. The main components of Salaries, wages & bonus expenses, Staff welfare expenses, labour welfare fund and Employers Contribution to PF and Gratuity.

**Finance Costs:**

During the period ended March 31, 2024, the finance cost expenses of our Company stood at ₹84.55 Lakhs. Our finance cost includes Interest expenses and Bank charges.

**Depreciation and Amortization Expenses:**

During the period ended March 31, 2024 the Depreciation and amortization charges of our Company stood at ₹13.33 Lakhs, during the period the company has capitalized the fixed assets amounting to ₹4.38 lakhs including Plant and machinery, computers, office equipment and vehicles.

**Other Expenses:**

During the period ended March 31, 2024, the Other Expenses of our Company stood at ₹265.53 Lakhs. Other Expenses consists of Electricity, Rates & Taxes, Insurance expenses, Manpower Expense, legal and professional expenses, Telephone and internet Expense, Rent, Site expenses, Tour and travelling expenses, repair and maintenance, Freight & Forwarding charges, Vehicle related costs, auditor fees and miscellaneous expenditure.

**Restated Profit before tax:**

The Company reported Restated profit before tax for period ending March 31, 2024, of ₹1,699.85 Lakhs.

**Restated profit after tax:**

The Company reported Restated profit after tax for period ending March 31, 2024 of ₹1,201.30 Lakhs.

**FINANCIAL YEAR 2024 COMPARED TO FINANCIAL YEAR 2023**

**Total Income:**

Total income for the financial year 2023-24 stood at ₹6,608.50 Lakhs whereas in Financial Year 2022-23 the same stood at ₹3,675.00 Lakhs representing an increase of 79.82%. The main reason of increase was increase in the volume of business operation of the company.

**Revenue from Operations**

During the financial year 2023-24 the net revenue from operation of our Company increased to ₹6,581.12 Lakhs as against ₹3,629.59 Lakhs in the Financial Year 2022-23 representing an increase of 81.32%.

**Other Income:**

During the financial year 2023-24 the other income of our Company is ₹27.39 as against ₹45.40 in the Financial Year 2022-23 representing a decrease of 39.68 % which was due to reduction of interest on FDR and interest on FDR.

**Total Expenses:**

The total expense for the financial year 2023-24 increased to ₹4,908.65 Lakhs from ₹3,197.93 lakhs in the Financial Year 2022-23 representing an increase of 53.49%. Such increase was due to increase in business operations of the Company. Major reason for such increase is due to Website and Software, Site Expenses, Insurance expenses which is directly related to rendering of Services.

**Cost of material consumed:**

**Purchase Of Stock in Trade:**

The Purchase of Site related Stock of Inventory for the financial year 2023-24 increased to ₹4,049.95 lakhs from ₹3,184.00 lakhs in the Financial Year 2022-23 representing a increase of 27.20%.

**Change in inventories of finished goods and work in progress:**

The closing Site related inventories for the financial year 2023-24 was ₹(14.49) lakhs as compared to ₹(499.57) lakhs in the Financial Year 2022-23 representing a decrease in change in inventories of 97.10%. Reason for Decrease in Inventory position is due to higher Closing Stock of Inventory vis-à-vis Opening Stock of Inventory.

**Employee benefits expense:**

Our Company has incurred ₹509.78 Lakhs as Employee benefits expense during the financial year 2023-24 as compared to ₹213.63 Lakhs in the financial year 2022-23.



The increase of 138.62 % was due to increase in:

(i) Salary and Wages from ₹176.79 lakhs in financial year 2022-23 to ₹458.87 lakhs in financial year 2023-24; and (ii) Gratuity and leave encashment cost increased from ₹4.76 lakhs in financial year 2022-23 as compared to ₹ 9.93 lakhs in the financial year 2023-24 and from ₹2.98 lakhs in financial year 2022-23 as compared to ₹ 8.03 lakhs in the financial year 2023-24 respectively.

#### **Finance Cost:**

Our Company has incurred ₹84.55 Lakhs as finance cost during the financial year 2023-24 as compared to ₹52.79 Lakhs in the financial year 2022-23. The increase of 60.16 % was due to increase in term loan during the of FY 2023-2024.

#### **Depreciation and Amortization Expenses:**

Depreciation for the financial year 2023-24 stood at ₹13.33 Lakhs as against ₹10.71 Lakhs during the financial year 2022-23. The increase in depreciation was around 24.53 % which was due to purchase of Vehicles, Plant & Machinery, Office Equipment and Furniture & Fixtures and Installations of Electrical equipment.

#### **Other Expenses:**

Our Company has incurred ₹265.53 Lakhs during the Financial Year 2023-24 on other expenses as against ₹236.37 Lakhs during the financial year 2022-23. There was an increase of 12.34 % mainly due (i) increase in Website and Software by 327.19 % from ₹1.59 lakhs in financial year 2022-23 to ₹6.79 lakhs in financial year 2023-24, (ii) increase in Other Expense by 562.14% from ₹3.09 lakhs in financial year 2022-23 to ₹20.43 lakhs in financial year 2023-24.

#### **Restated profit before tax:**

Net profit before tax for the financial year 2023-24 increased to ₹1,699.85 Lakhs as compared to ₹477.07 Lakhs in the financial year 2022-23. The increase of 256.31 % was majorly due to factors as mentioned above.

#### **Restated profit for the year:**

As a result of the foregoing factors, our profit after tax for the year increase by 153.07 % from net profit of ₹471.05 Lakhs in in financial year 2022-23 to net profit ₹1,201.30 lakhs in financial year 2023-24.

### **RELATED PARTY TRANSACTIONS**

Related party transactions with certain of our promoter, directors and their entities and relatives primarily relate to remuneration, salary, commission and issue of Equity Shares. For further details of related parties kindly refer chapter titled “*Restated Financial Statements*” beginning on page 174 of this Draft Red Herring Prospectus.

### **OFF-BALANCE SHEET ITEMS**

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

### **QUALIFICATIONS OF THE STATUTORY AUDITORS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS**

There are no qualifications in the audit report that require adjustments in the Restated Financial Statements.

## SECTION VIII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPEMENT

*Except as stated below there is no (i) pending criminal litigation involving our Company, Directors, Promoter or Group Companies; (ii) actions taken by statutory or regulatory authorities involving our Company, Directors, Promoter or Group Companies; (iii) outstanding claims involving our Company, Directors, Promoter or Group Companies for any direct and indirect tax liabilities; (iv) outstanding proceedings initiated against our Company for economic offences; (v) defaults or non-payment of statutory dues by our Company; (vi) material fraud against our Company in the last five years immediately preceding the year of this Draft Red Herring Prospectus; (vii) inquiry, inspection or investigation initiated or conducted under the Companies Act 2013 or any previous companies law against our Company during the last five years immediately preceding the year of this Draft Red Herring Prospectus and if there were prosecutions filed (whether pending or not); (viii) fines imposed or compounding of offences for our Company in the last five years immediately preceding the year of this Draft Red Herring Prospectus; (ix) litigation or legal action against our Promoter by any ministry or Government department or statutory authority during the last five years immediately preceding the year of this Draft Red Herring Prospectus; (x) pending litigations involving our Company, Directors, Promoter, Group Companies or any other person, as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations; or (xi) outstanding dues to creditors of our Company as determined to be material by our Company's Board of Directors in accordance with the SEBI (ICDR) Regulations and dues to small scale undertakings and other creditors.*

*For the purpose of material litigation in (x) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigations to be disclosed by our Company in this Draft Red Herring Prospectus:*

- a) All criminal proceedings, statutory or regulatory actions and taxation matters, involving our Company, Promoters, Directors, or Group Companies, as the case may be shall be deemed to be material;*
- b) All pending litigation involving our Company, Promoter, Directors, or Group Companies as the case may be, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' (a) the monetary amount of claim by or against the entity or person in any such pending matter(s) is in excess of 10% of the Total Revenue of the Company as per the audited Consolidated Financials Statement of previous Financial year whichever is lower; or (b) where the monetary liability is not quantifiable, each such case involving our Company, Promoter, Directors, or Group Companies, whose outcome would have a bearing on the business operations, prospects or reputation of our Company and as required under the SEBI Regulations have been disclosed on our website on [www.trafiksol.com](http://www.trafiksol.com).*
- c) Notices received by our Company, Promoter, Directors, or Group Companies, as the case may be, from third parties (excluding statutory/regulatory authorities or notices threatening criminal action) shall, in any event, not be evaluated for materiality until such time that the Company / Directors / Promoter / Group Companies, as the case may be, are impleaded as parties in proceedings before any judicial forum.*

*Our Company, our Promoter and/or our Directors, have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoter or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.*

### **OUTSTANDING TAXATION MATTERS INVOLVING OUR COMPANY, DIRECTORS, PROMOTER AND SUBSIDIARIES:**

#### **PART 1: LITIGATION RELATING TO OUR COMPANY**

##### **A. FILED AGAINST OUR COMPANY**

###### **1) Litigation involving Criminal Laws**

NIL

###### **2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

### 3) Disciplinary Actions by Authorities

NIL

### 4) Litigation involving Tax Liability

#### Indirect Tax:

#### i. ,09AAGCT6473R1ZB (Uttar Pradesh)

- a. **M/s.Trafiksol Its Technologies Private Limited** (hereinafter referred to as the assessee) have been issued with a Summary Show Cause Notice bearing reference no. ZD0905242971733 dated May 25, 2024 issued u/s. 73 of the GST Act, for Tax Period 2019-2020, requiring the assessee to show cause why the excess ITC claimed / availed should not be recovered from the assessee along with due penalty and interest thereon. The total claim amount has been calculated at Rs. 34,53,497/- (Rs. 17,80,154/- towards Tax, Rs. 14,95,330/- towards Interest and Rs. 1,78,013/- towards interest thereon). The notice is pending for the response of the assessee.
- b. **M/s.Trafiksol Its Technologies Private Limited** (hereinafter referred to as the assessee) have been issued with a Show Cause Notice bearing Reference No.: ZD0907210005730 dated July 01, 2021 in relation to a GST case for the tax period ending in March 2021, issued under sections 127 and 125 of the GST Act due to the non-filing of the GSTR-3B return. The notice outlines the need for the recipient to explain why a penalty should not be imposed for this non-compliance. The amount in dispute, specifically the penalty for failing to file the required return, is Rs. 50,000/-.
- c. **M/s.Trafiksol Its Technologies Private Limited** (hereinafter referred to as the assessee) have been issued with a Show Cause Notice bearing Reference No.: ZD0903220549382 dated March 31, 2022 in relation to a GST case for the tax period ending in February 2022, issued under sections 127 and 125 of the GST Act due to the non-filing of the GSTR-3B return. The notice outlines the need for the recipient to explain why a penalty should not be imposed for this non-compliance. The amount in dispute, specifically the penalty for failing to file the required return, is Rs. 50,000/-.

#### Direct Tax:

#### i. A.Y. 2023-24:

As per details available on the website of the Income Tax Department **M/s. Trafiksol ITS Technologies Private Limited** (hereinafter referred to as the "Assessee") have been issued with a demand notice bearing no. 202420233724726591C dated April 30, 2024 passed u/s. 143(1) (b) of the Income Tax Act, 1961, raising a demand of Rs. 2,02,730/- in addition to an interest of Rs. 6081/- for A.Y. 2023-24 and the same is pending to be paid by the assessee.

#### ii. A.Y. 2020-21:

As per details available on the website of the Income Tax Department **M/s.Trafiksol Its Technologies Private Limited** (hereinafter referred to as the "Assessee") have been issued with a demand notice bearing no. 2024202037247425502C dated May 13, 2024 passed u/s. 154 of the Income Tax Act, 1961, raising a demand of Rs. 2,66,450/- in addition to an interest of Rs. 77,256/- for the A.Y. 2020-21 and the same is pending to be paid by the assessee.

### 5) Other Pending Litigation based on Materiality Policy of our Company

NIL

## B. CASES FILED BY OUR COMPANY

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

**Indirect Tax:** NIL

**Direct Tax:** NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**PART 2: LITIGATION RELATING TO OUR DIRECTORS AND PROMOTER OF THE COMPANY**

**A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTER**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

**Indirect Tax:** NIL

**Direct Tax:** NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**B. LITIGATION FILED BY OUR DIRECTORS AND PROMOTER**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

Indirect Tax: NIL

Direct Tax: NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**PART 3: LITIGATION RELATING TO OUR SUBSIDIARIES AND/OR GROUP COMPANIES**

**A. LITIGATION AGAINST OUR SUBSIDIARIES AND /OR GROUP COMPANIES**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

**Indirect Tax:**

**M/s. TRAFIKSOL ELECTROMECHANICAL PRIVATE LIMITED (Group Company)**

**GSTIN: 09AAHCT1775D1Z8 (Uttar Pradesh)**

M/s. Trafiksol Electromechanical Private Limited hereinafter referred to as the assessee) have been issued with a notice bearing Reference No. ZD090123117634M dated January 27, 2023, for Financial Year 2021-22 intimating discrepancies in the GST return after scrutiny under Section 61 and Rule 99(1) of the SGST Act. Alleging the assessee of claiming an excess ITC of Rs. 1,57,010/- in their GSTR-3B return as compared to the ITC reflected in their GSTR-2B return. The notice requires the assessee to explain the reasons of the discrepancies.

**Direct Tax: NIL**

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**B. LITIGATION FILED BY OUR SUBSIDIARIES AND/ OR GROUP COMPANIES**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST THE PROMOTER, DIRECTORS, GROUP COMPANIES AND PROMOTOR GROUP DURING THE LAST 5 FINANCIAL YEARS**

There are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges against the Promoters, Directors or Group Companies during the last 5 financial years including outstanding actions except as disclosed above.

