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## Rosmerta Digital Services Limited

CIN: U74999DL2021PLC386542

**Red Herring Prospectus**  
Dated: November 01, 2024  
**100% Book Building Issue**  
Please read Section 26 and 32 of Companies Act, 2013

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL & TELEPHONE	WEBSITE
402, 4th Floor, World Trade Tower, Barakhamba Lane, Connaught Place, Delhi, India, 110001	1 <sup>st</sup> Floor, Plot No 66, Vatika Tower, Sector 44, Gurgaon, Sector 45, Haryana, India, 122003	Mr. Kuntal Kar Company Secretary & Compliance officer	Phone No.: +91-92894 80509 Email id: cs@rosmertadigital.com	<a href="http://www.rosmertadigital.com">www.rosmertadigital.com</a>

### NAME OF PROMOTER(S) OF THE COMPANY

M/S ROSMERTA TECHNOLOGIES LIMITED, M/S SHREE BANKEY BIHARI FAMILY TRUST, MR. KARN VIVEK NAGPAL, MR. KARTICK VIVEK NAGPAL

### DETAILS OF OFFER TO PUBLIC, PROMOTERS/ SELLING SHAREHOLDERS

Type	Fresh Issue Size (By Number of Shares)	OFS Size (By amount in Rs. Lakh)	Total Issue Size (By Number of Shares)	Eligibility & Share Reservation among NII & RII
Fresh Issue	Up to 1,40,36,000 Equity Shares	Nil	Up to 1,40,36,000 Equity Shares aggregating to Rs [●] Thousands	The Issue is being made pursuant to Regulation 229(1) of SEBI (ICDR) Regulations. For details of Share reservation among QIBs, NIIs and RIIs, see "Issue Structure" beginning on page 412.

### Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders (upto maximum of 10 shareholders)

Name	Type	No. of shares offered/ Amount in Rs.	WACA in Rs. Per Equity Shares
N.A.			

P: Promoter, PG: Promoter Group, OSS: Other Selling Shareholders, WACA: Weighted Average Cost of Acquisition on fully diluted basis

### RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of our Equity Shares is ₹2 each and the Floor Price and Cap Price are 70.00 times and 73.50 times of the face value of the Equity Shares, respectively. The Floor Price, Cap Price and Issue Price (determined and justified by our Company in consultation with the Book Running Lead Managers as stated in "Basis for Issue Price" on page 128 of this Red Herring Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISK

Investments in Equity and Equity related securities involve a degree of risk, and investors should not invest any funds in this issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in 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 Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 28 of this Red Herring Prospectus.

### ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Issue which is material in the context of this Issue, that the information contained in this 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 make this 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 of our Company offered through this Red Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated October 23, 2024 from BSE Limited for using its name in the Red Herring Prospectus for listing of our shares on the SME Platform of BSE Limited. For the purpose of this Issue, BSE Limited shall be the Designated Stock Exchange.

### BOOK RUNNING LEAD MANAGERS TO THE ISSUE

BOOK RUNNING LEAD MANAGERS TO THE ISSUE	REGISTRAR TO THE ISSUE
 <p><b>NARNOLIA FINANCIAL SERVICES LIMITED</b> Address: 201, 2nd Floor, Marble Arch, 236 B A.J.C Bose Road, Kolkata, West Bengal- 700020, India Telephone: : 012 417954664 Phone No.:+91- 8130678743 Email: <a href="mailto:ipo@narnolia.com">ipo@narnolia.com</a> Website: <a href="http://www.narnolia.com">www.narnolia.com</a> Contact Person: Mr. Pankaj Pasi SEBI Registration Number: INM000010791 CIN: U51909WB1995PLC072876</p>	 <p><b>BEELINE CAPITAL ADVISORS PRIVATE LIMITED</b> Capital Advisors Pvt. Ltd. Address: B 1311-1314, Shilp Corporate Park, Near Rajpath Club, Rajpath Rangoli Road, Sarkhej-Gandhinagar Hwy, Ahmedabad- 380054, Gujarat, India. Telephone: +91-79-48407357 Email: mb@beelinemb.com Website: <a href="http://www.beelinemb.com">www.beelinemb.com</a> Contact Person: Mr. Nikhil Shah SEBI Registration Number: INM000012917 CIN: U67190GJ2020PTC114322</p>
 <p><b>LINK INTIME INDIA PRIVATE LIMITED</b> C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai, Maharashtra – 400083, India Telephone: +91 8108114949 Email: <a href="mailto:rosmerta.ipo@linkintime.co.in">rosmerta.ipo@linkintime.co.in</a> Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> Contact Person: Ms. Shanti Gopalkrishnan SEBI Registration Number: INR000004058 CIN: U67190MH1999PTC118368</p>	

### BID/ISSUE PERIOD

\*Anchor Bid opens on: November 14, 2024

Bid/ Issue open on: November 18, 2024

Bid/ Issue Closes on: November 21, 2024

Our Company in consultation with the BRLMs shall 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.

**ROSMERTA DIGITAL SERVICES LIMITED**

Our Company was incorporated as a private limited company with the name of "Rosmerta Digital Service Private Limited" under the Companies Act, 2013 vide certificate of incorporation dated September 14, 2021, issued by Registrar of Companies, Delhi, bearing CIN U74999DL2021PTC386542. Further, our company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra- Ordinary General Meeting held on April 30, 2024 & name of our Company changed from "Rosmerta Digital Services Private Limited" to "Rosmerta Digital Services Limited" & Registrar of Companies, Central Processing Centre has issued a new certificate of incorporation consequent upon conversion dated June 03, 2024, bearing CIN: U74999DL2021PLC386542.

**Registered Office:** 402, 4th Floor, World Trade Tower, Barakhamba Lane, Connaught Place, Delhi, India, 110001

**Corporate Office:** 1<sup>st</sup> Floor, Plot No 66, Vatika Tower, Sector 44, Gurgaon, Sector 45, Haryana, India, 122003

**Tel:** +91-92894 80509; **Fax:** N.A., **Website:** www.rosmertadigital.com; **E-mail:** cs@rosmertadigital.com

**Company Secretary and Compliance Officer:** Mr. Kuntal Kar

**OUR PROMOTERS:** M/S ROSMERTA TECHNOLOGIES LIMITED, M/S SHREE BANKEY BIHARI FAMILY TRUST, MR. KARN VIVEK NAGPAL, MR. KARTICK VIVEK NAGPAL

**THE ISSUE**

**INITIAL PUBLIC OFFERING UP TO 1,40,36,000 EQUITY SHARES OF RS. 2/- EACH ("EQUITY SHARES") OF ROSMERTA DIGITAL SERVICES LIMITED ("RDSL" OR THE "COMPANY") FOR CASH AT A PRICE OF RS. [●]/- PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING TO RS. [●] THOUSANDS ("THE ISSUE"). OUT OF THE ISSUE, UP TO 7,03,000 EQUITY SHARES AGGREGATING TO RS. [●] THOUSANDS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF UP TO 1,33,33,000 EQUITY SHARES OF FACE VALUE OF RS. 2/- EACH AT AN ISSUE PRICE OF RS. [●]/- PER EQUITY SHARE AGGREGATING TO RS. [●] THOUSANDS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.44% AND 25.12%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THE FACE VALUE OF THE EQUITY SHARES IS RS.2/- EACH AND THE FLOOR PRICE AND CAP PRICE ARE 70 TIMES AND 73.5 TIMES OF THE FACE VALUE OF THE EQUITY SHARES, RESPECTIVELY.**

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company in consultation with the BRLMs may allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) ("Net QIB Portion"). Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15.00% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.00% of the Net Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. Further, Equity Shares will be allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them at or above the Issue Price. All Bidders, other than Anchor Investors, are required to participate in the Offer by mandatorily utilising the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see "Issue Procedure" on page 374.

**RISKS IN RELATION TO FIRST ISSUE**

This being the first public issue of our Company, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is Rs.2/. The Issue Price, Floor Price or the Price band as stated under the chapter titled "Basis for the Issue Price" beginning on page 128 of this Red Herring Prospectus should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL 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 investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 28 of this Red Herring Prospectus.

**ISSUER'S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Issue which is material in the context of this Issue, that the information contained in this 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 make this 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 of our Company offered through this 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 approval letter dated October 23, 2024 from BSE Limited for using its name in the Red Herring Prospectus for listing of our shares on the SME Platform of BSE Limited. For the purpose of this Issue BSE Limited shall be the Designated Stock Exchange.

**BOOK RUNNING LEAD MANAGERS TO THE ISSUE**

**Narnolia®**  
**NARNOLIA FINANCIAL SERVICES LIMITED**  
**Address:** 201, 2nd Floor, Marble Arch, 236 B A.J.C Bose Road, Kolkata, West Bengal- 700020, India  
**Telephone:** : 012 417954664  
**Phone No.:** +91- 8130678743  
**Email:** [pankaj.passi@namolia.com](mailto:pankaj.passi@namolia.com)  
**Website:** [www.narnolia.com](http://www.narnolia.com)  
**Contact Person:** Mr. Pankaj Passi  
**SEBI Registration Number:** INM000010791  
**CIN:** U51909WB1995PLC072876

**BEELINE**  
 Capital Advisors Pvt. Ltd.  
**BEELINE CAPITAL ADVISORS PRIVATE LIMITED**  
**Address:** B 1311-1314, Shilp Corporate Park, Near Rajpath Club, Rajpath Rangoli Road, Sarkhej-Gandhinagar Hwy Ahmedabad- 380054, Gujarat, India.  
**Telephone:** +91-79-48407357  
**Email:** mb@beelinemb.com  
**Website:** [www.beelinemb.com](http://www.beelinemb.com)  
**Contact Person:** Mr. Nikhil Shah  
**SEBI Registration Number:** INM000012917  
**CIN:** U67190GJ2020PTC114322

**REGISTRAR TO THE ISSUE**

**LINK Intime**  
**LINK INTIME INDIA PRIVATE LIMITED**  
 C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai, Maharashtra – 400083, India  
**Telephone:** +91 8108114949  
**Email:** [rosmerta.ip@linkintime.co.in](mailto:rosmerta.ip@linkintime.co.in)  
**Website:** [www.linkintime.co.in](http://www.linkintime.co.in)  
**Contact Person:** Ms. Shanti Gopalkrishnan  
**SEBI Registration Number:** INR000004058  
**CIN:** U67190MH1999PTC118368

**BID/ISSUE PERIOD**

**\*Anchor Bid opens on:** November 14, 2024

**Bid/ Issue open on:** November 18, 2024

**Bid/ Issue Closes on:** November 21, 2024

*\*Our Company in consultation with the BRLMs shall 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.*

***THIS PAGE HAS BEEN LEFT BLANK PURSUANT TO SCHEDULE VI OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.***

## CONTENTS

### Table of Contents

<b>SECTION I – GENERAL</b> .....	<b>2</b>
DEFINITIONS AND ABBREVIATIONS .....	2
PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA .....	16
FORWARD LOOKING STATEMENTS .....	19
<b>SECTION II - SUMMARY OF OFFER DOCUMENTS</b> .....	<b>21</b>
<b>SECTION III- RISK FACTORS</b> .....	<b>28</b>
<b>SECTION IV- INTRODUCTION</b> .....	<b>52</b>
THE ISSUE .....	52
SUMMARY OF OUR FINANCIAL INFORMATION .....	54
GENERAL INFORMATION .....	60
CAPITAL STRUCTURE .....	72
OBJECTS OF THE ISSUE .....	91
BASIS FOR ISSUE PRICE .....	128
STATEMENT OF TAX BENEFITS .....	137
<b>SECTION V – ABOUT THE COMPANY</b> .....	<b>143</b>
INDUSTRY OVERVIEW .....	143
OUR BUSINESS .....	170
KEY REGULATIONS AND POLICIES .....	204
OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS .....	225
OUR MANAGEMENT .....	233
OUR PROMOTERS .....	258
OUR PROMOTER GROUP .....	271
OUR GROUP COMPANIES .....	274
DIVIDEND POLICY .....	283
<b>SECTION VI - FINANCIAL INFORMATION OF OUR COMPANY</b> .....	<b>288</b>
RESTATEd FINANCIAL STATEMENTS .....	288
OTHER FINANCIAL INFORMATION .....	289
MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION .....	290
FINANCIAL INDEBTEDNESS .....	305
<b>SECTION VII - LEGAL AND OTHER INFORMATION</b> .....	<b>306</b>
OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS .....	306
GOVERNMENT AND OTHER APPROVALS .....	339
OTHER REGULATORY AND STATUTORY DISCLOSURES .....	349
<b>SECTION VIII – ISSUE INFORMATION</b> .....	<b>365</b>
TERMS OF THE ISSUE .....	365
ISSUE PROCEDURE .....	374
RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES .....	411
ISSUE STRUCTURE .....	412
<b>SECTION IX – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION</b> .....	<b>417</b>
<b>SECTION X- OTHER INFORMATION</b> .....	<b>463</b>
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION .....	463
<b>SECTION XI - DECLARATION</b> .....	<b>465</b>

## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*Unless the context otherwise indicates, requires or implies, the following terms shall have the following meanings in this Red Herring Prospectus. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments, modifications or re-enactments notified thereto.*

*Notwithstanding the foregoing, terms in “Main Provisions of the Articles of Association”, “Statement of Special Tax Benefits”, “Industry Overview”, “Key Industry Regulations and Policies”, “Financial Statements”, “Outstanding Litigation and Other Material Developments”, will have the meaning ascribed to such terms in these respective sections.*

*In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.*

*The words and expressions used but not defined in this 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 (“SEBI Act”), the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder, as applicable.*

#### General Terms

Term	Description
“Rosmerta Digital Services Limited” or “RDSL”, “We” or “us” or “the Issuer” or “the/our Company”	Unless the context otherwise requires, refers to Rosmerta Digital Services Limited, a company incorporated under the Companies Act, 2013, vide Corporate Identification Number U74999DL2021PLC386542 and having registered office at, 402, 4th Floor, World Trade Tower, Barakhamba Lane, Connaught Place, Central Delhi, New Delhi, India, 110001.
“we”, “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company.
“you”, “your”, or “yours”	Prospective Investor in this issue

#### Company Related Terms

Terms	Description
Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of Rosmerta Digital Services Limited, as amended from time to time.
Associate Companies	A body corporate in which any other company has a significant influence, but which is not a subsidiary of the company having such influence and includes a joint venture company.
Audit Committee	The committee of the Board of Directors constituted as the Company’s Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled “Our Management” on page 233 of this Red Herring Prospectus.
Auditors/ Statutory Auditors	The Statutory Auditors of our Company, being S. S. Kothari Mehta & Co LLP, Chartered Accountants having firm registration number 000756N.

Board of Directors / Board/ Director(s)	The Board of Directors of Rosmerta Digital Services Limited, including all duly constituted committees thereof.
Central Registration Centre (CRC)	It's an initiative of the Ministry of Corporate Affairs (MCA) in Government Process Re-engineering (GPR) with the specific objective of providing speedy incorporation related services in line with global best practices. For more details, please refer <a href="http://www.mca.gov.in/MinistryV2/central+registration+centre+content+page.html">http://www.mca.gov.in/MinistryV2/central+registration+centre+content+page.html</a>
Companies Act	The Companies Act, 2013
Chief Financial Officer	The Chief Financial Officer of our Company being Mr. Amit Kumar Somani.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Mr. Kuntal Kar.
Corporate Office	Our corporate office is situated at 1 <sup>st</sup> Floor, Plot No 66, Vatika Tower, Sector 44, Gurgaon, Sector 45, Haryana, India, 122003.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Director	The Director(s) of our Company, unless otherwise specified.
Equity Shares	Equity Shares of our Company of Face Value of Rs.2/- each unless otherwise specified in the context thereof.
Equity Shareholders	Persons holding equity shares of our Company.
Group Companies	In terms of SEBI ICDR Regulations, the term "Group Companies" includes companies (other than 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 any other companies as considered material by our Board, in accordance with the Materiality Policy, as described in "Our Group Companies" on page 274 of this Red Herring Prospectus.
HUF	Hindu Undivided Family.
Independent Chartered Accountant/ICA	The Independent Chartered Accountant of our Company, being A Y & Company, Chartered Accountants having firm registration number 020829C, and peer review no. 013225.
Independent Director	A Non- executive, Independent Director as per the Companies Act, 2013 and the Listing Regulations.
Indian GAAP	Generally Accepted Accounting Principles in India.
Initial Public Offer Committee (IPO Committee)	The committee of the Board of Directors constituted as the Company's Initial Public Offer Committee is in accordance with Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled "Our Management" on page 233 of this Red Herring Prospectus.
ISIN	International Securities Identification Number, In this case being INE0X7H01029.
Key Managerial Personnel / Key Managerial Employees	Key Management Personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013. For details, see section entitled "Our Management" on page 233 of this Red Herring Prospectus.
Legal Advisors to the Issue	The Legal Advisors being, Luthra and Luthra Law Offices, India.
MOA / Memorandum of Association	Memorandum of Association of Rosmerta Digital Services Limited.

Non-Residents	A person resident outside India, as defined under FEMA.
Nomination and Remuneration Committee	The committee of the Board of Directors constituted as the Company's Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled "Our Management" on page 233 of this Red Herring Prospectus.
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 as amended from time to time.
Peer Review Auditor	Peer review Auditor having a valid Peer Review certificate in our case being M/s S. S. Kothari Mehta & Co LLP, Chartered Accountants (FRN: 000756N) having their office at Plot No. 68, Okhla Industrial Area, Phase III, Delhi-110020.
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 validity constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Promoters or Our Promoters	M/s Rosmerta Technologies Limited, M/s Shree Bankey Bihari Family Trust, Mr. Karn Vivek Nagpal, Mr. Kartick Vivek Nagpal.
Promoters Group	The 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 "Our Promoters Group". For further details refer page 271 of this Red Herring Prospectus.
Registered Office	The Registered office of our company which is located at 402, 4th Floor, World Trade Tower, Barakhamba Lane, Connaught Place, Central Delhi, New Delhi, Delhi, India, 110001.
Restated Financial Statements	The Restated Financial statements of our Company, which comprises the restated statement of Assets and Liabilities for the period ended September 30, 2024 and year ended as at March 31, 2024; March 31, 2023 and March 31, 2022 and the restated statements of profit and loss and the restated cash flows for the period ended September 30, 2024 and year ended as at March 31, 2024; March 31, 2023 and March 31, 2022 of our Company prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Revised Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, together with the schedules, notes and annexure thereto.
ROC	Registrar of Companies, Delhi.
SEBI	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 (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI (LODR) Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
SEBI (Takeover) Regulations or SEBI	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.