**PAST INQUIRIES, INSPECTIONS OR INVESTIGATIONS**

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last five years immediately proceeding the year of this Draft Red Herring Prospectus in the case of our Company, Promoter, and Directors. Other than as described above, there have been no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last five years immediately preceding the year of the Draft Red Herring Prospectus

**OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY**

As on the date of the Draft Red Herring Prospectus, there is no outstanding litigation against other persons and companies whose outcome could have a material adverse effect on our Company.

**PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES**

There are no proceedings initiated against our Company for any economic offences.

**NON-PAYMENT OF STATUTORY DUES**

As on the date of the Draft Red Herring Prospectus there have been no (i) instances of non-payment or defaults in payment of statutory dues by our Company, (ii) over dues to companies or financial institutions by our Company, (iii) defaults against companies or financial institutions by our Company, or (iv) contingent liabilities not paid for.

**MATERIAL FRAUDS AGAINST OUR COMPANY**

There have been no material frauds committed against our Company in the five years proceeding the year of this Draft Red Herring Prospectus.

**DISCLOSURES PERTAINING TO WILFUL DEFAULTERS**

Neither our Company, nor our Promoters, nor Group Companies and nor Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

**DISCLOSURES PERTAINING TO FRAUDULENT BORROWER**

Our Company or any of our Promoters or Group Companies or Directors are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016.

**MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE**

Except as disclosed in Chapter titled "Management's Discussion & Analysis of Financial Conditions & Results of Operations" beginning on page 184 of this Draft Red Herring Prospectus. There have been no material developments that have occurred after the Last Balance Sheet Date.

**OUTSTANDING DUES TO CREDITORS**

There are no disputes with such entities in relation to payments to be made to our Creditors. The details pertaining to amounts due towards such creditors are available on the website of our Company.

**OUTSTANDING DUES TO CREDITORS**

There are no disputes with such entities in relation to payments to be made to our Creditors. The details pertaining to amounts due towards such creditors are available on the website of our Company.

Below are the details of the Creditors where outstanding amount as on 31<sup>st</sup> March, 2024 : - (As per Restated Standalone Financial Statement)

(₹ in Lakhs)

Name	Balance as on 31 <sup>st</sup> March, 2024
Total Outstanding dues to Micro and Small & Medium Enterprises.	[●]*
Total Outstanding dues to Creditors other than Micro and Small & Medium Enterprises.	1,051.69

*\*The Company is in the process of obtaining necessary confirmations from suppliers regarding their status under the Micro, Small and Medium Enterprises (MSME) Development Act, 2006 (the 'MSME Act') and hence disclosures regarding the following have not been made:*

- i. *Amount due and outstanding to MSME suppliers as at the end of the accounting period / year.*
- ii. *Interest paid during the period / year to MSME.*
- iii. *Interest payable at the end of the accounting period / year to MSME.*
- iv. *Interest accrued and unpaid at the end of the accounting period / year to MSME.*

## GOVERNMENT AND OTHER APPROVALS

*We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Draft Red Herring Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business.*

*In view of the approvals listed below, we can undertake this Issue and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus.*

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business:

### **Approvals In Relation to Our Company's incorporation**

1. Certificate of Incorporation dated March 05, 2018 from the Registrar of Companies, Central Registration Center, under the Companies Act, 2013 as "Trafiksol Its Technologies Private Limited" (Corporate Identification Number- U72900UP2018PTC101608)
2. Fresh Certificate of Incorporation dated May 18, 2024 from the Registrar of Companies, Central Registration Center, consequent to conversion of the Company "Trafiksol Its Technologies Private Limited" to "Trafiksol Its Technologies Limited" (Corporate Identification Number- U72900UP2018PLC101608).

### **Approvals in relation to the Issue**

#### ***Corporate Approvals***

1. Our Board of Directors has, pursuant to resolutions passed at its meeting held on May 18, 2024 authorized the Issue, subject to the approval by the shareholders of our Company under section 62(1) (c) of the Companies Act, 2013.
2. Our shareholders have, pursuant to a resolution dated May 18, 2024 under Section 62(1) (c) of the Companies Act, 2013, authorized the Issue.
3. Our Board of Directors has, pursuant to a resolution dated May 31, 2024, [●] and [●] authorized our Company to take necessary action for filing the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus respectively with BSE SME Exchange.

#### ***Approvals from Stock Exchange***

1. Our Company has received in- principle listing approval from the BSE SME Exchange dated [●] for listing of Equity Shares issued pursuant to the issue.

#### ***Other Approvals***

1. The Company has entered into a tripartite agreement dated October 25, 2023 with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case is Maashitla Securities Private Limited, for the dematerialization of its shares.
2. The Company has entered into an agreement dated October 26, 2023 with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who in this case is Maashitla Securities Private Limited, for the dematerialization of its shares.



## APPROVALS / LICENSES / PERMISSIONS IN RELATION TO OUR BUSINESS

### Tax Related Approvals

Sr. No	Description	Address of Place of Business/Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Permanent Account Number (PAN)	--	AAGCT6473R	Income Tax Department	March 07, 2018	Valid till Cancelled
2.	Tax Deduction Account Number(TAN)	Line_1 M, Plot No. GH-12/1, Sector ZE, TA-1, Greater Noida, Gautam Buddha Nagar, Uttar Pradesh 201 301, India.	MRTT02271D	Income Tax Department	March 07, 2018	Valid till Cancelled
3	Professional Tax Registration Certificate (P.T.R.C)	M/s. Trafiksol ITS Technologies Private Limited, Vaastu Vihar Balikuda Cuttack, Odisha 753 011, India.	21795701903	Professional Tax Department, Odisha	May 26, 2022	Valid till Cancelled

### GST Registration

S. No	Description	Address of Place of Business/Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	GST Registration Certificate (Rajasthan)	178, Vardhman Nagar-A, Ajmer Road, Jaipur, Jaipur, Rajasthan, 302 019, India.	08AAGCT6473R1ZD	Goods and Services Tax Department, Rajasthan	Effective Date of registration: January 25, 2022	Valid till Cancelled
2.	GST Registration Certificate (Uttar Pradesh)	2 <sup>nd</sup> Floor, B-68, Sector 63, Noida, Gautam buddha Nagar, Uttar Pradesh 201 301, India.	09AAGCT6473R1ZB	Goods and Services Tax Department, Uttar Pradesh	Effective Date of registration: April 20, 2018	Valid till Cancelled
3	GST Registration Certificate (Himachal Pradesh)	Tehsil- Sarkaghat, Chhuhra 192, Mandi, Mandi, Himachal Pradesh 175 026, India.	02AAGCT6473R1ZP	Goods and Services Tax Department, Himachal Pradesh	Effective Date of registration: July 22, 2020	Valid till Cancelled
4	GST Registration Certificate (Odisha)	Ground Floor, Plot No-1030/2606, Jagamara Dental Clinic & Implant Centre, Khandagiri Marg, Jagamohan Nagar, Bhubaneswar, Khordha, Odisha, 751 030, India.	21AAGCT6473R1ZP	Odisha	Effective Date of registration: March 30, 2021	Valid till Cancelled

### Registrations related to Labour Laws

S. No.	Description	Address	License Number	Issuing Authority	Date of issue	Date of Expiry
1.	Registration under the Employees Provident fund (EPF)	C 66 2 <sup>nd</sup> Floor Sector 63, Noida Gautam Buddha Nagar Uttar Pradesh 201 301, India.	MRNOI1974026000	Employees' Provident Fund Organization	July 02, 2019	Valid till Cancelled
2.	Registration under Employees State Insurance Act, 1948	C 66 2 <sup>nd</sup> Floor Sector Sixty Three Noida 201 301, India.	67000713430001017	Employees' State Insurance Corporation	June 28, 2019	Valid till Cancelled
3.	Registration under Uttar Pradesh Shops & Establishments Act, 1962	2 <sup>nd</sup> Floor B-68, Sector-63, Gautam Buddha Nagar, Noida, Uttar Pradesh 201 301, India.	UPSA10733054	Department of Labour, Government of Uttar Pradesh	April 01, 2024	March 31, 2029

### Business Related Approvals




S. No.	Description	Address of Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Certificate Of Recognition (Startup Certificate)	M/s.Trafiksol Its Technologies Private Limited, B 68 Sec -63 Gautam Buddha Nagar Uttar Pradesh-201301	Certificate No.: DIPP33370	Department Of Industrial Policy And Promotion	February 26, 2019	--
2.	UDYAM Registration Certificate	B 68 Sec -63 Gautam Buddha Nagar Uttar Pradesh- 201301	UDYAM-UP-28-0008797	Ministry of Micro Small & Medium Enterprises	December 07, 2020	Valid till Cancelled
3.	Exemption Certificate 80-IAC	M/s. Trafiksol Its Technologies Private Limited,	CERTIFICATE NO. DIPP33370/IMB	Ministry of Commerce & Industry Department for Promotion of Industry and Internal Trade	March 09, 2021	Valid till Cancelled
4.	Import Export Code (IEC)	M/s. Trafiksol Its Technologies Private Limited, Flat No A 2106 Ace Platinum Plot No Gh-12/1, Sector Zeta - 1, Greater Noida, Gautam Buddha Nagar, Uttar Pradesh, 201306	AAGCT6473R	Ministry of Commerce and Industry Directorate General of Foreign Trade	June 27, 2018	Valid till Cancelled
5.	P.W.D. Contractors (Registration Certificate for Odisha State A Class	Plot No. 1030/2602, JAgamohan Nagar, Ward No. 1, Jagmara, Bhubaneshwar, Khandagiri, Khurda, Odisha	Registered No. 234RA399	Engineer In Chief, Odisha	Not Mentioned	March 31, 2025

S. No.	Description	Address of Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
6.	Electrical Contractor License, Odisha	Balikuda, Cuttacksadar, Cuttack	HT-3458	Energy Department, Electrical Licensing Board, Odisha, Bhubaneshwar	December 21, 2022	September 07, 2024
7.	Electrical Contractor License, Odisha	46, Anuradha Apartment, Block-42, PAschim Vihar, Delhi-110063	Application No.: 50590000004091	Government of National Capital Territory of Delhi, Labour Department	December 21, 2021	December 28, 2046
8.	Empanelment of System Integrator(s) for implementation of Toll Collection System	---	IHMCL/Empanelment/REF/2021/169	Indian Highway Management Company	March 28, 2022	May 31, 2024
9.	Trade License	Plot No. 1030/2606, Jagmohan Nagar, Jagamara, Bhubaneshwar-751030	BMC/TL-2022/0919 (TL220115003)	Bhubaneshwar Municipal Corporation	April 12, 2024	March 31, 2025
10.	ISO 9001:2015 (Consultancy, Development, Production And Sales In The Field Of Its (Tms, Atms, Utms, Itms, Wim, Vms, Emergency Call System, Smart City Solutions, Surveillance, Traffic Signals, Speed Enforcement And Act.)	M/s. Trafiksol Its Technologies Private Limited, C-66, 2nd Floor, Sector-63, Noida, Distt-Gautam Buddha Nagar-201301 (U.P.) India	Certificate No: Q-205021062202	Quality Research organization	June 22, 2021	June 21, 2024
11.	ISO 14001:2015 (Environmental Management System)	M/S. Trafiksol Its Technologies Private Limited, A 2100, Ace Platinum, Plot No. Gh 12/1, Sector Zeta-1, Greater Noida, Gautam Buddha Nagar-201306, Uttar Pradesh, India	Certificate No: 305021100636E	Quality Research organization	October 06, 2021	October 05, 2024
12.	ISO 45001:2018 (Occupational Health and Safety Management System)	M/s. Trafiksol Its Technologies Private Limited, A2106 Ace Platinum, Plot No Gh-12/1 Sector Zeta-1, Greater	Certificate No: 900081/2023/U	Quality Research organization	April 21, 2023	April 21, 2026

S. No.	Description	Address of Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
		Noida, 201306				
13.	<b>ISO/IEC 27001:2013</b> (Information Security Management System)	M/s. Trafiksol Its Technologies Private Limited, Flat No A2166 Ace Platinum Plot No Gh-12/1 Sector Zeta-I Greater Noida Gautam Buddha Nagar Up 201306, India	Certificate No: 2022060101	Quality Research organization	June 01, 2022	May 31, 2025

## INTELLECTUAL PROPERTY

### Trademarks registered/Objected/Abandoned in the name of our company

S. No	Brand Name/Logo Trademark	Class	Application / Registration Number	Owner	Authority	Current Status	Date of Application	Validity
1.	“Device” 	42	3873130	M/s. Trafiksol Its Technologies Private Limited	Trade Mark registry Intellectual Property India	Registered	June 28, 2018	June 27, 2028
2.	“Device” 	42	4079598	M/s. Trafiksol Its Technologies Private Limited	Trade Mark registry Intellectual Property India	Registered	February 07, 2019	February 06, 2029
3.		42	4079597	M/s. Trafiksol Its Technologies Private Limited	Trade Mark registry Intellectual Property India	Registered	February 07, 2019	February 06, 2029

### Copyright Registration:

Sr. No.	Copyrighted Work	Owner	Dairy No. / Registration No.	Authority	Date of Registration	Validity
1.	“Trafikview”	M/s. Trafiksol Its Technologies Private Limited	SW-12834/2019	Copyright Office, Government of India	November 17, 2019	Valid till Cancelled

### Domain Name

Sr. No	Domain Name and ID	Sponsoring Registrar and ID	Registrant Name, ID and Address	Creation Date	Registry Expiry Date
1.	<a href="http://www.trafiksol.com">www.trafiksol.com</a>	Registry Domain ID: 2226654542_DOMAIN_COM-VRSN	GoDaddy.com, LLC Registrar IANA ID: 146	February 13, 2018	February 13, 2025

**Licenses to be applied for:**

Sr. No.	Description	Address	Concerned Authority	When to be applied
1.	Registration under Uttar Pradesh Shops & Establishments Act, 1962	Europa Business Park, In The Premises Situated At G-260, Sector-63, Noida, U.P.-201301	Department of Labour, Government of Uttar Pradesh	Immediately

In addition to above licenses and approvals and except as stated in this chapter, it is hereby mentioned that no application has been made for license / approvals required by the Company and no approval is pending in respect of any such application made with any of the authorities except that for change of address at certain places and change of name of the Company pursuant to change of its constitution from Private Limited to Public Limited.