(SAST) Regulations	
Stakeholders' Relationship Committee	The committee of the Board of Directors constituted as the Company's Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled "Our Management" on page 233 of this Red Herring Prospectus.
Stock Exchange/ Exchange	Unless the context requires otherwise, refers to, the SME Platform of BSE Limited.
Subsidiary	For details of our Subsidiary, refer section titled "History and Certain Corporate Matters" beginning on page no. 225 of this Red Herring Prospectus.
Subscribers to MOA	Initial Subscriber to the MOA & AOA being M/s. Rosmerta Technologies Limited, and Mr. Pankaj Madan being nominee of Rosmerta Technologies Limited.

### Issue Related Terms

Terms	Description
Abridged Prospectus	Abridged Prospectus to be issued as per SEBI ICDR Regulations and appended to the Application Form.
Acknowledgement Slip	The slip or document issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form.
Allocation Note	Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Allotment/ Allot/ Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	The successful applicant to whom the Equity Shares are being / have been allotted.
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/ Red Herring Prospectus and who has Bid for an amount of at least Rs. 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/ Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/Offer 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/ Red Herring Prospectus and the Prospectus.
Anchor Investor Bidding Date	The day, being one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed.
Anchor Investor Offer Price	The final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus/ Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company in consultation with the BRLMs.
Anchor Investor Portion	Up to 60% of the QIB Portion, which may be allocated by our Company, in consultation with the BRLM, to Anchor Investors on a discretionary basis in



	accordance with the SEBI ICDR Regulations, 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 Allocation Price, in accordance with the SEBI ICDR Regulations.
Applicant/ Investor	Any prospective investor who makes an application for Equity Shares of our Company in terms of this Red Herring Prospectus.
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Red Herring Prospectus.
Application Form	The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue.
ASBA/ Application Supported by Blocked Amount.	Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB.
ASBA Account	Account maintained with an SCSB and specified in the Application Form which will be blocked by such SCSB or account of the RIIs blocked upon acceptance of UPI Mandate request by RIIs using the UPI mechanism to the extent of the appropriate Bid / Application Amount in relation to a Bid / Application by an ASBA Applicant.
ASBA Application Location(s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Hyderabad, Pune, Baroda and Surat.
ASBA Investor/ASBA applicant	Any prospective investor(s)/applicant(s) in this Issue who apply(ies) through the ASBA process.
Banker(s) to the Issue/ Public Issue Bank/ Refund Banker.	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being ICICI Bank Limited.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Applicants under the issue and which is described under chapter titled “Issue Procedure” beginning on page 374 of this Red Herring Prospectus.
Bid	An indication to make an Offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of a Bid cum 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 in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus and the Bid cum Application Form.
Bidder	Any investor who makes a Bid pursuant to the terms of the Draft Red Herring Prospectus/ Red Herring Prospectus and the Bid cum Application Form, and unless otherwise stated or implied, includes an Anchor Investor.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid
Bid cum Application Form	Anchor Investor application form or ASBA form (with and without the use of UPI, as may be applicable), whether physical or electronic, which will be considered as the application for Allotment in terms of the Draft Red Herring Prospectus/ Red

	Herring Prospectus.
Bid Lot	1000 Equity Shares and in multiples of 1000 Equity Shares thereafter.
Bidding/Collection Centres	Centres at which the Designated intermediaries shall accept the ASBA Forms, i.e Designated SCSB Branch for SCSBs, specified locations for syndicate, broker centre for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Book Building Process	The book building process, as described in Part A, Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue will be made
Book Running Lead Managers or BRLMs/ Lead Manager or LMs	The book running lead managers to the Issue, namely Narnolia Financial Services Limited (NFSL), and Beeline Capital Advisors Private Limited (BCAPL).
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to Anchor investors indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the designated stock exchange.
Cap Price	The higher end of the Price Band, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted. The Cap Price shall be atleast 105% of the Floor Price.
Client ID	Client Identification Number maintained with one of the Depositories in relation to Demat account.
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Issued by SEBI.
Controlling Branch	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchange and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> , or at such other website as may be prescribed by SEBI from time to time.
Digital Personal Data Protection Act, 2023	An Act to provide for the processing of digital personal data in a manner that recognises both the right of individuals to protect their personal data and the need to process such personal data for lawful purposes and for matters connected therewith or incidental thereto.
Data Principal	As per DPDP Act, 2023 means an Individual who provides personal data as per Digital Personal Data Protection Act, 2023.
Data Fiduciaries	As per DPDP Act, 2023 means a person who manages as determine the purpose for processing the personal data.
Demographic Details	The demographic details of the Applicants such as their address, PAN, occupation and bank account details.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants and a list of which is available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> , or at such other website as may be prescribed by SEBI from time to time.
Designated Date	The date on which relevant amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIIs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of

	amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, in terms of the Red Herring Prospectus following which Equity Shares will be Allotted in the Offer.
Designated Intermediaries/ Collecting Agent	In relation to ASBA Forms submitted by RIIs authorizing an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub- syndicate members, Registered Brokers, CDPs and RTAs.
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.bsesme.com">www.bsesme.com</a> .
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at Intermediaries [ <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ] or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	SME Platform of BSE Limited. (BSE SME)
Draft Red Herring Prospectus	This Draft Red Herring Prospectus dated July 20, 2024, issued in accordance with Section 26 and 32 of the Companies Act, 2013 and the SEBI (ICDR) Regulations and filed with BSE SME for obtaining In- Principle Approval.
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein.
SME Platform of BSE Limited (BSE)	The SME Platform of BSE Limited (BSE) for listing equity shares offered under Chapter IX of the SEBI (ICDR) Regulation which was approved by SEBI as an SME Exchange.
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/ Sole Applicant	The applicant whose name appears first in the Application Form or Revision Form.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalized and below which no Bids will be accepted.
General Information Document / GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and certain other amendments to applicable laws and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 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

	and included in the chapter “Issue Procedure” on page no. 374 of this Red Herring Prospectus.
Issue/ Initial Offer/ Initial Public Offering/ IPO	Initial Public Issue of upto 1,40,36,000 Equity Shares of face value of Rs.2/- each fully paid up of our Company for cash at a price of Rs. [●]/- per Equity Share (including a premium of Rs. [●]/- per Equity Share) aggregating Rs. [●] Lakhs.
Issue Agreement/ Memorandum of Understanding (MOU)	The agreement/MOU dated July 19, 2024, between our Company and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	The date on which Issue closes for subscription i.e. November 21, 2024
Issue Opening Date	The date on which Issue opens for subscription i.e. November 18, 2024
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective investors may submit their application.
Issue Price	The final price at which Equity Shares will be Allotted to successful ASBA Bidders in terms of the Red Herring Prospectus/ Red Herring Prospectus which will be decided by our Company in consultation with the BRLM, on the Pricing Date, in accordance with the Book-Building Process and in terms of the Red Herring Prospectus/ Red Herring Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price, which will be decided by our Company in consultation with the BRLM, on the Pricing Date, in accordance with the Book-Building Process and in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus.
Issue Proceeds	Proceeds from the Issue will be, being Rs. [●] Lakhs.
Listing Agreement	The equity listing agreement to be signed between our Company and BSE Limited.
Market Maker	Market Makers appointed by our Company from time-to-time <b>Spread X Securities Private Limited</b> having SEBI registration number INZ000310930 who have 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 any other period as may be notified by SEBI from time to time.
Market Making Agreement	The Agreement entered into between the BRLMs, Market Maker and our Company dated July 19, 2024.
Market Maker Reservation	The Reserved Portion up to 7,03,000 equity shares of face value of Rs.2/- each fully paid for cash at a price of Rs. [●]/- per equity share aggregating Rs. [●] Lakh for the Market Maker in this Issue.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Issue/ Offer	The Issue (excluding the Market Maker Reservation Portion) up to 1,33,33,000 Equity Shares of Rs.2/- each of Issuer at Rs. [●] /- (including share premium of Rs. [●] /- per equity share aggregating to Rs. [●] /- Thousand.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled “Objects of the Issue” beginning on page 91 of this Red Herring Prospectus.
Non-Institutional Applicants	All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have applied for Equity Shares for an amount more than Rs. 2,00,000.

OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trust in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Deposit) Regulations, 2000. OCBs are not allowed to invest in this Issue.
Payment through electronic transfer of funds	Payment through ECS / NECS, Direct Credit, RTGS or NEFT, as applicable.
Price Band	The price band ranging from the Floor Price of Rs. 140/- per Equity Share to the Cap Price of Rs. 147/- per Equity Share, including any revisions thereto. The Price Band and minimum Bid Lot, as decided by our Company in consultation with the BRLM, will be advertised in all editions of [●] (a widely circulated English national daily newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper, all editions of [●] being the regional language of Delhi, where our Registered Office is located), at least two Working Days prior to the Bid/Offer Opening Date with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.
Pricing Date	The date on which our Company, in consultation with the BRLMs, will finalise the Offer Price.
Prospectus	The Prospectus to be filed with the ROC containing, inter alia, the Issue opening and closing dates and other information.
Public Issue Account	Account opened with the Banker to the Issue/Public Issue Bank i.e. ICICI Bank Limited by our Company to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Qualified Institutional Buyers / QIBs	As defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of Rs. 2,500 Lakh, pension fund with minimum corpus of Rs. 2,500 Lakh, NIF and 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.
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 Offer Price and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three days before the Bid/Offer Opening Date.
Refund Account	Account(s) to which monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur.
Refund Bank	The bank(s) which is/are clearing members and registered with SEBI as Banker(s) to the Issue, at which the Refund Account for the Issue will be opened in case listing of the Equity Shares does not occur, in this case being ICICI Bank Limited.

Refunds through electronic transfer of funds	Refunds through electronic transfer of funds means refunds through ECS, Direct Credit or RTGS or NEFT or the ASBA process, as applicable
Registrar/ Registrar to the Issue	Registrar to the Issue being Link Intime India Private Limited. For more information, please refer “General Information” on page 60 of this Red Herring Prospectus.
Registrar Agreement	The agreement dated July 19, 2024, entered between our Company and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than Rs. 2,00,000.
Revision Form	The form used by the Applicants to modify the quantity of the Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s). QIBs and Non-Institutional Investors are not allowed to withdraw or lower their Application Amounts (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Applicants can withdraw or revise their Application until Offer Closing Date).
SCSB	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html</a> or at such other website as may be prescribed by SEBI from time to time.
Sponsor Bank	Sponsor Bank means a Banker to the Issue registered with SEBI which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the retail investors into the UPI. In this case being ICICI Bank Limited.
Underwriters	Underwriters to this Issue namely Narnolia Financial Services Limited, and Beeline Capital Advisors Private Limited.
Underwriting Agreement	The agreement dated July 19, 2024 entered into between Narnolia Financial Services Limited, Beeline Capital Advisors Private Limited, and our Company.
UPI/ Unified Payments Interface	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons bank accounts using a payment address which uniquely identifies a person’s bank a/c
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working days means, all days on which commercial banks in the city as specified in this Red Herring Prospectus are open for business. <ol style="list-style-type: none"> <li>1. However, in respect of announcement of price band and bid/ Offer period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the Red Herring Prospectus are open for business.</li> <li>2. In respect to the time period between the bid/ Offer closing date and the listing of the specified securities on the stock exchange, working day shall mean all</li> </ol>

trading days of the stock exchange, excluding Sundays and bank holidays in accordance with circular issued by SEBI.

### Conventional Terms / General Terms / Abbreviations/ Industry related terms

Abbreviation	Full Form
“₹” or “Rs.” or “Rupees” or “INR”	Indian Rupees, the official currency of the Republic of India
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
BIS	Bureau of Indian Standards
BSE	BSE Limited (BSE)
BSE	Bombay stock Exchange of India
BSE SME	SME Platform of BSE
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CEO	Chief Executive Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
DCS	Distributed Control System
DGFT	Directorate General of Foreign Trade
DIN	Director Identification Number
DP	Depository Participant
DPDP Act	Digital Personal Data Protection Act, 2023
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EMDEs	Emerging Markets and Developing Economies
EPS	Earnings Per Share
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
F&NG	Father and Natural Guardian
FY/Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GoI/Government	Government of India
GST	Goods and Service Tax
HUF	Hindu Undivided Family

I.T. Act	Income Tax Act, 1961, as amended from time to time
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
MAPIN	Market Participants and Investors' Integrated Database
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
NA	Not Applicable
NAV	Net Asset Value
NGT	National Green Tribunal
NPV	Net Present Value
NRE Account	Non-Resident External Account
NRIs	Non-Resident Indians
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Bodies
OSP	Other Service Provider
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PCB	Pollution Control Board
PSU	Public Sector Undertaking
QA/QC	Quality Assurance / Quality Control
QIC	Quarterly Income Certificate
RBI	The Reserve Bank of India
ROE	Return on Equity
RONW	Return on Net Worth
Bn	Billion
Rs.	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
RERA	Real Estate Regulatory Authority
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
Sec.	Section
SPV	Special Purpose Vehicle
STT	Securities Transaction Tax
Super Area	The built-up area added to share of common areas which includes staircases, reception, lift shafts, lobbies, club houses and so on
TPDS	Targeted Public Distribution System
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
UPI/ Unified Payments Interface	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between



	any two persons bank accounts using a payment address which uniquely identifies a person's bank a/c
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI Mandate Request	The request initiated by the Sponsor Bank and received by an RII using the UPI Mechanism to authorize blocking of funds on the UPI mobile or other application equivalent to the Bd Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The bidding mechanism that may be used by a RIB to make an application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018
UPI PIN	Password to authenticate UPI transaction
VCF / Venture CapitalFund	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.
WEO	World Economic Outlook

### Technical / Industry related Terms

Term	Description
AC	Air Conditioner
AMFI	Association of Mutual Funds in India
App	Mobile Application
ASM	Area Sales Manager
ATS	Automated Testing Station
ARIA	Association of registered Investment Advisors
B2B	Business to Business
B2B2C	Business to Business to Customer
B2C	Business to Customer
CSR	Corporate Social Responsibility
CPC	Central Processing Centre
D2C	Director to Customer
DBT	Direct Benefit Transfer
DEAF	Depositors Education and Awareness Fund
DL	Driving License

EV	Electric Vehicle
E2W	Electric Two Wheeler
FASTag	A device that employs Radio Frequency Identification (RFID) technology for making toll payments directly while the vehicle is in motion.
HSRP	High Security Registration Plates
ICE	Internal Combustion Engine
IEPF	Investor Education and Protection Fund
IRDA	Insurance Regulatory and Development Authority
M2M KYC	Machine to Machine Know your customer
MHI	Ministry of Heavy Industries
MRP	Maximum Retail Price
MOQ	Minimum Order Quantity
NOC	No Objection Certificate
NeGP	National e-Governance Plan
OEM	Original Equipment Manufacturers
OES	Original Equipment Suppliers
ONDC	Open Network for Digital Commerce
RC	Registration Certificate also known as the vehicle registration certificate.
RTL	Rosmerta Technologies Limited
RTO	Regional Transport Office or Road Transport Office
SEO	Search Engine Optimization
SEBI	Security and Exchange Board of India
SKUs	Stock Keeping Unit
TAT	Turnaround Time
TPLF	Third- Party Litigation Funding
TRAI	Telecom Regulatory Authority of India
UAN	Universal Account Number
UDGAM	Unclaimed Deposits - Gateway to Access information
VDA	Verband der Automobilindustrie (German Association of Automotive Industry)

*Notwithstanding the foregoing:*

- 1. In the section titled “Main Provisions of the Articles of Association” beginning on page number 417 of the Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
- 2. In the chapters titled “Summary of Offer Documents” and “Our Business” beginning on page numbers 21 and 170 respectively, of the Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
- 3. In the section titled “Risk Factors” beginning on page number 28 of the Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
- 4. In the chapter titled “Statement of Tax Benefits” beginning on page number 137 of the Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
- 5. In the chapter titled “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page number 290 of the Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section.*

## **PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA**

### **Certain Conventions**

All references in the Red Herring Prospectus to “India” are to the Republic of India. All references in the Red Herring Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America.

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

### **Financial Data**

Unless stated or the context requires otherwise, the financial information and financial ratios in this Red Herring Prospectus are derived from our Restated Financial Statements which comprise the restated statement of assets and liabilities for the six month period ended September 30, 2024 and as at March 31, 2024, March 31, 2023, and March 31, 2022, the restated statement of profits and loss (including other comprehensive income), and the restated statement of cash flows for the six month period ended September 30, 2024 and as at March 31, 2024, March 31, 2023, and March 31, 2022 together with the summary statement of significant accounting policies, and other explanatory information thereon, each derived from the audited financial statements of our Company for the six month period ended September 30, 2024 and as at March 31, 2024, March 31, 2023, and March 31, 2022, each prepared in accordance with GAAP, and restated in accordance with the requirements of the SEBI ICDR Regulations, as amended from time to time, and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI and included in "Summary of Financial Information", "Restated Financial Statements" and "Managements Discussion and Analysis of Financial Condition and Results of Operations" on page 54, 288 and 290, respectively.

Our Company’s financial year commences on April 01 and ends on March 31 of next year. Unless stated otherwise, all references in this Red Herring Prospectus to the terms Fiscal or Fiscal Year or Financial Year or FY are to the 12 months ended March 31 of such year. Unless stated otherwise, or the context requires otherwise, all references to a "year" in this Red Herring Prospectus are to a calendar year.

There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly, to what extent, the financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited. Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in this Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled “Restated Financial Statements” beginning on page 288 of this Red Herring Prospectus.

### **Currency and units of presentation**

In this Red Herring Prospectus, All references to:

- ‘Rupees’ or ‘₹’ or ‘Rs.’ are to Indian Rupees, the official currency of the Republic of India.
- ‘U.S.\$’, ‘U.S. Dollar’, ‘USD’ or ‘U.S. Dollars’ are to United States Dollars, the official currency of the United States of America.

In this Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in "thousands" of units or in whole numbers where the numbers have been too small to be represented in thousand. Thousand represent 1,000, One lakh represents 1,00,000 and ten lakhs represents 10,00,000 and one crore represents 1,00,00,000 and ten crores represents 10,00,00,000. However, where any figures that may have been sourced from third-party industry sources may be expressed in denominations other than lakhs, such figures have been expressed in this Red Herring Prospectus in such denominations as provided in their respective sources.

### Exchange Rates

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

Unless otherwise particularly stated in the Red Herring prospectus, the following table set forth, for period indicated, information with respect to the exchange rate between the Rupee and other foreign currencies:

(Amount in Rupees)

Currency	Exchange Rate as on			
	Sept 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
1 USD	83.78	83.35	82.22	75.81

Source: RBI / Financial Benchmark India Private Limited ([www.fbil.org.in](http://www.fbil.org.in))

### Industry and Market Data

Unless stated otherwise, industry data used throughout the 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 Red Herring Prospectus is reliable, it has not been independently verified. Further, the extent to which the industry and market data presented in the 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.