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## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

Our Board of Directors have *vide* resolution dated May 18, 2024 authorized the Issue, subject to the approval by the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013. The shareholders have authorized the Issue, by passing a Special Resolution at the Extra Ordinary General Meeting held on May 18, 2024 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

### IN-PRINCIPLE APPROVAL

The Company has obtained approval from BSE vide letter dated [●] to use the name of BSE in this Issue Document for listing of equity shares on the SME Platform of BSE Limited. BSE is the designated stock exchange.

### PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

We confirm that our Company, Promoter, Promoter Group and Directors have not been declared as wilful defaulter(s) or fraudulent borrowers by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoter, Promoter Group or Directors have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

- Neither our Company, nor Promoter, nor Promoter Group, nor any of our Directors or persons in control of our Company are / were associated as promoters, directors or persons in control of any other Company which is debarred from accessing or operating in the capital markets under any order or directions made by the SEBI or any other regulatory or Governmental Authorities.
- None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as Promoter or Director.
- Neither our Promoter, nor Promoter Group, nor any of our Directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoter, nor Promoter Group nor our Directors, are Wilful Defaulters or fraudulent borrowers.

### PROHIBITION BY RBI

Neither our Company, nor Promoter, nor Promoter Group, nor any of our Directors or the person(s) in control of our Company have been identified as a wilful defaulter or fraudulent borrowers. by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided under chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 195 of this Draft Red Herring Prospectus.

### COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company, Promoter and Promoter Group, 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

None of our Directors are associated with the securities market and there has been no outstanding action initiated by SEBI against them in the five years preceding the date of this Draft Red Herring Prospectus.

### ELIGIBILITY FOR THE ISSUE

Our Company is an “unlisted issuer” in terms of the SEBI (ICDR) Regulations, 2018 and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations, 2018.

Our Company is eligible in terms of Regulation 228, 229(2) and 230 of SEBI (ICDR) Regulations, 2018 and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018, Our Company is eligible for the Issue in accordance with

Regulation 229(2) of the SEBI (ICDR) Regulations, 2018 and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018, as we are an Issuer whose post issue paid up capital shall not be more than ₹25.00 Crores and we may hence, Issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange [in this case being the “SME Platform of BSE Limited”].

Our Company was originally incorporated as Private Limited, under the Companies Act, 2013 (“**Companies Act**”) in the name and style of “*Trafiksol Its Technologies Private Limited*” on March 05, 2018 under the provisions of the Companies Act, 2013 vide Certificate of Incorporation issued by the Registrar of Companies, Central Registration Centre. Later on, company was converted into public limited company, subsequently the name of our Company was changed to “*Trafiksol Its Technologies Limited*” and fresh Certificate of Incorporation dated May 18, 2024 was issued by the Central Processing Centre, Gurgaon, Haryana. The Corporate Identification Number of our Company is U72900UP2018PLC101608.

**We confirm that:**

In accordance with Regulation 246 the SEBI ICDR Regulations, the book running Book Running Lead Manager shall ensure that the Issue or shall file copy of the Red Herring Prospectus with SEBI along with relevant documents as required at the time of filing the Red Herring Prospectus to SEBI.

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, 2018, this Issue is 100% underwritten and that the Book Running Lead Manager to the Issue shall underwrite minimum 15% of the total issue size. For further details, pertaining to said underwriting please refer to chapter titled “*General Information*” beginning on page 72 of this Draft Red Herring Prospectus.

In accordance with Regulation 261(1) of the SEBI (ICDR) Regulations, 2018, we hereby confirm that we will enter into an agreement with the Book Running Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of Equity Shares in this Issue on the SME Platform of BSE Limited. For further details of the arrangement of market making please refer to chapter titled “*General Information*” beginning on page 72 and details of the Market Making Arrangements for this please refer to chapter titled “*The Issue*” beginning on page 47 of this Draft Red Herring Prospectus.

In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight working days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight working days, be liable to repay such application money, with an interest at the rate as prescribed under SEBI (ICDR) Regulations 2018, the Companies Act, 2013 and applicable laws. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and / or imprisonment in such a case.

As per Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, our Company satisfies track record and / or other eligibility conditions of SME Platform of BSE Limited in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations as below:

1. Our Company was incorporated on March 05, 2018 under the provisions of the Companies Act, 2013 vide Certificate of Incorporation issued by the Registrar of Companies, Central Registration Centre.
2. As on the date of this Draft Red Herring Prospectus, our Company has a total paid-up capital (face value) of ₹1792.50 Lakhs comprising 1,79,25,000 Equity Shares of ₹10/- each and the Post Issue paid-up Capital (face value) will be ₹[●] Lakhs comprising [●] Equity Shares which shall be below ₹2,500.00 Lakhs.
3. Our Company confirms that it has track record of more than 3 years.
4. As per the Restated Financial Statements, our company has operating profit (earnings before interest, depreciation and tax excluding other income) in two out of the three proceeding financial year depicted as follows:

**EBITA as per Restated standalone financial statements:**

(₹ in Lakhs)

Particulars	As on 31.03.2024	As on 31.03.2023	As on 31.03.2022
EBITDA	1,770.35	495.16	252.52

5. As per the Restated Financial Statements disclosed in this Draft Red Herring Prospectus, the Net worth of our company (excluding revaluation reserves) as per Standalone Financial Statements is ₹3,402.82 Lakhs as of March 31,

2024, and hence is positive. The Net worth as of March 31, 2024, based on the Restated Financial Statements was calculated as the sum of share capital and reserves & surplus.

6. As per Restated Standalone Financial Statements disclosed in this Draft Red Herring Prospectus, the net tangible assets are ₹3,357.96 Lakhs as of March 31, 2023, hence more than ₹300.00 Lakhs as on the date of filing of this Draft Red Herring Prospectus. The Net Tangible Assets as of March 31, 2023, based on the Restated Standalone Financial Statements was calculated as the net worth minus intangible assets.
7. The Leverage ratio (Total Debts to Equity) of the Company as on March 31, 2024, was 0.31:1 which is less than the limit of 3:1.
8. Our Company has not been referred to Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted under Insolvency and Bankruptcy Code against our company and promoting companies.
9. There is no winding up petition against the company, which has been admitted by NCLT/ Court of competent jurisdiction or a liquidator has not been appointed.
10. None of the Directors of our Company have been categorized as a Wilful Defaulter or fraudulent borrowers.
11. There is no winding up petition against the Company, which has been admitted by a court of competent jurisdiction or liquidator has not been appointed.
12. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
13. Other Disclosures:
  - a. We have disclosed all material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoter/promoting company(ies), group Company, companies promoted by the promoter/promoting company(ies) of our company in the Draft Red Herring Prospectus.
  - b. There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our company, promoter/promoting company(ies), group Company, companies promoted by the promoter/promoting company(ies) during the past three years except as mentioned in the Draft Red Herring Prospectus.
  - c. We have disclosed the details of our company, promoter/promoting company(ies), group Company, companies promoted by the promoter/promoting company(ies) litigation record, the nature of litigation, and status of litigation. For details, please refer the chapter “*Outstanding Litigations and Material Developments*” beginning on page 195 of this Draft Red Herring Prospectus.
  - d. We have disclosed all details of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc. For Details, refer the chapter “*Outstanding Litigations and Material Developments*” beginning on page 195 of this Draft Red Herring Prospectus.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- a. The Draft Red Herring Prospectus has been filed with BSE and our Company has made an application to BSE for listing of its Equity Shares on the SME Platform of BSE Limited. BSE is the Designated Stock Exchange.
- b. Our Company has entered into an agreement dated October 26, 2023 with NSDL and agreement dated October 25, 2023 with CDSL for dematerialisation of its Equity Shares already issued and proposed to be offered.
- c. The entire pre- Issue capital of our Company has fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO are fully paid-up.
- d. The entire Equity Shares of the Company in dematerialization form.
- e. The fund requirements set out for the Objects of the Issue are proposed to be met entirely from the Net Proceeds.



Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue as required under the SEBI ICDR Regulations. For details, please refer the chapter “*Objects of the Issue*” beginning on page 84 of this Draft Red Herring Prospectus.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable. Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

1. Neither our Company nor our Promoters, members of our Promoter group or our directors is debarred from accessing the capital markets by the SEBI.
2. None of our Promoters or Directors is Promoters or director of any other companies which are debarred from accessing the capital markets by the SEBI.
3. Neither our Company nor our Promoters or Directors is a wilful defaulter or a fraudulent borrower.
4. None of our Promoters or Directors is a fugitive economic offender.

#### **COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI ICDR REGULATIONS**

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI ICDR Regulations. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI ICDR Regulations, with respect to the Issue.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE BOOK RUNNING BOOK RUNNING LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE OFFEROR IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS OFFER DOCUMENT, THE BOOK RUNNING BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE OFFEROR DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING BOOK RUNNING LEAD MANAGER, EKADRISHT CAPITAL PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MAY 31, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THIS OFFER DOCUMENT.**

**Note:** 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. 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, 33(1) and 33(2) of the Companies Act.

#### **DISCLAIMER FROM OUR COMPANY AND THE BOOK RUNNING BOOK RUNNING LEAD MANAGER**

Our Company and the Book Running Book Running Lead Manager accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, [www.trafiksol.com](http://www.trafiksol.com), or the website of any affiliate of our Company, would be doing so at his or her own risk.

The Book Running Lead Manager accept no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement to be entered into between the Underwriter and our Company and Market Maker Agreement entered into among Market Maker and our Company.

All information shall be made available by our Company, and the BRLMs to the Bidders and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company, and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriter and their respective Directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the issue.

The Book Running Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Company, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Company, and our affiliates or associates for which they have received and may in future receive compensation

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, AIFs state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹2,500.00 Lakhs and pension funds with a minimum corpus of ₹2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. The Draft Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Noida, Uttar Pradesh, only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company or that the information contained herein is correct as of any time subsequent to this date. 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.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT**

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulations under the Securities Act), except pursuant

to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulations of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE LIMITED**

As required, a copy of the Draft Red Herring Prospectus shall be submitted to the SME Platform of BSE Limited. The Disclaimer Clause as intimated by the SME Platform of BSE Limited to us, post scrutiny of the Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and Prospectus prior to the filing with RoC.

#### **FILING OF DRAFT RED HERRING PROSPECTUS/ RED HERRING PROSPECTUS/ PROSPECTUS WITH THE SEBI/ ROC**

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus/ Prospectus, along with the documents required to be filed under Section 26 & 32 of the Companies Act, 2013 will be filed to the RoC Office situated at Registrar of Companies, Kanpur, Uttar Pradesh.

#### **LISTING**

The Equity Shares Offered through the Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited. Application have been made to the SME Platform of BSE Limited for obtaining permission for listing of the Equity Shares being offered and sold in the issue on its SME Platform of BSE Limited after the allotment in the Issue. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

Our company has obtained In-principle approval from BSE vide letter dated [●] to use name of BSE in the Red Herring Prospectus for listing of equity shares on SME Platform of BSE Limited.

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 in accordance with applicable law.

#### **IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of Section 38(1) of the Companies Act, 2013 which is reproduced below:

Any person who-

- Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- 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

- 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 to action under Section 447 of the Companies, Act 2013.

## CONSENTS

Consents in writing of Our Directors, Our Promoter, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Our Banker to the Company, Book Running Lead Manager, Registrar to the Issue, Legal Advisor to the Issue, Banker to the Issue/ Sponsor Bank\*, Syndicate Members\*, Underwriter to the Issue and Market Maker to the Issue to act in their respective capacities have been obtained as required under Section 26 and 32 of the Companies Act, 2013 and shall be filed along with a copy of the Red Herring Prospectus/ Prospectus with the RoC, as required under Sections 26 & 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Red Herring Prospectus/ Prospectus for registration with the RoC.

*\*The aforesaid will be appointed prior to filing of Red Herring Prospectus with RoC and their consents as above would be obtained prior to the filing of the Red Herring Prospectus with RoC.*

In accordance with the Companies Act and the SEBI (ICDR) Regulations, 2018, M/s Vijay Darji And Associates, Chartered Accountant, Statutory Auditors of the Company has agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and restated financial statements as included in this Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of the Red Herring Prospectus/ Prospectus for registration with the RoC.

## EXPERT TO THE ISSUE

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

- Report of the Statement of Possible of Tax Benefits dated May 20, 2024.
- Report of the Auditor on the Restated Consolidated Financial Information of the Company, which comprises of the Restated Balance Sheet, the Restated Profit and Loss Information and Restated Cash Flow Information for the Financial Year ended on March 31, 2024 March 31, 2023 and March 31, 2022 and of our Company dated May 20, 2024.
- Report of the Auditor on the Restated Standalone Financial Information of the Company, which comprises of the Restated Balance Sheet, the Restated Profit and Loss Information and Restated Cash Flow Information for the Financial Year ended on March 31, 2024, March 31, 2023 and March 31, 2022 and of our Company dated May 20, 2024.

## EXPENSES TO THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter “Objects of the Issue” beginning on page 84 of this Draft Red Herring Prospectus.

## DETAILS OF FEES PAYABLE

### **Fees Payable to the Book Running Lead Manager.**

The total fees payable to the Book Running Lead Manager will be as per the Mandate Letter issued by our Company to the Book Running Lead Manager, the copy of which is available for inspection at our Registered Office.