Accordingly, the extent to which the market and industry data used in this Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "Risk Factors – **Industry information included in this Red Herring**

*Prospectus has been derived from an industry report from various websites. The reliability on the forecasts of the reports could be incorrect and would significantly impact our operations.”, on page 28. Accordingly, investment decisions should not be based solely on such information.*

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## FORWARD LOOKING STATEMENTS

*All statements contained in the 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 Red Herring Prospectus regarding matters that are not historical facts. These forward-looking statements and any other projections contained in the 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.*

*These forward-looking statements can generally be identified by words or phrases such as "will", "aim", "will likely result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions.*

*Important factors that could cause actual results to differ materially from our expectations include but are not limited to:*

- our ability to maintain our customers, collaboration with garages and retailers;
- our ability to maintain turnaround time (TAT) for our digitally enabled services and digitally enabled channel sales;
- our ability to maintain quality services;
- our ability to establish new partnership with OES;
- changes in the competition landscape;
- our ability to successfully implement strategy, growth and expansion plans;
- our ability to respond to new innovations in automobile industry;
- our ability to attract and retain qualified personnel;
- our ability to finance our business growth and obtain financing on favorable terms;
- our ability to adapt with the technological advancements;
- conflict of interest with affiliated companies, the promoter group and other related parties;
- general social and political conditions in India which have an impact on our business activities or investments;
- impact of Covid 19 pandemic or any future pandemic;
- market fluctuations and industry dynamics beyond our control;
- developments affecting the Indian economy;

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer to the chapters titled "Risk Factors", "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 28, 170 and 290, respectively of this Red Herring Prospectus.

Forward looking statements reflect views as of the date of the Red Herring Prospectus and not a guarantee of future performance. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company / our Directors nor the BRLM, nor any of its affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the BRLMs will ensure that investors in India

are informed of material developments until such time as the listing and trading permission is granted by the Stock Exchange(s).

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## **SECTION II - SUMMARY OF OFFER DOCUMENTS**

The following is a general summary of the terms of the Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Red Herring Prospectus or all details relevant for 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 Red Herring Prospectus, including in “Definitions and Abbreviations”, “Risk Factors”, “The Issue”, “Capital Structure”, “Objects of the issue”, “Industry Overview”, “Our Business”, “Our Promoters and Promoter Group”, “Summary of our Financial Statements”, “Issue Procedure”, “Outstanding Litigation and Material Developments” and “Terms of the Articles of Association” beginning on pages 28, 52, 72, 91, 143, 170, 258, 271, 54, 374, 306 and 417 respectively.

### **SUMMARY OF OUR BUSINESS OVERVIEW**

Rosmerta Digital Services Limited, a subsidiary of Rosmerta Technologies Limited (“RTL”), has been engaged in providing digitally enabled services and digitally enabled channel sales of automotive components & accessories. Our company initially offered vehicle registration services to Original Equipment Manufacturers (OEMs) and has since diversified into a comprehensive range of services, including garage services, last-mile delivery service, selling of automotive components and accessories, etc. Our company is engaged in both the B2B and B2C segments. In the B2B segment, it serves automotive OEMs, online marketplaces and garages among others, through its Vehicle Ownership Experience vertical, and other product manufacturers through Last Mile Delivery Service. In the B2C segment, Rosmerta Digital Services Limited serves vehicle owners through vehicle registration services, garage services and automotive spare parts and accessories. Automotive components and accessories are sold through a combination of channel partners and direct to consumer through RDSL’s MyRaasta application.

### **SUMMARY OF OUR INDUSTRY**

#### **Global Industry**

At the global level, e-governance development has increased, largely due to advancements in telecommunications infrastructure and human capital development. The survey showed that 60 countries had very high EGDI values (ranging from 0.75 to 1.00), up from 57 in 2020, with Europe and Asia leading in scores.

The global automotive industry size was valued at USD 4,070.19 billion in 2023 and is predicted to hit around USD 6,388.49 billion by 2031. Digitalization and innovative business models are reshaping traditional paradigms, ushering in a new era of disruption in the automotive sector.

#### **Indian Industry**

India stands as a testament to the transformative power of digital services, with over 900 million internet subscribers making it one of the largest and fastest-growing markets for digital consumers. A research shows exponential growth in e-governance adoption in India, driven by digital payments and UIDAI, key elements of the Jan Dhan-Aadhaar-Mobile (JAM) trinity. In addition, several initiatives by the Government of India such as the Automotive Mission Plan 2026, scrappage policy, and production-linked incentive scheme in the Indian market are expected to make India one of the global leaders in the two-wheeler and four-wheeler market by 2026.



## PROMOTERS OF OUR COMPANY

The promoters of our Company are M/s Rosmerta Technologies Limited, M/s Shree Bankey Bihari Family Trust, Mr. Karn Vivek Nagpal and Mr. Kartick Vivek Nagpal. For detailed information please refer to the chapter titled “Our Promoters” and “Our Promoter Group” on page number 258 and 271 respectively of this Red Herring Prospectus.

## ISSUE SIZE

The issue size comprises of fresh issue of up to 1,40,36,000 Equity Shares of face value of Rs.2/- each fully paid-up of the Company for cash at price of Rs. [●] /- per Equity Share (including premium of Rs. [●] /- per Equity Share) aggregating total issue size amounting to Rs. [●] Thousands, of which up to 7,03,000 Equity Shares of Face Value of ₹ 2/- each at a price of ₹ [●] aggregating to ₹ [●] Thousands will be reserved for subscription by Market Maker (“Market Maker Reservation Portion”) and Net Issue to Public of up to 1,33,33,000 Equity Shares of Face Value of ₹2/- each at a price of ₹ [●] aggregating to ₹[●] Thousands (hereinafter referred to as the “Net Issue”) The Issue and the Net Issue will constitute 26.44% and 25.12% respectively 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:

S. No	Particulars	Amt. (₹ in Thousands)	% of Total Size
1.	Funding the capital expenditure for purchase of office space in Mumbai	1,98,625	[●]
2.	Funding the capital expenditure for setting up warehouses, model workshops and experience centers in various parts of India.	98,275	[●]
3.	Funding the capital expenditure for setting up IT infrastructure	1,38,480	[●]
4.	Funding the Working Capital Requirement of our Company	7,50,000	[●]
5.	Funding expenditure for inorganic growth through acquisitions & other strategic initiatives and General Corporate Purposes <sup>^*</sup>	[●]	[●]
<b>Net Issue Proceeds</b>		[●]	[●]

<sup>^</sup>The cumulative amount to be utilized towards inorganic growth through acquisitions & other strategic initiatives and General Corporate Purposes shall not exceed 35% of the amount raised by our Company. Further, the amount utilized for our object of ‘Unidentified Acquisition for Company’ shall not exceed 25% of the amount raised by our Company.

<sup>\*</sup>To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC and the amount to be utilized for general corporate purposes shall not exceed 25% of the amount raised by our Company.

**AGGREGATE PRE-ISSUE SHAREHOLDING OF THE PROMOTERS AND PROMOTER GROUP AS A PERCENTAGE OF THE PAID-UP SHARE CAPITAL OF THE ISSUER:**

Sr. No.	Name of shareholder	Pre issue		Post issue	
		No. of equity Shares	As a % of Issued Capital	No. of equity Shares	As a % of Issued Capital
<b>Promoters</b>					
1.	Rosmerta Technologies Limited	2,97,74,975	76.25%	2,97,74,975	56.09%
2.	Shree Bankey Bihari Family Trust	52,57,500	13.46%	52,57,500	9.90%
<b>Total – A</b>		<b>3,50,32,475</b>	<b>89.71%</b>	<b>3,50,32,475</b>	<b>65.99%</b>
<b>Promoter Group</b>					
3.	Mr. Vijay Mehta as Nominee of Rosmerta Technologies Limited	3,505	0.01%	3,505	0.01%
4.	Mr. Sanjay Sharma as Nominee of Rosmerta Technologies Limited	3,505	0.01%	3,505	0.01%
5.	Mr. Amit Kumar Somani as Nominee of Rosmerta Technologies Limited	3,505	0.01%	3,505	0.01%
6.	Mr. Surender Kumar as Nominee of Rosmerta Technologies Limited	3,505	0.01%	3,505	0.01%
7.	Mr. Ravi Verma as Nominee of Rosmerta Technologies Limited	3,505	0.01%	3,505	0.01%
<b>Total – B</b>		<b>17,525</b>	<b>0.04%</b>	<b>17,525</b>	<b>0.03%</b>
<b>Grand Total (A+B)</b>		<b>3,50,50,000</b>	<b>89.74%</b>	<b>3,50,50,000</b>	<b>66.02%</b>

**SUMMARY OF FINANCIAL INFORMATION**

**On the basis of Restated Financials:**

*(Rupees in Thousand)*

Particulars	For the period ended 30 <sup>th</sup> September, 2024	For the Year ended 31 <sup>st</sup> March, 2024	For the Year ended 31 <sup>st</sup> March, 2023	For the Year ended 31 <sup>st</sup> March, 2022
Share Capital	78,100	100	100	100
Net Worth	7,09,934	1,22,132	15,916	(201)
Revenue from operation	9,22,423	8,41,900	2,97,891	20,270
Profit after Tax	1,48,372	1,05,652	16,187	(301)
EPS Basic (in Rs.)	4.02	3.01	0.46	(0.00)
EPS Diluted (in Rs.)	4.01	3.01	0.46	(0.00)
<b>Total borrowings</b>				
- Long Term	-	-	-	-
- Short Term	-	1,49,901	1,31,828	43,921

## QUALIFICATIONS OF AUDITORS

There are no qualifications of our Statutory Auditor which have not been given effect to in the Restated Financial Statements.

## SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPMENTS

A summary of pending legal proceedings and other material litigations involving our Company is provided below:

*(Rupees in Thousand)*

Name	Criminal Proceedings	Tax Proceedings	Statutory or regulatory actions	Civil Proceedings	Other Material litigations	Aggregate amount involved*
<b>Company</b>						
<i>By</i>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<i>Against</i>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>Promoter</b>						
<i>By</i>	7,800.00	1,29,676.24	-	50.00	-	1,37,526.24
<i>Against</i>	103.81	9,657.83	-	-	-	9,761.65
<b>Director</b>						
<i>By</i>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<i>Against</i>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>Subsidiary</b>						
<i>By</i>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<i>Against</i>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>Group Companies</b>						
<i>By</i>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<i>Against</i>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

\* To the extent quantifiable

For further details, please refer to the chapter titled “Outstanding Litigations & Material Developments” beginning on page 306 of this Red Herring Prospectus.

## RISK FACTORS

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

## SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

As on the date of filing this Red Herring Prospectus there is no contingent liability on the Company. For Further information regarding the contingent liabilities, please refer to the Chapter Titled “Restated Financial Information” on page 288 of this Red Herring Prospectus.

**SUMMARY OF RELATED PARTY TRANSACTIONS**

Transaction during the year with related parties on the basis of financials are as follows:

*(Rupees in Thousand)*

Nature of Transaction	For the period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the period ended March 31, 2022
<b>Proceeds from Borrowings</b>				
Rosmerta Technologies Limited	29,612	1,81,600	1,90,638	42,380
Rosmerta Safety Systems Limited	-	-	-	3,575
<b>Interest</b>				
Rosmerta Technologies Limited	2,992	10,671	6,544	310
Rosmerta Safety Systems Limited	-	-	-	24
<b>Re-Payment of Principal ( included Interest)</b>				
Principal (Rosmerta Technologies Limited)	1,79,513	2,01,198	1,05,055	2,303
Interest (Rosmerta Technologies Limited)	2,693	5,889	-	-
Principal (Rosmerta Safety Systems Limited)	-	-	3,599	-
Interest (Rosmerta Safety Systems Limited)	-	-	-	-
<b>Sales</b>				
Rosmerta Safety Systems Limited	1,60,119	14,226	6,849	63
Rosmerta Autotech Limited	619	2,114	379	-
Rosmerta Technologies Limited	65	308	-	-
Rosmerta Auto Recycling Private Limited	1,811	1,022	-	-
Raasta Autotech Private Limited	-	-	44	-
<b>Purchase</b>				
Rosmerta Road Safety Private Limited	49	334	-	-
Rosmerta Safety Systems Limited	-	56	-	48
Rosmerta Technologies Limited	-	-	-	2
Rosmerta Auto Plates Pvt Ltd (Formerly Link Autotech Private Limited)	-	-	1,756	-
Rosmerta Autotech Limited	12,426			
<b>Other</b>				
Rosmerta Safety Systems Limited	1,042	460	-	-
Rosmerta Auto Plates Pvt Ltd (Formerly Link Autotech Private Limited)	414			
Rosmerta Registration Plate Private Limited	-	467	-	-
<b>Employee Benefit Expenses</b>				
Mr. Sanjay Sharma (w.e.f. April 26, 2024)	2,197	-	-	-
Mr. Amit Kumar Somani (w.e.f. June 21, 2024)	1,138	-	-	-
<b>Sitting Fees paid to Independent Directors</b>				
Mrs. Suneeta Trivedi	113			
Mr. Ashok Kacker	45			
<b>Rent</b>				
Rosmerta Safety Systems Limited	52	-	-	-
Rosmerta Technologies Limited	1,800	-	-	-
<b>Business support expenses</b>				
Rosmerta Technologies Limited	666	33,956	-	-

<b>Dividend distribution to Holding Company</b>				
Rosmerta Technologies Limited	2,627	-	-	-

For Further details of Related Party Transaction, please refer to Note 28 in the chapter titled “Restated Financial Statements” beginning on page 288 respectively of this Red Herring Prospectus.

## FINANCING ARRANGEMENTS

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six (6) months immediately preceding the date of this Red Herring Prospectus.

## WEIGHTED AVERAGE COST OF ACQUISITION OF EQUITY SHARES BY OUR PROMOTERS IN LAST ONE YEAR

The weighted average cost of acquisition of equity shares by our promoters in last one year which has been calculated by taking average amount paid by them to acquire our equity shares is as follows:

Name of shareholders	No. of shares held	Weighted Average Price* (in Rs.)
Rosmerta Technologies Limited	2,97,82,500	Negligible
Shree Bankey Bihari Family Trust	52,57,500	3.56
Mr. Karn Vivek Nagpal	NIL	NA
Mr. Kartick Vivek Nagpal	NIL	NA

\* Shares acquired and sold in last one year are considered.

Note: As Certified by M/s S S Kothari Mehta & Co. LLP., Chartered Accountants dated July 20, 2024.

## AVERAGE COST OF ACQUISITION

The average cost of acquisition per Equity Share by our promoters which has been calculated by taking the average amount paid by them to acquire our Equity Shares, is as follows:

Name of the Promoter	No. of Shares held	Average cost of Acquisition* (in Rs.)
Rosmerta Technologies Limited	2,97,92,500	Negligible
Shree Bankey Bihari Family Trust	52,57,500	3.56
Mr. Karn Vivek Nagpal	NIL	NA
Mr. Kartick Vivek Nagpal	NIL	NA

\* Shares acquired and sold in last one year are considered.

Note: As Certified by M/s S S Kothari Mehta & Co. LLP., Chartered Accountants dated July 20, 2024.

## DETAILS OF PRE-ISSUE PLACEMENT

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

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

Our company has not issued any equity shares other than cash in the last one year except the following:

S.N.	Date of allotment	Type of allotment	Number of shares issued
1.	25-06-2024	Bonus Issue	70,00,000*

*\*The number of shares has been issued at face value of Rs 10/- per share.*

For Further Information regarding the Equity Shares issued by the company for consideration other than cash, please refer to the Chapter Titled “Capital Structure” on page 72 of this Red Herring Prospectus.

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

The authorized share capital of our Company has sub-divided its equity shares vide shareholders resolution dated June 25, 2024, in the past one year. The details of which are given as below:

Type of share	Class of share	Number of shares	Nominal value per share (INR)	Total amount (in Rs.)
Equity	Equity	5,50,00,000	2	11,00,00,000

## EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI

Our Company has not filed any exemption application with SEBI as on date of Red Herring Prospectus.

*This space is left blank intentionally.*

### SECTION III- RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties summarized below, before making an investment in our Equity Shares. The risks described below are relevant to the industries our Company is engaged in, our Company and our Equity Shares. To obtain a complete understanding of our Company, you should read this section in conjunction with the chapters titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page numbers 170 and 290, respectively, of this Red Herring Prospectus as well as the other financial and statistical information contained in this Red Herring Prospectus. Prior to making an investment decision, prospective investors should carefully consider all of the information contained in the section titled “Restated Financial Statements” beginning on page number 288 of this Red Herring Prospectus.*

*If any one or more of the following risks as well as other risks and uncertainties discussed in the Red Herring Prospectus were to occur, our business, financial condition and results of our operation could suffer material adverse effects, and could cause the trading price of our Equity Shares and the value of investment in the Equity Shares to materially decline which could result in the loss of all or part of investment. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is therefore subject to a legal and regulatory environment that may differ in certain respects from that of other countries.*

*This Red Herring Prospectus also 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 many factors, including the considerations described below and elsewhere in the Red Herring Prospectus. These risks are not the only ones that our Company faces. Our business operations could also be affected by additional factors that are not presently known to us or that we currently consider to be immaterial to our operations. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify financial or other implication of any risks mentioned herein.*

#### **Materiality**

The Risk factors have been determined based on their materiality, which has been decided based on following factors:

1. Some events may not be material individually but may be material when considered collectively.
2. Some events may have an impact which is qualitative though not quantitative.
3. Some events may not be material at present but may have a material impact in the future.

#### **INTERNAL & BUSINESS RISK FACTORS**

- 1. We have experienced significant growth in recent years and may be unable to sustain our growth or manage it effectively.***

We have experienced significant increase in revenue from operations of the company since inception. The tabular representation of increase in revenue from operations are given as below:

*(Rupees in Thousand)*

Particulars	For the year ended March 31, 2024	% Increase	For the year ended March 31, 2023	% Increase	For the period ended Sep 14, 2021 to March 31, 2022
<b>Revenue From Operations</b>	8,41,900	182.62%	2,97,891	1369.62%.	20,270

The success of our business will largely depend on our ability to effectively implement our business and growth strategy. In the past we have generally been successful in execution of our business but there can be no assurance that we will be able to execute our strategy on time and within the estimated budget in the future. If we are unable to implement our business and growth strategy, this may have an adverse affect on our business, financial condition and results of operations.

- 2. Majority of our geographical wise revenues from operations for the last 3 years is majorly derived from Karnataka and Maharashtra. Any adverse developments affecting our operations in this state could have an adverse impact on our revenue and results of operations.**

Our business operations span various regions across India. Despite this diversified presence, we have a significance dependency on Karnataka which contributes 30.22%, 44.52%, 59.97% and 99.69% to our total revenue for the stub period ending on September 30, 2024, and the Financial Years ending on March 31, 2024, March 31, 2023 and March 31, 2022, respectively and Maharashtra which contributes 42.09%, 35.94% and 0.54% to our total revenue for the stub period ending on September 30, 2024, and the Financial Years ending on March 31, 2024, March 31, 2023 respectively.