### **Fees, Brokerage and Selling Commission payable.**

The total fees payable to the Book Running Lead Manager will be as per the (i) Memorandum of Understanding dated May 20, 2024 with the Book Running Lead Manager, (ii) the Underwriting Agreement dated May 20, 2024 with the Underwriter and (iii) the Market Making Agreement dated May 20, 2024 with the Market Maker, a copy of which is available for inspection at our Registered Office from 10.00 AM to 5.00 PM on Working Days from the date of the Draft Red Herring Prospectus until the Bid/Issue Closing Date.

### **Fees Payable to the Registrar to the Issue.**

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the agreement between our Company, and the Registrar to the Issue dated May 20, 2024 a copy of which is available for inspection at our Company's Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send allotment advice by registered post/speed post.

### **PREVIOUS PUBLIC OR RIGHTS ISSUES DURING THE LAST THREE YEARS**

We have not made any rights to the public and public issues in the past, and we are an "Unlisted Company" in terms of the SEBI ICDR Regulations and this Issue is an "Initial Public Offer" in terms of the SEBI ICDR Regulations.

### **COMMISSION AND BROKERAGE PAID ON PREVIOUS ISSUES OF OUR EQUITY SHARES IN LAST THREE YEARS**

Since this is an Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

### **CAPITAL ISSUES DURING THE LAST THREE YEARS BY OUR COMPANY, LISTED GROUP COMPANY, SUBSIDIARIES & ASSOCIATES OF OUR COMPANY**

Except as disclosed in Chapter titled "Capital Structure" beginning on page 56 of Draft Red Herring Prospectus, our Company has not made any capital issue during the previous three years.

Except as disclosed in Chapter titled "Our Group Company" beginning on page 171 of Draft Red Herring Prospectus, our Company has no other group company.

### **PERFORMANCE VIS-A-VIS OBJECTS**

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us

### **OUTSTANDING DEBENTURES OR BOND ISSUES OR REDEEMABLE PREFERENCE SHARES**

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

### **STOCK MARKET DATA OF EQUITY SHARES**

This being an Initial Public Offer of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

### **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Registrar Agreement provides for retention of records with the Registrar to the Issue for a period of three years from the date of listing and commencement of trading of the Equity Shares to enable the Bidders to approach the Registrar to the Issue for redressal of their grievances. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All grievances, other than of Anchor Investors may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving full details such as name of the sole or First Bidder, ASBA Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of ASBA Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchange 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 Manager where the Bid cum Application Form was submitted by the Anchor Investor.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding four Working Days from the Bid / Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid / Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, 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 investors shall be compensated by the SCSBs in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 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, the BRLMs shall compensate the investors at the rate higher of ₹100 or 15% per annum of the application amount for the period of such delay. Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, 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.

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the Book Running Lead Manager shall be liable to compensate the investor ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Our Company, the BRLM and the Registrar to the 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. In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

For helpline details of the Book Running Book Running Lead Manager pursuant to the SEBI/HO/CFD/DIL-2/OW/P/2021/2481/1/M dated March 16, 2021, see "*General Information*" beginning on page 72 of this Draft Red Herring Prospectus

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove

All grievances relating to Bids submitted with Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue. 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 BRLM 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 the SEBI ICDR Regulations.

Anchor Investors are required to address all grievances in relation to the Issue to the BRLM.

Our Company has also appointed Dipak Kumar Pandey, Company Secretary and Compliance Officer for the Issue. For details, see "*General Information*" beginning on page 72 of this Draft Red Herring Prospectus.

## STATUS OF INVESTOR COMPLAINTS

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

## DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 7 (seven) days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints within 30 days of receipt of complaint or upon receipt of satisfactory documents.

Our Company shall, after filing of this Draft Red Herring Prospectus, obtain authentication on the SCORES in terms of the SEBI circular bearing number CIR/OIAE/1/2013 dated April 17, 2013 read with SEBI circular bearing number SEBI/HO/OIAE/IGRD/CIR/P/2021/642 dated October 14, 2021 and shall comply with SEBI circular bearing number CIR/OIAE/1/2014 dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

Further, our Board by a resolution on May 18, 2024 has also constituted a Stakeholders' Relationship Committee. The composition of the Stakeholders' Relationship Committee is as follows:

Name of the Member	Nature of Directorship	Designation in Committee
Shruti Vijay Thakkar	Non-Executive Independent Director	Chairman
Vipul Magon	Non-Executive Independent Director	Member
Jitendra Narayan Das	Chairman and Managing Director	Member

For further details, please see the chapter titled “*Our Management*” beginning on page 150 of this Draft Red Herring Prospectus.

## TAX IMPLICATIONS

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled “*Statement of Possible Tax Benefits*” beginning on page 104 of this Draft Red Herring Prospectus.

## PURCHASE OF PROPERTY

Other than as disclosed in Section “*Business Overview*” beginning on page 117 of this Draft Red Herring Prospectus there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Draft Red Herring Prospectus.

Except as stated elsewhere in this Draft Red Herring Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made there under.

## CAPITALIZATION OF RESERVES OR PROFITS

Save and except as stated in “*Capital Structure*” beginning on page 56 of this Draft Red Herring Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

## REVALUATION OF ASSETS

There has not been any revaluation of assets since incorporation of the Company.

## SERVICING BEHAVIOUR

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

## PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed under chapter titled “Our Management” beginning on page 150 and chapter “Restated Financial Statements” beginning on page 174 of this Draft Red Herring Prospectus none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

## PRICE INFORMATION OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING BOOK RUNNING LEAD MANAGER

For details regarding the price information and track record of the past issue handled by Ekadrisht Capital Private Limited, as specified in the circular reference CIR/CFD/DIL/7/2015 dated October 30<sup>th</sup>, 2015, issued by SEBI, please refer Annexure “A” to this Draft Red Herring Prospectus and the website of Book Running Lead Manager at [www.ekadrisht.com](http://www.ekadrisht.com).

Track Record of the public issues managed by Lead manager as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI; please see the website of Lead manager i.e. [www.ekadrisht.com](http://www.ekadrisht.com).

### Annexure – A

S. No.	Issue Name	Issue Size (Rs. in Cr.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date (Rs.)	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30 <sup>th</sup> Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90 <sup>th</sup> Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180 <sup>th</sup> Calendar Days from Listing
1.	Indian Emulsifiers Limited*	42.39	132.00	May 22, 2024	430.00	-	-	-

\*The company does not have a track record of 30<sup>th</sup> / 90<sup>th</sup>/180<sup>th</sup> Calendar Days of listing.

\*The company is listed on SME platform NSE Emerge only.

Further, till the date of this Draft Red Herring Prospectus, Ekadrisht Capital Private Limited, the Book Running Lead Manager of this Company has filed Draft Red Herring Prospectus of Aelea Commodities Limited on March 30, 2024 on BSE SME Platform and filed Red Herring Prospectus of TBI Corn Limited on May 25, 2024 on Emerge Platform of NSE Limited, for further details kindly refer the website of NSE Limited on [www.nseindia.com](http://www.nseindia.com), BSE Limited on [www.bseindia.com](http://www.bseindia.com) and Ekadrisht Capital Private Limited on [www.ekadrisht.com](http://www.ekadrisht.com).

### Summary Statement of Disclosure

Financial Year	Total No. of IPOs	Total Funds Raised (Rs. in Cr.)	Nos. of IPO trading at discount as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at discount as on 180 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 180 <sup>th</sup> calendar day from listing date		
			Over 50%	Betwe en 25-50%	Less than 25%	Over 50%	Betwe en 25-50%	Less than 25%	Over 50%	Betwe en 25-50%	Less than 25%	Over 50%	Betwe en 25-50%	Less than 25%
2024-25	1*	42.39	-	-	-	-	-	-	-	1	1	-	-	-

\*The company does not have a track record of 30/180 Calendar Days of listing.

## EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI

Our company has not applied or received any exemption from complying with any provisions of securities laws by SEBI.

No person connected with the Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the Issue, except for fees or commission for services rendered in relation to the Issue.



## SECTION IX – ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being Allotted pursuant to this Issue shall be subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, SEBI (LODR) Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association, the terms of this Draft Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Application Form, any Revision Form, the CAN / Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents / certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange(s), the RBI, RoC and / or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchange(s), the RoC and / or any other authorities while granting its approval for the Issue.*

*Please note that, in terms of Regulation 256 of the SEBI ICDR Regulations 2018 read with SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the applicants have to compulsorily apply through the ASBA Process and further in terms of SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and as modified through its circular SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 (together, the “UPI Circular”) in relation to clarifications on streamlining the process of public issue of equity shares and convertibles it has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. Currently, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds is discontinued and RIIs submitting their Application Forms through Designated Intermediaries (other than SCSBs) can only use the UPI mechanism with existing timeline of T+6 days until March 31, 2020 (“UPI Phase II”). Further SEBI through its circular no SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 has decided to continue with the Phase II of the UPI ASBA till further notice. However, due to the outbreak of COVID19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, vide SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, Phase III has been notified, and accordingly the revised timeline of T+3 days (i.e., the time duration from public issue closure to listing of be 3 Working Days) has been made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023 (“UPI Phase III”). Accordingly, the Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular no. SEBI/HO/CFD/P/CIR/2022/75 dated May 30, 2022 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances.*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.*

### AUTHORITY FOR THE ISSUE

The present Public Issue of upto 64,10,000 Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on May 18, 2024 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on May 18, 2024 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

### RANKING OF EQUITY SHARES

The Equity Shares being issued shall be subject to the provisions of the Companies Act 2013, our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the chapter titled “Main Provision of the Articles of Association” beginning on page 264 of this Draft Red Herring Prospectus.

## MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and recommended by the Board of Directors and approved by the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any, declared) will be approved by the Board of Directors. For further details in relation to dividends, please refer to sections titled, “*Dividend Policy*” and “*Main Provision of the Article of Association*”, beginning on page 170 and 264 respectively, of this Draft Red Herring Prospectus.

## FACE VALUE, ISSUE PRICE, FLOOR PRICE AND PRICE BAND

The face value of each Equity Share is ₹10 and the Issue Price is ₹[●] per Equity Share. The Floor Price is ₹[●] per Equity Share and at the Cap Price is ₹[●] per Equity Share, being the Price Band. The Anchor Investor Issue Price is ₹[●] per Equity Share.

The Issue Price, Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLMs, and advertised in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Hindi daily newspaper (Hindi being the regional language of Uttar Pradesh, 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 the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges. The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager, after the Bid/ Issue Closing Date on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process.

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

## COMPLIANCE WITH SEBI (ICDR) REGULATIONS

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

## RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- a) Right to receive dividend, if declared;
- b) Right to receive Annual Reports and notices to members;
- c) Right to attend general meetings and exercise voting rights, unless prohibited by law;
- d) Right to vote on a poll either in person or by proxy;
- e) Right to receive offer for rights shares and be allotted bonus shares, if announced;
- f) Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- g) Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- h) Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI (LODR) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the chapter titled “*Main Provision of the Articles of Association*”

beginning on page 264 of this Draft Red Herring Prospectus.

#### **ALLOTMENT ONLY IN DEMATERIALIZED FORM**

As per the provisions of the Depositories Act, 1996 and the regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form for all investors.

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by SME Platform of BSE Limited (“**BSE Limited**”) from time to time by giving prior notice to investors at large. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Company:

- a) Tripartite Agreement dated October 26, 2023 between NSDL, our Company and Registrar to the Company; and
- b) Tripartite Agreement dated October 25, 2023 between CDSL, our Company and Registrar to the Company;
- c) The ISIN no of the company is INE0ROQ01011.

#### **MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT**

Trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by SME Platform of BSE (BSE SME) from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful Applicants.

Further, in accordance with SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakhs per application.

#### **MINIMUM NUMBER OF ALLOTTEES**

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by the SCSBs or Sponsor Bank shall be unblocked within 4 Working days of closure of issue.

#### **JOINT HOLDERS**

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

#### **NOMINATION FACILITY TO INVESTOR**

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be titled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or Corporate Office or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board of Directors 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 ninety days, the Board of Directors may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

## WITHDRAWAL OF THE ISSUE

Our Company in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-issue advertisements were published, within two days of the issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment the final RoC approval of the Prospectus after it is filed with the RoC. If our Company, in consultation with BRLM, withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Prospectus with the Stock Exchange.

## BID/ISSUE PROGRAM

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

Event	Indicative Date
Bid/Issue Opening Date	[●] <sup>(1)</sup>
Bid/Issue Closing Date	[●] <sup>(2)(3)</sup>
Finalization of Basis of Allotment with Designated Stock Exchange	On or before [●]
Initiation of refunds /unblocking of funds from ASBA Account*	On or before [●]
Credit of Equity Shares to demat accounts of Allottees	On or before [●]
Commencement of trading of the Equity Shares on Stock Exchange	On or before [●]

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

*\*In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled / withdrawn / deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation / withdrawal / deletion is placed in the Stock Exchanges Applying 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 Applicant shall be compensated at a uniform rate ₹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 Application Amount, the Applicant 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 Application, exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post issue LM shall be liable for compensating the Applicant at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. Further, investors shall be entitled to compensation in the*

manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

The above timetable other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation or liability on our Company or the BRLM.

Any circulars or notifications from the SEBI after the date of this Draft Red Herring Prospectus may result in changes to the timelines. Further, the issue procedure is subject to change to any revised circulars issued by the SEBI to this effect.

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 such time as 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 BRLM, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. In terms of the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, our Company shall within three days from the closure of the Offer, refund the subscription amount received in case of non – receipt of minimum subscription or in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. The Shareholder, severally and not jointly, has specifically confirmed that it shall extend such reasonable support and co-operation required by our Company and the BRLM for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchange within such time as prescribed by SEBI.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSB’s 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 SCSB’s shall unblock such applications by the closing hours of the Working Day.