*(Rupees in Thousand)*

State	For the period ended on September 30, 2024		For the Financial Year ended on March 31, 2024		For the Financial Year ended on March 31, 2023		For the Financial Year ended on March 31, 2022	
	Amount	% of total revenue	Amount	% of total revenue	Amount	% of total revenue	Amount	% of total revenue
Karnataka	278,781	30.22	3,74,778	44.52	1,78,640	59.97	20,207	99.69
Maharashtra	388,275	42.09	3,02,617	35.94	1,613	0.54	-	-

Relying heavily on one geographic location exposes us to regional economic fluctuations, regulatory changes, and local market dynamics. However, there is a downtrend of concentration of revenue from operations in these two states. Further, we are expanding in different states across India, the details of which are given on page no. 189 of this Red Herring Prospectus. Adverse conditions such as economic downturns, political instability, or natural disasters specific to that region could significantly impact our revenue stream and also any decline in the economic prosperity or changes in regulations within that particular region could negatively affect our financial performance.

- 3. We depend on a single customer for a significant portion of our revenues. The loss of a major customer or significant reduction in demand from any of our major customers may adversely affect our business, financial condition, results of operations and prospects.**



At present, we derive most of our revenues from sale to a single customer.

*(Rupees in Thousand)*

Particulars	For the period ended on September 30, 2024	For the Year ended on March 31, 2024	For the Year ended on March 31, 2023	For the Year ended on March 31, 2022
Revenue from Operations	9,22,423	8,41,900	2,97,891	20,270
Single unit Customer	2,28,952	3,86,586	2,18,682	20,207
% of Customers to Revenue from Operations*	24.82%	45.91%	73.41%	99.69%

*\*The % has been derived by dividing the total amount received from the abovementioned customers with the Revenue from operations of the company in the relevant year as mentioned in the Profit and Loss Statement as given in restated financials of the company.*

As our business is currently concentrated among relatively few significant customers for vehicle registration ownership, we may experience reduction in cash flows and liquidity if we lose one or more of our major customers or if the amount of business from one or more of them is significantly reduced for any reason, including as a result of a dispute with or disqualification by a major customer. However, there is a downtrend in concentration of revenue from operations from a single customer. Further, we have taken steps to diversify our clientele and reduce the concentration to a single customer by adding more customers to mitigate the risk such as Cars24 Services Private Limited, Royal Enfield India Limited and Okinawa Autotech International Private Limited.

- 4. For our digitally enabled services business, we depend on our information technology systems and softwares, and any failure, disruption, or weakness in these systems, or a data breach, could negatively impact our operations and reputation. Additionally, our success hinges on our ability to innovate, upgrade, and adapt to new technological advancements.**

Our company has inhouse software, i.e. URJA, and MyRaasta App. The URJA platform streamlines complex workflow management across vehicle ownership experiences and internal order management for channel sales, while MyRaasta App provides garage services, RTO/ vehicle registration services. Thus, our company's operations are heavily reliant on the smooth functioning of our IT systems and software. Any failure or disruption, whether due to technical issues, system weaknesses, or external factors, could lead to operational downtimes, inefficiencies, or complete halts in business activities.

Additionally, our success partly hinges on our ability to respond to and keep pace with new technological advancements, emerging payment and consumer trends, and evolving financial services industry standards and practices in a cost-effective and timely manner. Developing and implementing such technologies, including new mobile operating systems, involves significant technical and business risks. There is no guarantee that we will successfully implement new technologies or adapt our transaction processing systems to meet customer requirements or enhance market standards. Further, we are intending to update and upgrade our existing technology and adopting new technologies and softwares by investing through our IPO proceeds and internal accruals.

- 5. Our proposed capital expenditure relating to development of software are subject to the risk of unanticipated delays in implementation and cost overruns. Changes in technology and modernization may render our**

***current technologies or newly developed technologies obsolete or require us to make substantial investments again.***

Modernization and technology upgradation is essential to reduce costs and increase the output. Our technology may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may lose our competitive edge. For more details of “Our Technologies” please refer page no. 179 in the Red Herring Prospectus. Although we believe that we have installed updated technology, we shall continue to strive to keep our technology, in line with the latest technological standards. In case of a newly found technology in the industry in which we operate, we may be required to implement new technology or upgrade the machineries and other equipment employed by us. Further, the costs in upgrading our technology and modernizing the existing set up of Warehouses, Workshops, Experience centers and are significant which could substantially affect our finances and operations.

Further, we also planning to upgrade the existing technology and invest more in new technologies for smooth functioning of the business, as mentioned in the Objects of the Issue, beginning on page no. 91 of the Red Herring Prospectus. Our proposed capital expenditure for the development of IT software is subject to the risk of unanticipated delays in implementation and cost overruns. The software development is inherently complex and can encounter technical challenges that were not initially anticipated. These challenges can slow down the development process, leading to delays in project timelines. The scope of the project might expand due to evolving requirements or new features being added, which can increase the time and resources needed for completion.

***6. We depend on third parties or OEMs for the channel sales segment and such third parties could fail to meet their obligations, which may have a material adverse effect on our business, results of operations and financial condition.***

We offer direct shipments to our clients, including retailers and garages, from the distributor's premises and do not hold inventory for a long duration. Thus, we are dependent on third party suppliers for the supply of automotive components and accessories, under channel sales segment. This dependence may also negatively impact the availability of automotive components at reasonable prices, thus affecting our profit margins and potentially harming our business operations, financial performance, and overall financial condition. There is no guarantee that high demand, capacity limitations, or other issues faced by our suppliers will not lead to occasional shortages or delays in the supply of spare parts. If we were to experience a significant or prolonged shortage of raw materials from any of our suppliers, and we cannot procure the raw materials from other sources, we would be unable to meet our production schedules for some of our key products and to deliver such products to our customers in timely fashion, which would adversely affect our sales, margins and customer relations. However, we intend to invest in multiple warehouses to hold inventory for longer period to meet the ongoing demands of the customers, as given in the “Object of the Issue”, beginning on page no. 91 of this Red Herring Prospectus. We cannot assure you that a particular supplier will continue to supply the required components or raw materials to us in the future. Any change in the supplying pattern of our raw materials can adversely affect our business and profits.

***7. Our Registered Office and corporate office is shared with our promoter group companies and holding company and are not owned by us. Any termination of the relevant lease or leave and license agreement in connection with such property or our failure to pay annual lease rental, the same could adversely affect our operations. If we are required to vacate the same, due to any reason whatsoever, it may adversely affect our business operations.***

The premises on which our Registered Office and corporate office is situated is shared with other group companies and owned by third parties and the same has been occupied and used by us on a leave and license

basis vide Sub-License Agreement executed between our Company and other group companies. The details of which are given as below:

S. No.	Address of Property	Licensors	Licensee	License Fees (Per month)	Tenure	Use
1	402, 4th Floor, World Trade Tower, Barakhamba Lane, Connaught Place, New Delhi, India, 110001	Sunil Jawa	Rosmerta Safety Systems Limited	79,300	6 years, commencing from November 16, 2023 till November 15, 2029.	Registered Office
		Shashi Jawa	Rosmerta Technologies Limited	1,10,000		
		Kavita Jaisinghani	Sensorise Smart Solutions Private Limited	79,300		
		Mahender Kumar Jaisinghani	Rosmerta Autotech Limited	25,000		
		Manan Jaisinghani	Rosmerta Digital Services Limited	25,000		
2.	Plot No. 66-P in Urban Estate, Sector-44, Gurugram, Haryana.	Rosmerta Technologies Limited (Holding Company)	Rosmerta Digital Services Limited	3,00,000	May 03, 2023 to June 22 2027, for a period of 49 (forty nine) months.	Corporate office

In addition to our Registered Office and corporate office, we also have branch offices whose details in “Our Business” chapter beginning on page 170.

We cannot assure you that we will be able to continue the above arrangements on commercially acceptable or favourable terms in future. In the event we are required to vacate the current premises, we would be required to make alternative arrangements for new premises and other infrastructure and facilities. We cannot assure that the new arrangements will be on terms that are commercially favourable to us. If we are required to relocate our business operations during this period, we may suffer a decline 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. For details regarding such leasehold properties, please refer to chapter titled “Our Business” on page. 170 of this Red Herring Prospectus.

**8. *Our corporate promoter, Rosmerta Technologies Limited, has been issued Inspection Notice from the Ministry of Corporate Affairs, New Delhi.***

Our corporate promoter, Rosmerta Technologies Limited, has been issued a inspection notice u/s 206(5) of the Companies Act, 2013, vide letter bearing no.1704/JDI/1/2019/ROSMERTA TECHNOLOGIES/U.S 206(5)/25189 dated 15.05.2019. Further, another inspection notice bearing no. 1704/JDI/1/2019/206(5)/7453 dated October 04, 2021 was issued by the Office of Joint Director (Northern Region), Ministry of Corporate Affairs, New Delhi (“Inspection Notice”) to Rosmerta Technologies Limited (“Noticee Company”). Upon inspection of the documents and information provided through the Inspection Reply, a show cause notice bearing no. 1704/JDI/I/2019/206(5)/(2360-2363) dated 23.05.2022 (“SCN”) was served upon the Noticee Company. The details of the inspection are given under the chapter “Outstanding Litigation and Material

Developments” beginning on page no. 306 of the DRHP.

Any adverse action /order by the Ministry may have any adverse impact on the issuer company. However, there is no financial exposure of Rosmerta Technologies Limited or to its subsidiaries in this matter.

**9. We have had negative cash flows in the past and may continue to have negative cash flows in the future.**

We have incurred negative operating cashflows in the year of incorporation and the subsequent year due to working capital requirements and incurred negative investing cashflows due to spending more on the growth of the business in the previous years.

The table given below set forth our cash flows for the last three (3) Financial Years and Period ended on September 30, 2024.