In terms of the UPI Circulars, in relation to the Offer, 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 such time as prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

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

Bid Period (except the Bid/Issue Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time(“IST”))
Bid/ Issue Closing Date	
Submission and Revision in Bids*	Only between 10.00 a.m. and 3.00 p.m. IST

\* UPI mandate end time and date shall be at 5.00 pm IST on Bid/Issue Closing Date

**On the Bid/Issue Closing Date, the Bids shall be uploaded until:**

- i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- ii. Until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange in case of Bids by RIBs.

On Bid/Issue Closing Date, extension of time will be granted by Stock Exchange only for uploading Bids received by RIBs after taking into account the total number of Bids received and as reported by the Book Running Lead Manager to the Stock Exchange.

**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 the limitation of time available for uploading the Bid-Cum- Application Forms on the Bid/Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST.

Bidders are cautioned that, in the event a large number of Bid-Cum- Application Forms are received on the Bid/ Issue Closing Date, as is typically experienced in public Offer, some Bid-Cum- Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum- Application Forms that cannot be uploaded will not be considered for allocation under this Offer. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid-Cum- Application Forms due to faults in any software/hardware system or otherwise; or blocking of application amount by SCSBs on receipt of instructions from the Sponsor Bank due to any errors, omissions, or otherwise non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in the UPI Mechanism.

Our Company in consultation with the Book Running Lead Manager, reserves the right to revise the Price Band during the Bid 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 accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Bidders can revise or withdraw their Bid-Cum- Application Forms prior to the Bid/ Issue Closing Date. Allocation to Retail Individual Bidders, in this Issue will be on a proportionate basis. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum Application Form, for a particular Bidder, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid-Cum- Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask the relevant SCSBs /RTAs / DPs / stock brokers, as the case may be, for the rectified data. 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 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 three Working Days, 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.

## MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. In accordance with Regulation 260 (1) of ICDR Regulations, this Issue is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the Issue through the offer Document including devolvement of Underwriters, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and our Directors, who are officers in default, shall pay interest at the rate of 15% per annum. In the event of an under-subscription in the Offer, Equity Shares offered pursuant to the Fresh Issue shall be allocated in the Issue prior to the Equity Shares offered pursuant to the Offer for Sale.

If our Company does not receive the subscription of 100% of the Issue through this Offer document including devolvement of Underwriters, our Company shall forthwith unblock the entire subscription amount received. If there is a delay beyond 8 days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under section 73 of the Companies Act, 2013 and applicable law.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within four (4) working days of closure of Issue.

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through this Draft Red Herring Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹1.00

Lakhs (Rupees One Lakhs) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **NO RESERVATION FOR ELIGIBLE NRIS, FIIS REGISTERED WITH SEBI, VCFs REGISTERED WITH SEBI AND QFIS**

It is to be understood that there is no reservation for Eligible NRIs or FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### **AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

#### **ARRANGEMENTS FOR DISPOSAL OF ODD LOTS**

The trading of the equity shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by SME Platform of BSE Limited from time to time by giving prior notice to investors at large.

However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on SME Platform of BSE Limited.

#### **RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES**

Except for lock-in of the pre-Issue Equity Shares and Minimum Promoters' Contribution in the Issue as detailed in the chapter "Capital Structure" beginning on page 56 of this Draft Red Herring Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details, please refer to the chapter titled "Main Provision of the Articles of Association" beginning on page 264 of this Draft Red Herring Prospectus.

## ALLOTMENT OF EQUITY SHARES IN DEMATERIALIZED FORM

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

**Furnishing the details depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.**

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

## MIGRATION TO MAIN BOARD

In accordance with the BSE Circular dated November 26, 2012, our Company will have to be mandatorily listed and traded on the BSE SME for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI ICDR Regulations.

As per the provisions of the Chapter IX of the SEBI ICDR Regulations, our Company may migrate to the mainboard of BSE from the BSE SME on a later date subject to the following:

1. If the paid-up capital of the Company is likely to increase above ₹25 crores by virtue of any further Issue of capital by way of rights, preferential offer, bonus offer etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.
2. If the paid-up capital of the Company is more than ₹10 crores but below ₹25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter shareholders in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

## MARKET MAKING

The shares offered through this issue are proposed to be listed on the SME Platform of BSE Limited, wherein the Book Running Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Platform of BSE Limited for a minimum period of three years from the date of listing of shares offered through this Draft Red Herring Prospectus. For further details of the agreement entered into between the Company, the Book Running Lead Manager and the Market Maker; please see "General Information" beginning on page 72 of this Draft Red Herring Prospectus.

## NEW FINANCIAL INSTRUMENTS

The Issuer Company is not issuing any new financial instruments through this Issue.

## PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.



## JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Noida.

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

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## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is less than or equal to ₹10 crores and upto ₹25 crores, shall issue shares to the public and propose to list the same on the SME Platform of BSE Limited (“**SME Exchange**”, in this case being the SME Platform of BSE Limited). For further details regarding the salient features and terms of such an issue, please refer chapter titled “*Terms of Issue*” and “*Issue Procedure*” beginning on page 218 and 232 respectively of this Draft Red Herring Prospectus.

### ISSUE STRUCTURE

This Issue comprised of Initial Public of upto 64,10,000 equity shares of face value of ₹10/- each for cash at a price of [●] per equity share including a share premium of ₹[●] per equity share (the “**Issue Price**”) aggregating to ₹[●] Lakh (“**The Issue**”) by our Company. The Issue comprises a reservation of [●] Equity Shares of face value of ₹10.00/- each for cash at a price of ₹[●] per equity share including a share premium of ₹[●] per equity share aggregating to ₹[●] Lakhs will be reserved for subscription by Market Maker to the issue (the “**Market Maker Reservation Portion**”).

The Issue less the Market Maker Reservation Portion i.e., Net Issue to Public of [●] Equity Shares of face value of ₹10.00/- each at a price of ₹[●] per equity share including a share premium of ₹[●] per equity share aggregating to ₹[●] lakhs (“**the Net Issue**”). The Issue and the Net Issue will constitute [●]% and [●]%, respectively of the post Issue paid up equity share capital of the Company. The Issue is being made through the Book Building Process.

Particulars	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Investors/Bidders	Retail Individual Investors/Bidders
<b>Number of Equity Shares available for allocation or allotment <sup>(2)</sup></b>	Upto [●] Equity Shares.	Not more [●] Equity Shares.	Not less than [●] Equity Shares available for allocation	Not less than [●] Equity Shares available for allocation
<b>Percentage of Issue Size available for Allocation or allotment</b>	[●] % of the Issue Size.	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 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 QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion.	Not less than 15% of Net Issue.	Not less than 35% of Net Issue.
<b>Basis of Allotment <sup>(3)</sup></b>	Firm allotment	Proportionate as follows (excluding the Anchor Investor Portion):  (a) Up to [●] Equity	Proportionate basis subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●]	Proportionate basis subject to minimum allotment of [●] Equity Shares. For details, see “ <i>Issue Procedure</i> ”

Particulars	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Investors/Bidders	Retail Individual Investors/Bidders
		<p>Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and</p> <p>(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.</p> <p>(c) Up to 60% of QIB Portion (of upto [●] Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Domestic Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price</p>	Equity Shares. For details, see “ <i>Issue Procedure</i> ” beginning on page 232 of this Draft Red Herring Prospectus.	beginning on page 232 of this Draft Red Herring Prospectus.
<b>Mode of Bid</b>	Only through ASBA Process	ASBA only except for Anchor Investors <sup>(4)</sup>	Only through ASBA Process	Through ASBA Process, Through Banks or by using UPI ID for payment
<b>Mode of allotment</b>	Compulsorily in dematerialized form			
<b>Minimum Bid Size</b>	[●] Equity Shares	[●] Equity Shares and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹2.00 Lakhs.	[●] Equity Shares
<b>Maximum Bid Size</b>	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer, (excluding the Anchor portion), subject to limits applicable to each Bidder	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue (excluding the QIB portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹2.00 Lakhs.
<b>Bid Lot</b>	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
<b>Trading Lot</b>	[●] Equity Shares, However the Market	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples

Particulars	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Investors/Bidders	Retail Individual Investors/Bidders
	Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations			thereof
<b>Who can apply</b>	Market Maker	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual funds registered with SEBI, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, registered with SEBI, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹2500 lakhs, pension fund with minimum corpus of ₹2500 lakhs, National Investment Fund set up by the Government of India, 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 NBFCs, in accordance with applicable laws including FEMA Rules.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, family offices, trusts, FPIs who are individuals, corporate bodies and family offices.	Resident Indian individuals, HUFs (in the name of Karta) and Eligible NRIs applying for Equity Shares such that the Bid amount does not exceed ₹2.00 Lakhs in value.
<b>Terms of Payment</b>	<p><b>In case of all other Bidders:</b> Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.</p> <p><b>In case of Anchor Investors:</b> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids. <sup>(5)</sup></p>			

Particulars	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Investors/Bidders	Retail Individual Investors/Bidders
<b>Mode of Bid</b>	Only through the ASBA process.			

- (1) *Our Company in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Issue Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹200.00 Lakhs, (ii) minimum of two and maximum of fifteen Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹200.00 Lakhs but up to ₹2,500.00 Lakhs under the Anchor Investor Portion, subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor, and (iii) in case of allocation above ₹2,500.00 Lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of fifteen Anchor Investors for allocation up to ₹2,500.00 Lakhs, and an additional ten Anchor Investors for every additional ₹2,500.00 Lakhs or part thereof will be permitted, subject to minimum allotment of ₹100.00 Lakhs per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹200.00 Lakhs. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors.*
- (2) *In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI ICDR Regulations, this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI ICDR Regulations.*
- (3) *Subject to valid Bids being received at or above the Issue Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.*
- (4) *Anchor Investors are not permitted to use the ASBA process.*
- (5) *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.*
- (6) *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.*
- (7) *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 bank accounts of the Bidders. Accordingly, Stock Exchanges shall, for all categories of Bidders viz. QIBs, NIBs and RIBs 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.*

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

- (1) *Our Company may, in consultation with the Book Running Lead Managers, 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 price Anchor Investor Allocation Price.*
- (2) *In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.*

The Bids by FPIs with certain structures as described under “Issue Procedure” beginning on page 232 and having same

PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws. Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

**In case of any revision in the Price Band, the Bid/ Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/ Issue Period not exceeding 10 Working Days. 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 announcement and also by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate.**

**In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.**

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## ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issue, prepared and issued in accordance with the SEBI circular no CIR/CFD/DIL/12/2013 dated October 23, 2013 notified by SEBI and updated pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and updated pursuant to SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 (the “General Information Document”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of Stock Exchange, the Company and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investoreligible to participate in the Issue; (ii) maximum and minimum Issue size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI through its UPI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for 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 till June 30, 2019.

Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors (“UPI Phase III”), as may be prescribed by SEBI. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is effective for initial public offers opening on or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and the provisions of this circular are deemed to form part of this Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual Investors in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism.

Furthermore, SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public issue from existing 6 working days to 3 working days from the date of the closure of the issue. The revised timeline of T+3 days shall be made applicable in two phases i.e. voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public issue to three Working Days. Accordingly, the Issue will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances, including the reduction of time period for unblocking of application monies from 15 days to four days. This circular is effective for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, as amended, are deemed to form part of this Draft Red Herring Prospectus.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stockbrokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by SME Platform of BSE Limited (“BSE SME”) to act as intermediaries for submitting Application Forms are provided on [www.bseindia.com](http://www.bseindia.com). For details on their designated branches for submitting Application Forms, please see the above mentioned website of SME Platform of BSE Limited (“BSE SME”).

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that their application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus, when filed.

Further, the Company and the BRLM are not liable for any adverse occurrence’s consequent to the implementation of the UPI Mechanism for application in this Issue.

### **Phased implementation of Unified Payments Interface**

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, anRII had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public Issue closure to listing continued to be six working days.

**Phase II:** This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public Issue closure to listing would continue to be six Working Days during this phase.

**Phase III:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide 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 Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification 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 SEBI.

The Issue is being made under Phase III of the UPI (on a mandatory basis).

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI Mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.

## BOOK BUILDING PROCEDURE

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the 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, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

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 allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

**Investors 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 DP ID, Client ID, PAN and UPI ID, as applicable, 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.**

**Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification dated February 13, 2020 issued by the Central Board of Direct Taxes and the press release dated June 25, 2021.**

### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the NSE, at least one day prior to the Bid/ Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issuer only through the ASBA process. ASBA

Bidders must provide either (i) the bank account details or authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Issue through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Issue is made under Phase II of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- I. RIIs (other than the 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. RIIs using the UPI Mechanism, 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 NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

**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 at the office of the BRLM. 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.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour of Application Form*
Anchor Investor**	White
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

\*Electronic Bid cum Application Form will also be available for download on the website of the BSE Limited ([www.bseindia.com](http://www.bseindia.com)).

\*\* Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Draft Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”).

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock Exchange as eligible for this activity) ('broker')
4.	A depository participant ("DP") (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an Issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by Investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBswith use of UPI for payment:</b>	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re- submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

#### AVAILABILITY OF DRAFT RED HERRING PROSPECTUS AND BID CUM APPLICATION FORMS

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centers, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and BSE Limited ([www.bseindia.com](http://www.bseindia.com)) at least one day prior to the Bid/Issue Opening Date.

#### WHO CAN APPLY?

As per the existing RBI regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms

of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case to case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI or prior approval from Government, as the case may be. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

Each Applicants should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Red Herring Prospectus for more details.

**Subject to the above, an illustrative list of Applicants is as follows:**

- a) Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: "Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) QIBs;
- e) Mutual Funds registered with SEBI;
- f) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- g) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- h) FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- i) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- j) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional applicant's category;
- k) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- l) Foreign Venture Capital Investors registered with the SEBI;
- m) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- n) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- o) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- p) Provident Funds with minimum corpus of ₹25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) Pension Funds with minimum corpus of ₹25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- r) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- s) Insurance funds set up and managed by army, navy or air force of the Union of India;
- t) Multilateral and bilateral development financial institution;
- u) Eligible QFIs;
- v) Insurance funds set up and managed by army, navy or air force of the Union of India;
- w) Insurance funds set up and managed by the Department of Posts, India;
- x) Any other person eligible to applying in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications not to be made by:**

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Foreign Nationals (except NRIs)

#### 4. Overseas Corporate Bodies

*The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.*

**As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated nonresident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.**

### MAXIMUM AND MINIMUM APPLICATION SIZE

#### 1. For Retail Individual Bidders:

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹2,00,000/-. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹2,00,000/-.

#### 2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹2,00,000/- and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issuer Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹2,00,000/- for being considered for allocation in the Non-Institutional Portion.

**Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

### METHOD OF BIDDING PROCESS

Our Company in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions of the Financial Express English national newspaper, all editions of Hindi national newspaper [●] and Noida Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid / Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in all editions of the English national newspaper Financial Express, all editions of Hindi national newspaper [●] and Mumbai Edition of Regional newspaper [●] where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- b) During the Bid/ Issue Period, Retail Individual Bidders, should approach the BRLM or their authorized agents to

register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.

- c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- d) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- e) Except in relation to the Bids received from the Anchor Investors, the BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.
- f) The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Issue Period i.e. one working day prior to the Bid/ Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism - Terms of payment and payment into the Escrow Accounts” in the section “*Issue Procedure*” beginning on page 232 of this Draft Red Herring Prospectus.
- h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a) Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the

minimum application lot size shall be decided based on the price band in which the higher price falls into.

- b) Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non- Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- e) The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

#### **PARTICIPATION BY ASSOCIATES /AFFILIATES OF BRLM AND THE SYNDICATE MEMBERS**

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoters and Promoter Group can apply in the Issue under the Anchor Investor Portion.

#### **OPTION TO SUBSCRIBE IN THE ISSUE**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

#### **INFORMATION FOR THE BIDDERS**

1. Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Draft Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Draft Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.

6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

## **BIDS BY ANCHOR INVESTORS**

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1) (ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of under-subscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least ₹200.00 Lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹200.00 Lakhs.
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
- 5) Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to ₹200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than ₹200.00 Lakhs but upto ₹2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor; and



- where the allocation under the Anchor Investor portion is more than ₹2500.00 Lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto ₹2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/ Issue Opening Date, through intimation to the Stock Exchange.
  - 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
  - 8) If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
  - 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
  - 10) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
  - 11) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
  - 12) Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

#### **BIDS BY ELIGIBLE NRI'S**

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

#### **BIDS BY FPI INCLUDING FII'S**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or sub account may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post- Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

#### **BIDS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIF's.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

#### **BIDS BY HUFs**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bid cum Applications by HUFs

may be considered at par with Bid cum Applications from individuals.

#### **BIDS BY MUTUAL FUNDS**

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 index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made. The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

#### **BIDS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Applications made by Systemically Important Non - Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof.

Limited liability partnerships can participate in the Issue only through the ASBA process.

#### **APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIs APPLYING ON NON-REPATRIATION**

Application must be made only in the names of individuals, limited companies or statutory corporations / institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depository), foreign nationals, trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF.

Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares Issued to the public.

#### **APPLICATION BY MUTUAL FUNDS**

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

- No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company.

Provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds.

- No mutual fund under all its schemes should own more than 10% of any Company's paid-up share capital carrying voting rights.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications, provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

### APPLICATIONS BY INSURANCE COMPANIES

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (The "IRDA Investment Regulations"), are broadly set forth below:

- Equity shares of a Company: the least of 10% of the investee Company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- The entire group of the investee Company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

### APPLICATION UNDER POWER OF ATTORNEY

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores, 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 with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- With respect to applications by VCFs, FVCIs, FPIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- With respect to applications made by provident funds with minimum corpus of ₹25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹25 Crores, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

- d. With respect to Applications 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 Application Form.

The Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that the Company and the lead manager may deem fit.

The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

*The above information is given for the benefit of the Applicants. The Company and the Lead Manager 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. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.*

*The Applicants should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic system of the Stock Exchanges does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.*

#### **BIDS BY PROVIDENT FUNDS / PENSION FUNDS**

In case of Bids made by provident funds with minimum corpus of ₹25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

#### **BIDS BY BANKING COMPANY**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make

- (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and
- (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

#### **BIDS BY SCSB'S**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum 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 Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

#### **ISSUANCE OF A CONFIRMATION OF ALLOCATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

#### **ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA) BIDDERS**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

#### **TERMS OF PAYMENT**

The entire Issue price of ₹[●]/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

#### **PAYMENT MECHANISM**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

#### **PAYMENT INTO ESCROW ACCOUNT FOR ANCHOR INVESTORS**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to

note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- a. In case of resident Anchor Investors: “Trafiksol ITS Technologies Limited IPO - Anchor Account - R”.
- b. In case of Non-Resident Anchor Investors: “Trafiksol ITS Technologies Limited IPO - Anchor Account- NR”
- c. Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

### ELECTRONIC REGISTRATION OF APPLICATIONS

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to:
  - a. the applications accepted by them;
  - b. the applications uploaded by them
  - c. the applications accepted but not uploaded by them or
  - d. With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to:
  - (i) The applications accepted by any Designated Intermediaries
  - (ii) The applications uploaded by any Designated Intermediaries or
  - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off - line electronic registration of applications subject to the condition that they will subsequently upload the off - line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

Sr. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN

Sr. No.	Details*
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
  - Name of the Bidder;
  - IPO Name;
  - Bid Cum Application Form Number;
  - Investor Category;
  - PAN (of First Bidder, if more than one Bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSBbranch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/ Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Bid/ Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.



## BUILD OF THE BOOK

- a. Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.
- b. Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centers during the Bid/ Issue Period.

## WITHDRAWAL OF BIDS

- a. RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b. The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

## PRICE DISCOVERY AND ALLOCATION

- a. Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Issue Price and the Anchor Investor Issue Price.
- b. The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c. Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d. In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.
- e. In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
- f. Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

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

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹22.00 in the above example. The Issuer, in

consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

### **Signing of Underwriting Agreement and Filing of Red Herring Prospectus/ Prospectus with RoC.**

- a. Our company has entered into an Underwriting Agreement dated May 20, 2024.
- b. A copy of Red Herring Prospectus will be registered with the ROC and copy of Prospectus will be registered with ROC in terms of Section 32 of Companies Act, 2013 and Section 26 of Companies Act, 2013.

### **PRE - ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Red Herring Prospectus with the ROC, publish a Pre - Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper i.e. [●]; (ii) Hindi National Newspaper i.e. [●] and (iii) Regional Newspaper i.e. [●] each with wide circulation. In the pre - Issue advertisement, we shall state the Bid Opening Date and the Bid/ Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICRD Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part - A of Schedule - X of the SEBI Regulations.

### **ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS**

Our Company will Issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

### **GENERAL INSTRUCTIONS**

Please note that the NIIs are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investor can revise their Bids during the Bid/ Issue period and withdraw their Bids until Bid/ Issue Closing date.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

#### **Do's:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. In case of Joint bids, ensure the first bidder is the ASBA Account holder (or the UPI linked bank account holder, as the case may be) and the signature of the first bidder is included in the Bid cum Application Form;
8. QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their bid by using UPI mechanism for payment.
9. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using

UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);

12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
16. 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;
17. Ensure that the category and the investor status is indicated;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
22. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
23. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
24. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
25. 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 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;
26. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
27. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceed ₹2,00,000/- (for Applications by Retail Individual Bidders);

10. Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. 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 Applicant;
14. 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;
15. 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);
16. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

## **OTHER INSTRUCTIONS FOR THE BIDDERS**

### **Joint Bids**

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

### **Multiple Bids**

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

### **Investor Grievance**

In case of any Pre - Issue or Post Issue related problems regarding demat credit / refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.

### **Nomination Facility to Bidders**

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

### **Submission of Bids**

- a) During the Bid/ Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- b) In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- c) For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the DRHP.

## **GROUND OF TECHNICAL REJECTIONS**

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firms such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples as specified in the DRHP;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the DRHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/ Issue Opening Date advertisement and the DRHP and as per the instructions in the DRHP and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Where no confirmation is received from SCSB for blocking of funds;

- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the BID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **BASIS OF ALLOCATION**

- The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the DRHP. For details in relation to allocation, the Bidder may refer to the RHP.
- Under-Subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- In case of under subscription in the Issue, spill-over to the extent of such under - subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

#### **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to DRHP. No Retail Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue.

#### **BASIS OF ALLOTMENT**

##### **a. For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

**b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non-Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

**c. For QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:
  - In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
  - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- b) In the second instance Allotment to all QIBs shall be determined as follows:
  - In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.
  - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
  - Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

**d. Allotment to Anchor Investor (If Applicable)**

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:
  - i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;
  - ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:

- a maximum number of two Anchor Investors for allocation up to ₹ 2 crores;
  - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and
  - in case of allocation above twenty five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty five crore rupees and an additional 10 such investors for every additional twenty five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.
- b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- c) In the event that the Issue Price is higher than the Anchor Investor Allocation Price:
- Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.
- d) In the event the Issue Price is lower than the Anchor Investor Allocation Price:
- Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.
- e) Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed:

**Basis of Allotment in case of Over Subscribed Issue:**

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the SME Platform of BSE Limited i.e., BSE SME (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b. The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- c. For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - Each successful Bidder shall be allotted [●] equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d. If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- e. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this DRHP.



Retail Individual Investor' means an investor who applies for shares of value of not more than ₹2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director / Managing Director of BSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

### **Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

### **Designated Date**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will Issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Bid/ Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

### **Instructions for Completing the Bid Cum Application Form**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com) with a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com).

### **Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the

Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

### **Submission of Bid Cum Application Form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre- Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 1 (One) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at BSE SME platform where the Equity Shares are proposed to be listed are taken within 3 (Three) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 3 (Three) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 1 (One) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

### **Right to Reject Applications**

In case of QIB Bidders, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

### **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."

### **Undertakings by Our Company**

We undertake as follows:

- 1) That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within six working days from Issue Closure date.
- 3) That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
- 4) Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 5) That our Promoter 's contribution in full has already been brought in;
- 6) That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.;
- 7) That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
- 8) If our Company does not proceed with the Issue the Bid/ Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/ Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre- Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 9) If our Company withdraws the Issue after the Bid/ Issue Closing Date, our Company shall be required to file a fresh Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
- 10) If 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. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

### **Utilization of Issue Proceeds**

The Board of Directors of our Company certifies that:

- 1) 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 2013;
- 2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and

- 4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
- 5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- 6) The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

#### **Equity Shares in Dematerialized Form with NSDL or CDSL**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. Tripartite Agreement dated October 26, 2023 between NSDL, the Company and the Registrar to the Issue;
- b. Tripartite Agreement dated October 25, 2023 between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN No. INE0ROQ01011.

## 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. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Foreign investment is allowed up to 100% under automatic route in our Company.

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 Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion) ("DPIIT"), issued the FDI Policy, which, with effect from October 15, 2020 consolidated, subsumed and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. In terms of FDI Policy, FDI to an extent of 51% is allowed in multi brand retail trading with government approval. The FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

Under the current FDI Policy and the FEMA Non-Debt Rules, foreign direct investment is not permitted in companies engaged in (a) multi-brand retail trading, undertaking retail trading by means of e-commerce, and (b) inventory-based model of e-commerce. In accordance with the FEMA Non-debt Rules, participation by non-residents in the Issue is restricted to participation by (i) FPIs under Schedule II of the FEMA Non-debt Rules, subject to limit of the individual holding of an FPI below 10% of the post-Issue paid-up capital of our Company and the aggregate limit for FPI investment currently not exceeding the sectorial cap i.e. 51% of the post issue paid up share capital; and (ii) Eligible NRIs applying only on a non-repatriation basis under Schedule IV of the FEMA Non-debt Rules. Further, other non-residents applying on a repatriation basis, FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Issue. As per the existing policy of the Government of India, OCBs cannot participate in this issue. See "*Issue Procedure*" beginning on page 232 of this Draft Red Herring Prospectus.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (DIPP), issued consolidated FDI Policy, which with effect from August 28, 2017 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to a Non-Resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectorial limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI.

The foreign investment in our Company is governed by, inter-alia, the FEMA, the FEMA Non-debt Rules, the FDI Policy issued and amended by way of press notes.

Further, in terms of the FEMA Non-debt Rules, the aggregate FPI investment limit is the sectorial cap applicable to Indian company as prescribed in the FEMA Non-Debt Instruments Rules with respect to its paid-up equity capital on a fully diluted basis. See "*Issue Procedure*" beginning on page 232 of this Draft Red Herring Prospectus.

Further, in accordance with the FDI Policy, the Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-debt Rules, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("Restricted Investors"), will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Non-debt Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the

FEMA Non-Debt Rules. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Bid/Issue Period.

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of the jurisdiction where those Issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.

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**SECTION X: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION**

**THE COMPANIES ACT 2013  
(Incorporated under Companies Act, 2013)  
(COMPANY LIMITED BY SHARES)**

**ARTICLES OF ASSOCIATION<sup>1</sup>  
OF  
TRAFIKSOL ITS TECHNOLOGIES LIMITED<sup>2</sup>**

Sr. No	Particulars	
<b>1.</b>	No regulation contained in Table “F” in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	<b>Table F Not Applicable.</b>
	<b>Interpretation Clause</b>	
<b>2.</b>	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) “The Act” means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	<b>Act</b>
	(b) “These Articles” means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	<b>Articles</b>
	(c) “Auditors” means and includes those persons appointed as such for the time being of the Company.	<b>Auditors</b>
	(d) “Capital” means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	<b>Capital</b>
	(e) “The Company” shall mean Trafiksol Its Technologies Limited*	
	(f) “Executor” or “Administrator” means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	<b>Executor or Administrator</b>
	(g) “Legal Representative” means a person who in law represents the estate of a deceased Member.	<b>Legal Representative</b>
	(h) Words importing the masculine gender also include the feminine gender.	<b>Gender</b>
	(i) “In Writing” and “Written” includes printing lithography and other modes of representing or reproducing words in a visible form.	<b>In Writing and Written</b>

<sup>1</sup> Adopted new set of Articles of Association which is applicable to Public Company as per Companies Act, 2013 vide Special Resolution passed by members of the Company on February 12, 2024. Earlier set of Articles of Association appended after these revised Articles.

<sup>2</sup> Name of the Company changed vide Special Resolution passed by members of the Company on February 12, 2024 before that name of the Company was “Trafiksol Its Technologies Private Limited”.

Sr. No	Particulars	Marginal notes
	(j) The marginal notes hereto shall not affect the construction thereof.	<b>Marginal notes</b>
	(k) “Meeting” or “General Meeting” means a meeting of members.	<b>Meeting or General Meeting</b>
	(l) “Month” means a calendar month.	<b>Month</b>
	(m) “Annual General Meeting” means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	<b>Annual General Meeting</b>
	(n) “Extra-Ordinary General Meeting” means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	<b>Extra-Ordinary General Meeting</b>
	(o) “National Holiday” means and includes a day declared as National Holiday by the Central Government.	<b>National Holiday</b>
	(p) “Non-retiring Directors” means a director not subject to retirement by rotation.	<b>Non-retiring Directors</b>
	(q) “Office” means the registered Office for the time being of the Company.	<b>Office</b>
	(r) “Ordinary Resolution” and “Special Resolution” shall have the meanings assigned thereto by Section 114 of the Act.	<b>Ordinary and Special Resolution</b>
	(s) “Person” shall be deemed to include corporations and firms as well as individuals.	<b>Person</b>
	(t) “Proxy” means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	<b>Proxy</b>
	(u) “The Register of Members” means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.	<b>Register of Members</b>
	(v) “Seal” means the common seal for the time being of the Company.	<b>Seal</b>
	(w) “Special Resolution” shall have the meanings assigned to it by Section 114 of the Act.	<b>Special Resolution</b>
	(x) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	<b>Singular number</b>
	(y) “The Statutes” means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	<b>Statutes</b>
	(z) “These presents” means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	<b>These presents</b>
	(aa) “Variation” shall include abrogation; and “vary” shall include abrogate.	<b>Variation</b>
	(bb) “Year” means the calendar year and “Financial Year” shall have the meaning assigned thereto by Section 2(41) of the Act.	<b>Year and Financial Year</b>
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	<b>Expressions in the Act to bear the same meaning in Articles</b>
	<b>CAPITAL</b>	
<b>3.</b>	a) The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	<b>Authorized Capital.</b>
	b) The minimum paid up Share capital of the Company shall be Rs.5,00,000/- or such other higher sum as may be prescribed in the Act from time to time.	
<b>4.</b>	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the	<b>Increase of capital by the Company how carried into effect</b>



Sr. No	Particulars	
	<p>resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64of the Act.</p>	
5.	<p>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.</p>	<b>New Capital same as existing capital</b>
6.	<p>The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.</p>	<b>Non - Voting Shares</b>
7.	<p>Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.</p>	<b>Redeemable Preference Shares</b>
8.	<p>The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.</p>	<b>Voting rights of preference shares</b>
9.	<p>On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions-shall take effect:</p> <p>(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;</p> <p>(b) No such Shares shall be redeemed unless they are fully paid;</p> <p>(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital</p>	<b>Provisions to apply on issue of Redeemable Preference Shares</b>
10.	<p>The Company may (subject to the provisions of sections 52, 55, 56,</p>	<b>Reduction of capital</b>

Sr. No	Particulars	
	<p>both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>	
11.	<p>Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.</p>	<b>Debentures</b>
12.	<p>The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.</p>	<b>Issue of Sweat Equity Shares</b>
13.	<p>The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.</p>	<b>ESOP</b>
14.	<p>Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.</p>	<b>Buy Back of shares</b>
15.	<p>Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.</p>	<b>Consolidation, Sub-Division and Cancellation</b>
16.	<p>Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.</p>	<b>Issue of Depository Receipts</b>
17.	<p>Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.</p>	<b>Issue of Securities</b>
	<b>MODIFICATION OF CLASS RIGHTS</b>	
18.	<p>(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution</p>	<b>Modification of rights</b>

Sr. No	Particulars	
	<p>passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.</p> <p>Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.</p>	
	(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.	<b>New Issue of Shares not to affect rights attached to existing shares of that class.</b>
19.	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.	<b>Shares at the disposal of the Directors.</b>
20.	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.	<b>Power to issue shares on preferential basis.</b>
21.	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	<b>Shares should be Numbered progressively and no share to be subdivided.</b>
22.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	<b>Acceptance of Shares.</b>
23.	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	<b>Directors may allot shares as full paid-up</b>
24.	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	<b>Deposit and call etc. to be a debt payable immediately.</b>
25.	Every Member, or his heirs, executors, administrators, or legal	<b>Liability of Members.</b>

Sr. No	Particulars	
	representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	
26.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	<b>Registration of Shares.</b>
	<b>RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT</b>	
27.	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act	
	<b>CERTIFICATES</b>	
28.	<p>(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section</p>	<b>Share Certificates.</b>

Sr. No	Particulars	
	<p>39 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p>	
29.	<p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p>	<p><b>Issue of new certificates in place of those defaced, lost or destroyed.</b></p>
30.	<p>(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.</p>	<p><b>The first named joint holder deemed Sole holder.</b></p>
	<p>(b) The Company shall not be bound to register more than three persons as the joint holders of any share.</p>	<p><b>Maximum number of joint holders.</b></p>
31.	<p>Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.</p>	<p><b>Company not bound to recognise any interest in share other than that of registered holders.</b></p>
32.	<p>If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.</p>	<p><b>Installment on shares to be duly paid.</b></p>
	<p><b>UNDERWRITING AND BROKERAGE</b></p>	
33.	<p>Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or</p>	<p><b>Commission</b></p>

Sr. No	Particulars	Particulars
	procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	
34.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	<b>Brokerage</b>
	<b>CALLS</b>	
35.	(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board. (2) A call may be revoked or postponed at the discretion of the Board. (3) A call may be made payable by installments.	<b>Directors may make calls</b>
36.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	<b>Notice of Calls</b>
37.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.	<b>Calls to date from resolution.</b>
38.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	<b>Calls on uniform basis.</b>
39.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	<b>Directors may extend time.</b>
40.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.	<b>Calls to carry interest.</b>
41.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	<b>Sums deemed to be calls.</b>
42.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at	<b>Proof on trial of suit for money due on shares.</b>

Sr. No	Particulars	
	<p>which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.</p>	
43.	<p>Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.</p>	<p><b>Judgment, decree, partial payment motto proceed for forfeiture.</b></p>
44.	<p>(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.</p> <p>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.</p>	<p><b>Payments in Anticipation of calls may carry interest</b></p>
	<b>LIEN</b>	
45.	<p>The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.</p>	<p><b>Company to have Lien on shares.</b></p>
46.	<p>For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been</p>	<p><b>As to enforcing lien by sale.</b></p>

Sr. No	Particulars	
	<p>served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.</p>	
47.	<p>The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.</p>	<b>Application of proceeds of sale.</b>
<b>FORFEITURE AND SURRENDER OF SHARES</b>		
48.	<p>If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.</p>	<b>If call or installment not paid, notice may be given.</b>
49.	<p>The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.</p>	<b>Terms of notice.</b>
50.	<p>If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.</p>	<b>On default of payment, shares to be forfeited.</b>
51.	<p>When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.</p>	<b>Notice of forfeiture to a Member</b>
52.	<p>Any shares so forfeited, shall be deemed to be the property of the</p>	<b>Forfeited shares to be property</b>



Sr. No	Particulars	
	Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.	<b>of the Company and may be sold etc.</b>
53.	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.	<b>Members still liable to pay money owing at time of forfeiture and interest.</b>
54.	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	<b>Effect of forfeiture.</b>
55.	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.	<b>Evidence of Forfeiture.</b>
56.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	<b>Title of purchaser and allottee of Forfeited shares.</b>
57.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	<b>Cancellation of share certificate in respect of forfeited shares.</b>
58.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	<b>Forfeiture may be remitted.</b>
59.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	<b>Validity of sale</b>

Sr. No	Particulars	
60.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	<b>Surrender of shares.</b>
<b>TRANSFER AND TRANSMISSION OF SHARES</b>		
61.	(a) Subject to provisions of Article 82, the instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	<b>Execution of the instrument of shares.</b>
62.	Subject to provisions of Article 82, the instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. The instrument of transfer shall be in a common form approved by the Exchange;	<b>Transfer Form.</b>
63.	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository and shares under transfer are in dematerialized form and a proper instrument of transfer is delivered through depository participant. Provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.	<b>Transfer not to be registered except in dematerialized form and on production of instrument of transfer.</b>
64.	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register— (a) any transfer of shares on which the company has a lien. That registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;	<b>Directors may refuse to register transfer.</b>
65.	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.	<b>Notice of refusal to be given to transferor and transferee.</b>
66.	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.	<b>No fee on transfer.</b>
67.	The Board of Directors shall have power on giving not less than seven days pervious notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	<b>Closure of Register of Members or debenture holder or other security holders.</b>
68.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause	<b>Custody of transfer Deeds.</b>

Sr. No	Particulars	Particulars
	to be destroyed all the transfer deeds with the Company after such period as they may determine.	
69.	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	<b>Application for transfer of partly paid shares.</b>
70.	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	<b>Notice to transferee.</b>
71.	<p>(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.</p> <p>(b) Before recognizing any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate</p> <p>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>	<b>Recognition of legal representative.</b>
72.	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72of the Companies Act.	<b>Titles of Shares of deceased Member</b>
73.	Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.	<b>Notice of application when to be given</b>
74.	Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character	<b>Registration of persons entitled to share otherwise than by transfer (transmission clause).</b>

Sr. No	Particulars	
	in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.	
75.	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.	<b>Refusal to register nominee.</b>
76.	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.	<b>Board may require evidence of transmission.</b>
77.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.	<b>Company not liable for disregard of a notice prohibiting registration of transfer.</b>
78.	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.	<b>Form of transfer Outside India.</b>
79.	No transfer shall be made to any minor, insolvent or person of unsound mind.	<b>No transfer to insolvent etc.</b>
<b>NOMINATION</b>		
80.	i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination. ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.	<b>Nomination</b>

Sr. No	Particulars	
	iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.	
<b>81.</b>	<p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <p>(i) to be registered himself as holder of the security, as the case may be; or</p> <p>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</p> <p>(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;</p> <p>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p>	<b>Transmission of Securities by nominee</b>
	<b>DEMATERIALIZATION OF SHARES</b>	
<b>82.</b>	<p>Subject to the provisions of the Act and Rules made thereunder the Company will offer its members facility to hold securities issued by it in dematerialized form.</p> <p>All the fresh securities to be issued by the company will be in dematerialized form.</p> <p>Any person seeking transfer of shares, shall first get his / her shares dematerialized before execution of instrument of transfer.</p>	<b>Dematerialisation of Securities</b>
	<b>JOINT HOLDER</b>	
<b>83.</b>	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	<b>Joint Holders</b>
<b>84.</b>	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	<b>Joint and several liabilities for all payments in respect of shares.</b>
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;	<b>Title of survivors.</b>
	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	<b>Receipts of one sufficient.</b>
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the	<b>Delivery of certificate and giving of notices to first named holders.</b>

Sr. No	Particulars	Particulars
	holders.	
	<b>SHARE WARRANTS</b>	
85.	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.	<b>Power to issue share warrants</b>
86.	<p>(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.</p> <p>(b) Not more than one person shall be recognized as depositor of the Share warrant.</p> <p>(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.</p>	<b>Deposit of share warrants</b>
87.	<p>(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.</p> <p>(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.</p>	<b>Privileges and disabilities of the holders of share warrant</b>
88.	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	<b>Issue of new share warrant coupons</b>
	<b>CONVERSION OF SHARES INTO STOCK</b>	
89.	<p>The Company may, by ordinary resolution in General Meeting.</p> <p>a) convert any fully paid-up shares into stock; and</p> <p>b) re-convert any stock into fully paid-up shares of any denomination.</p>	<b>Conversion of shares into stock or reconversion.</b>
90.	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.	<b>Transfer of stock.</b>
91.	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.	<b>Rights of stockholders.</b>
92.	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock	<b>Regulations.</b>

Sr. No	Particulars	Particulars
	and the words “share” and “shareholders” in those regulations shall include “stock” and “stockholders” respectively.	
	<b>BORROWING POWERS</b>	
93.	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.	<b>Power to borrow.</b>
94.	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.	<b>Issue of discount etc. or with special privileges.</b>
95.	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.	<b>Securing payment or repayment of Moneys borrowed.</b>
96.	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	<b>Bonds, Debentures etc. to be under the control of the Directors.</b>
97.	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	<b>Mortgage of uncalled Capital.</b>
98.	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surely for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from	<b>Indemnity may be given.</b>

Sr. No	Particulars	Particulars
	any loss in respect of such liability.	
	<b>MEETINGS OF MEMBERS</b>	
<b>99.</b>	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	<b>Distinction between AGM &amp; EGM.</b>
<b>100.</b>	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	<b>Extra-Ordinary General Meeting by Board and by requisition</b>
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	<b>When a Director or any two Members may call an Extra Ordinary General Meeting</b>
<b>101.</b>	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	<b>Meeting not to transact business not mentioned in notice.</b>
<b>102.</b>	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	<b>Chairman of General Meeting</b>
<b>103.</b>	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	<b>Business confined to election of Chairman whilst chair is vacant.</b>
<b>104.</b>	a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.	<b>Chairman with consent may adjourn meeting.</b>
<b>105.</b>	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	<b>Chairman's casting vote.</b>
<b>106.</b>	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	<b>In what case poll taken without adjournment.</b>
<b>107.</b>	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.	<b>Demand for poll not to prevent transaction of other business.</b>
	<b>VOTES OF MEMBERS</b>	
<b>108.</b>	No Member shall be entitled to vote either personally or by proxy at	<b>Members in arrears not to vote.</b>



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	any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.	
109.	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	<b>Number of votes each member entitled.</b>
110.	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	<b>Casting of votes by a member entitled to more than one vote.</b>
111.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.	<b>Vote of member of unsound mind and of minor</b>
112.	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	<b>Postal Ballot</b>
113.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	<b>E-Voting</b>
114.	<p>a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.</p> <p>b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>	<b>Votes of joint members.</b>
115.	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles	<b>Votes may be given by proxy or by representative</b>
116.	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as	<b>Representation of a body corporate.</b>

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	aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.	
117.	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.	<b>Members paying money in advance.</b>
	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	<b>Members not prohibited if share not held for any specified period.</b>
118.	Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	<b>Votes in respect of shares of deceased or insolvent members.</b>
119.	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	<b>No votes by proxy on show of hands.</b>
120.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	<b>Appointment of a Proxy.</b>
121.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under Section 105.	<b>Form of proxy.</b>
122.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.	<b>Validity of votes given by proxy notwithstanding death of a member.</b>
123.	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.	<b>Time for objections to votes.</b>
124.	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	<b>Chairperson of the Meeting to be the judge of validity of any vote.</b>
	<b>DIRECTORS</b>	
125.	Until otherwise determined by a General Meeting of the Company	<b>Number of Directors</b>

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	and subject to the provisions of Section 149 of the Act, the number of Directors shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution.	
<b>126.</b>	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	<b>Qualification Shares.</b>
<b>127.</b>	<p>(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement</p> <p>(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.</p> <p>(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p>	<b>Nominee Directors.</b>
<b>128.</b>	The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.	<b>Appointment of alternate Director.</b>
129.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.	<b>Additional Director</b>
<b>130.</b>	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.	<b>Directors power to fill casual vacancies.</b>
<b>131.</b>	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.	<b>Sitting Fees.</b>
<b>132.</b>	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place	<b>Travelling expenses Incurred by Director on Company's business.</b>

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	other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	
<b>PROCEEDING OF THE BOARD OF DIRECTORS</b>		
<b>133.</b>	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.	<b>Meetings of Directors.</b>
<b>134.</b>	a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting. b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.	<b>Chairperson</b>
<b>135.</b>	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	<b>Questions at Board meeting how decided.</b>
<b>136.</b>	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.	<b>Continuing directors may act notwithstanding any vacancy in the Board</b>
<b>137.</b>	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	<b>Directors may appoint committee.</b>
<b>138.</b>	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	<b>Committee Meeting show to be governed.</b>
<b>139.</b>	a) A committee may elect a Chairperson of its meetings. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	<b>Chairperson of Committee Meetings</b>
<b>140.</b>	a) A committee may meet and adjourn as it thinks fit. b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.	<b>Meetings of the Committee</b>
<b>141.</b>	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or	<b>Acts of Board or Committee shall be valid notwithstanding defect in appointment.</b>

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	persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	
	<b>RETIREMENT AND ROTATION OF DIRECTORS</b>	
142.	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	<b>Power to fill casual vacancy</b>
	<b>POWERS OF THE BOARD</b>	
143.	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However, no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	<b>Powers of the Board</b>
144.	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say	<b>Certain powers of the Board</b>
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	<b>To acquire any property, rights etc.</b>
	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	<b>To take on Lease.</b>
	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	<b>To erect &amp; construct.</b>
	(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the	<b>To pay for property.</b>

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	property of the Company and its uncalled capital or not so charged.	
(5)	To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.	<b>To insure properties of the Company.</b>
(6)	To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	<b>To open Bank accounts.</b>
(7)	To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	<b>To secure contracts by way of mortgage.</b>
(8)	To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	<b>To accept surrender of shares.</b>
(9)	To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	<b>To appoint trustees for the Company.</b>
(10)	To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	<b>To conduct legal proceedings.</b>
(11)	To act on behalf of the Company in all matters relating to bankruptcy insolvency.	<b>Bankruptcy &amp; Insolvency</b>
(12)	To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	<b>To issue receipts &amp; give discharge.</b>
(13)	Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.	<b>To invest and deal with money of the Company.</b>
(14)	To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	<b>To give Security byway of indemnity.</b>
(15)	To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances,	<b>To determine signing powers.</b>

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	endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	
(16)	To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	<b>Commission or share in profits.</b>
(17)	To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	<b>Bonus etc. to employees.</b>
(18)	To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the deprecation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.	<b>Transfer to Reserve Funds.</b>
(19)	To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.	<b>To appoint and remove officers and other employees.</b>

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	(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.	<b>To appoint Attorneys.</b>
	(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.	<b>To enter into contracts.</b>
	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.	<b>To make rules.</b>
	(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.	<b>To effect contracts etc.</b>
	(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.	<b>To apply &amp; obtain concessions licenses etc.</b>
	(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40of the Act and of the provisions contained in these presents.	<b>To pay commissions or interest.</b>
	(26) To redeem preference shares.	<b>To redeem preference shares.</b>
	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	<b>To assist charitable or benevolent institutions.</b>
	(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.	



Sr. No	Particulars	
	(29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.	
	(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.	
	<p>(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> <p>(32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p> <p>(33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>(34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p>	

Sr. No	Particulars	
	(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.	
	<b>MANAGING AND WHOLE-TIME DIRECTORS</b>	
145.	<p>a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>b) The Managing Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p>	<b>Powers to appoint Managing/Whole Time Directors.</b>
146.	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.	<b>Remuneration of Managing or Whole Time Director.</b>
147.	<p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Directors or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p> <p>(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for</p>	<b>Powers and duties of Managing Director or Whole-Time Director.</b>

Sr. No	Particulars	
	and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.	
	<b>Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer</b>	
148.	<p>a) Subject to the provisions of the Act,—</p> <p>i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.</p>	<b>Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer</b>
	<b>THE SEAL</b>	
149.	<p>(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.</p>	<b>The seal, its custody and use.</b>
150.	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.	<b>Deeds how executed.</b>
	<b>Dividend and Reserves</b>	
151.	<p>(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p>	<b>Division of profits.</b>
152.	The Company in General Meeting may declare dividends, to be paid	<b>The company in General</b>

Sr. No	Particulars	
	to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	<b>Meeting may declare Dividends.</b>
153.	<p>a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>	<b>Transfer to reserves</b>
154.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	<b>Interim Dividend.</b>
155.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	<b>Debts may be deducted.</b>
156.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	<b>Capital paid up in advance not to earn dividend.</b>
157.	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.	<b>Dividends in proportion to amount paid-up.</b>
158.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	<b>Retention of dividends until completion of transfer under Articles.</b>
159.	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	<b>No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.</b>
160.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	<b>Effect of transfer of shares.</b>
161.	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	<b>Dividend to joint holders.</b>
162.	a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.	<b>Dividends how remitted.</b>

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	b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	
<b>163.</b>	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	<b>Notice of dividend.</b>
<b>164.</b>	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	<b>No interest on Dividends.</b>
<b>CAPITALIZATION</b>		
<b>165.</b>	<p>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <p>(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:</p> <p>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or</p> <p>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</p> <p>(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</p>	<b>Capitalization.</b>
<b>166.</b>	<p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</p> <p>(b) generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such</p>	<b>Fractional Certificates.</b>

Sr. No	Particulars	
	directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.	
<b>167.</b>	<p>(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.</p> <p>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of ₹10 per page or any part thereof.</p>	<b>Inspection of Minutes Books of General Meetings.</b>
<b>168.</b>	<p>a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.</p> <p>b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.</p>	<b>Inspection of Accounts</b>
<b>FOREIGN REGISTER</b>		
<b>169.</b>	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	<b>Foreign Register.</b>
<b>DOCUMENTS AND SERVICE OF NOTICES</b>		
<b>170.</b>	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.	<b>Signing of documents &amp; notices to be served or given.</b>
<b>171.</b>	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.	<b>Authentication of documents and proceedings.</b>
<b>WINDING UP</b>		
<b>172.</b>	<p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</p> <p>(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p> <p>(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.</p>	
<b>INDEMNITY</b>		

Sr. No	Particulars	
173.	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.	<b>Directors' and others right to indemnity.</b>
174.	Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.	<b>Not responsible for acts of others</b>
<b>SECRECY</b>		
175.	(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.	<b>Secrecy</b>
	(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.	<b>Access to property information etc.</b>

## SECTION XI- OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus/Prospectus to be delivered to the RoC for filing and also the documents for inspection referred to hereunder, may be inspected at the Registered office: 2<sup>nd</sup> Floor, B 68, Sector 63, Noida, Gautam Buddha Nagar, Noida 201 301, Uttar Pradesh, India, from the date of filing the Red Herring Prospectus with RoC to Issue Closing Date on working days from 11.00 a.m. to 5.00 p.m. Also, the below-mentioned contracts and also the documents are available for inspection online at website of Company i.e. [www.trafiksol.com](http://www.trafiksol.com).

#### MATERIAL CONTRACT

1. Memorandum of Understanding Agreement dated May 20, 2024 between our company and the Book Running Book Running Lead Manager.
2. Registrar Agreement dated May 20, 2024 between our company and the Registrar to the Issue.
3. Market Making Agreement dated May 20, 2024 between our company, the Book Running Book Running Lead Manager and the Market Maker.
4. Bankers to the Issue Agreement dated [●] between our Company, the Book Running Book Running Lead Manager, Banker(s) to the Issue and Refund Banker and the Registrar to the Issue.
5. Underwriting Agreement dated May 20, 2024 between our company and the Underwriters.
6. Tripartite Agreement among NSDL, our company and the registrar to the issue dated October 26, 2023.
7. Tripartite Agreement among CDSL, our company and the registrar to the issue dated October 25, 2023.
8. Syndicate Agreement dated [●] between our Company, Book Running Lead Manager and Syndicate Member.

#### MATERIAL DOCUMENTS FOR THE ISSUE

1. Certified true copy of the Memorandum of Association and Articles of Association of our Company, as amended.
2. Certified true copy of Certificate of Incorporation dated March 05, 2018 issued by Registrar of Companies, Central Processing Centre.
3. Fresh Certificate of Incorporation dated May 18, 2024 issued by the Registrar of Companies, Mumbai consequent upon Conversion of the Company to Public Company.
4. Resolutions of the Board of Directors dated May 18, 2024 in relation to the Issue and other related matters.
5. Shareholders' resolution dated May 18, 2024 in relation to the Issue and other related matters.
6. Copies of Consolidated Restated Financial Statements of our Company for the Year ended March 31 2024, March 31, 2023 and March 31, 2022.
7. Copies of Standalone Restated Financial Statements of our Company for the Year ended March 31 2024, March 31, 2023 and March 31, 2022.
8. Statutory Auditors Report dated May 20, 2024 on the Consolidated Restated Financial Statements for the Year ended March 31 2024, March 31 2023 and March 31, 2022 and for Standalone Restated Financial Statements Year ended March 31 2024, March 31 2023 and March 31, 2022.



9. Statement of Tax Benefits dated May 20, 2024 issued by our Statutory Auditors M/s Vijay Darji and Associates, Chartered Accountant.
10. Consents of our Directors, Promoters, Company Secretary and Compliance Officer, Chief Financial Officer, Senior Management Personnel, Statutory Auditor/ Peer Review Auditor, Banker(s) to the Company, Book Running Lead Manager, Legal Advisor to the Issue, Registrar to the Issue and Underwriter to act in their respective capacities.
11. Certificate on KPI's issued by our statutory auditors namely M/s Vijay Darji and Associates, Chartered Accountant. dated May 20, 2024.
12. Due diligence certificate dated May 20, 2024 from Book Running Book Running Lead Manager to the Issue.
13. Board Resolution dated May 30, 2024 for approval of Draft Red Herring Prospectus, dated [●] for approval of the Red Herring Prospectus and dated [●] for approval of the Prospectus
14. In Principal Approval from BSE Limited vide letter dated [●] to use the name of BSE Limited in this Offer Document for listing of Equity Shares on the SME Platform of BSE Limited.

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 other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

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## DECLARATION

We, hereby declares that, all the relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities Exchange Board of India Act, 1992, as the case may be, have been complied with no statement made in the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, notified provisions of Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations/guidelines issued, as the case maybe. We further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTORS OF OUR COMPANY

<i>SD/-</i> <b>Jitendra Narayan Das</b> Chairman and Managing Director <b>DIN: 00743818</b>	<i>SD/-</i> <b>Poonam Das</b> Whole-Time Directors <b>DIN: 08139157</b>
<i>SD/-</i> <b>Ashok Mittal</b> Non-Executive Director <b>DIN: 01110173</b>	<i>SD/-</i> <b>Shruti Vijay Thakkar</b> Non-Executive Independent Director <b>DIN: 10131239</b>
<i>SD/-</i> <b>Vipul Magon</b> Non-Executive Independent Director <b>DIN:10409439</b>	

### SIGNED BY THE CFO AND CS OF OUR COMPANY

<i>SD/-</i> <b>Pankaj Kumar Jain</b> Chief Financial Officer	<i>SD/-</i> <b>Dipak Kumar Pandey</b> Company Secretary and Compliance Officer
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**Place:** Noida.

**Date:** May 31, 2024.