*(Amount in ₹ thousands)*

Particulars	For the period ended on September 30, 2024	For the Year ended on March 31, 2024	For the Year ended on March 31, 2023	For the period ended on March 31, 2022
Cash flow from operating activities	(98,584)	20,870	(64,393)	(38,804)
Cash flow from investing activities	(215,123)	(399)	(1,162)	(4,500)

Any such negative cash flows in the future could adversely affect our business, financial condition and results of operations. For more details, kindly refer to the page no. 288 in the chapter title “Restated Financial Statements”.

**10. Our Company is involved in certain legal proceedings/litigations. Any adverse decision in such proceedings may render us/them liable to penalties and may adversely affect our business and result of operations.**

Our Company is involved in certain legal proceedings and claims in relation to certain civil matters incidental to our business and operations. Any adverse decision may render us/them liable to liabilities/penalties and may adversely affect our business and results of operations. A classification of these legal and other proceedings are as follows:

*(Amount in thousands)*

Name	Criminal Proceedings	Tax Proceedings	Statutory or regulatory actions	Civil Proceedings	Other Material litigations	Aggregate amount involved*
<b>Company</b>						
By	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Against	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>Promoter</b>						
By	7,800.00	1,29,676.24	-	50.00	-	1,37,526.24
Against	103.81	9,657.83	-	-	-	9,761.65
<b>Director</b>						
By	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Against	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>Subsidiary</b>						

<i>By</i>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<i>Against</i>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b><i>Group Companies</i></b>						
<i>By</i>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<i>Against</i>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

For further details, refer the chapter “Outstanding Litigation and Material Developments” beginning on page 306 of this Red Herring Prospectus.

***11. The cyclical and seasonal nature of automotive sales and production could adversely affect our business.***

We are heavily dependent on Automobile Industry as we are engaged in providing services including Vehicle registration services, last mile services enablement, channel sales through channel partners, garage services through MyRaasta App and automotive components in automobile industry. Our operations are cyclical because our sales are directly dependent on the level of automotive production and sales and is also affected by inventory levels of OEMs. The automobile industry is also subject to seasonal characteristics. Generally, demand for our products increases during the automobile industry’s festive selling season from September until January production. Thus, the second and fourth quarter gives better performance as compared to other quarters. Further, automotive production and demand may be subject to seasonality in some geographies, which may influence the demand for our services. On other occasions, an increase in our customers’ applications for vehicle registrations may require us to commit more resources and cause a material increase in costs, in order to meet our customers’ schedules for appointment.

We cannot predict when OEMs will decide to either build or reduce inventory levels or whether new inventory levels will approximate historical inventory levels. This may result in variability in demand for our products and services and, as a result, our sales and profitability.

***12. Our proposed capital expenditure relating to warehouses, workshops and experience centers are subject to the risk of unanticipated delays in implementation and cost overruns.***

We intend to use a part of our Net proceeds towards setting up warehouses, workshops and experience centers, as given in “Objects of the Issue” beginning on page no. 91 of this Red Herring Prospectus. Our proposed capital expenditure on warehouses, workshops, and experience centers carries significant risks related to unanticipated delays in implementation and cost overruns. Such delays can arise from a variety of factors, including regulatory hurdles, possibility of unanticipated future regulatory restrictions, delays in receiving governmental, statutory and other regulatory approvals, incremental pre- operating expenses, taxes and duties, interest and finance charges, working capital margin permitting issues, supply chain disruptions, or labor shortages. These setbacks can postpone the operational start of these facilities, leading to lost opportunities and delayed revenue generation. Additionally, cost overruns may occur due to unexpected increases in material costs, design changes, or unforeseen construction challenges. These financial burdens can strain our budget, potentially requiring reallocation of funds from other critical areas or increasing our reliance on external financing. There can be no assurance that we will be able to complete the aforementioned expansion and additions in accordance with the proposed schedule of implementation and any delay could have an adverse impact on our growth, prospects, cash flows and financial condition.

***13. We require high working capital for our smooth day to day operations of business and any discontinuance or our inability to procure adequate working capital timely and on favorable terms may have an adverse effect on our operations, profitability and growth prospects.***

Our business demands substantial funds towards working capital requirements. Our Objects of the Issue also consist of the requirement of working capital. In case there are insufficient cash flows to meet our working capital requirement or we are unable to arrange the same from other sources or there are delays in disbursement of arranged funds, or we are unable to procure funds on favorable terms, it may result into our inability to finance our working capital needs on a timely basis which may have an adverse effect on our operations, profitability and growth prospects. The working capital requirement for the period ended on September 30, 2024 & year ended March 31, 2024, March 31, 2023, and March 31, 2022 is given below.

*(Rupees in Thousand)*

S. No.	Particulars	Actual (Restated)				(Projected)	
		For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2024	For the period ended September 30, 2024	For the year ended March 31, 2025	For the period ended March 31, 2026
<b>I</b>	<b>Current Assets</b>						
	Inventories	241	6,015	3,518	12,421	3,71,592	7,13,126
	Trade receivables	19,490	80,578	1,65,765	4,82,041	4,45,907	7,13,121
	Investments	-	-	-	2,07,916	-	-
	Cash and cash equivalents	383	16,285	44,028	13,775	41,660	48,190
	Other financial Assets	27,833	80,592	1,19,404	1,90,959	2,56,480	4,10,177
	Other current assets	3,099	4,927	35,290	77,988	99,091	1,58,473
	<b>Total (A)</b>	<b>51,046</b>	<b>1,88,397</b>	<b>3,68,005</b>	<b>9,85,100</b>	<b>12,14,730</b>	<b>20,43,087</b>
<b>II</b>	<b>Current Liabilities</b>						
	Trade payables	2,092	18,236	56,413	2,59,125	90,326	1,42,300
	Other financial liabilities	6,980	13,886	13,983	16,490	14,283	14,283
	Other current liabilities	2,361	7,631	5,402	5,775	30,680	49,100
	Current tax liabilities - (Net)	0.00	2,782	20,310	2,127	20,310	20,310
	<b>Total (B)</b>	<b>11,433</b>	<b>42,535</b>	<b>96,108</b>	<b>2,83,516</b>	<b>1,55,599</b>	<b>2,25,993</b>
<b>III</b>	<b>Total Working Capital Gap (A-B)</b>	<b>39,613</b>	<b>1,45,862</b>	<b>2,71,897</b>	<b>7,01,583</b>	<b>10,59,131</b>	<b>18,17,094</b>
<b>IV</b>	<b>Funding Pattern</b>						
	Short-term borrowing & Internal Accruals	<b>39,613</b>	<b>1,45,862</b>	<b>2,71,897</b>	<b>7,01,583</b>	<b>7,09,131</b>	<b>14,17,094</b>
	<b>IPO Proceeds</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>3,50,000</b>	<b>4,00,000</b>

**14. We reported a restated loss after tax in one of the previous years and may incur additional losses in the future.**

We have reported a loss after tax for one of the financial year. However, we have maintained a positive earnings before taxes. The details of which are given below:

*(Amount in Thousands)*

Particulars	For the period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the period ended March 31, 2022
<b>Profit after Tax</b>	1,48,372	1,05,652	16,187	(301)
<b>Earnings before Interest, Depreciation and Taxes</b>	1,99,504	153,627	30,466	273

**15. *We are dependent on the performance of the Automobile Sector.***

Our Digitally Enabled Services segment, which has vehicle registration and last mile enablement services segment, is somewhat dependent on the performance of the Automobile Sector. Fluctuations in automobile sales due to market trends, consumer preferences, or economic conditions can lead to unpredictable demand for registration services. Further, Disruptions in the supply chain, such as shortages of vehicle parts or delays in production, can lead to decreased vehicle sales and, consequently, fewer registration requests. Various factors, including changes in government policies, economic conditions, demographic trends, employment and income levels, and interest rates influence the Automobile sector. These factors can negatively impact the demand for our solutions, potentially causing significant adverse effects on our business operations, financial performance, and overall financial condition. However, we are actively mitigating this by providing our services to the used car resale market. Further, as stated in our Growth Strategies in the chapter titled “Our Business” beginning on page.170, we intend to cater to new segments for our services like M2M KYC services and other e-services.

**16. *There may be potential conflicts of interest if our Promoters or Promoter Group or Directors or Group Companies are involved in any business activities that compete with or are in the same line of activity as our business operations.***

Our Promoters or Promoter Group or Directors or Group Companies are involved in same line of business as our company may lead to conflict of interest over resource allocation, including time, capital, and human resources. Further, there may be risk of sensitive information being inadvertently or deliberately shared between competing businesses of group companies. This could include trade secrets, business strategies, customer data, or other proprietary information, which might be used to the advantage of one business over the other. However, the group companies possess extensive experience in the same business sector and have been functioning in a complementary capacity to our company, aiding in the growth and development of our business, which may pose a challenge to the Promoters and Directors to act in the best interests of the whole group, rather than working in the interests of the company. They may face difficulties in aligning their strategic goals. This misalignment can result in decisions that may not be in the best interest of one or both businesses.

To mitigate these risks, it is essential to establish clear policies and procedures for identifying, disclosing, and managing conflicts of interest. Implementing robust governance frameworks, including independent board oversight and transparent reporting mechanisms, can help ensure that potential conflicts are addressed proactively and transparently. Our company has executed a non-compete agreement dated June 21, 2024 with our corporate promoter & our group companies to mitigate potential risks that may arise in the future.

**17. *Our Individual Promoters do not have any direct interest or shareholding in our company. They have been identified as Promoters by virtue of their beneficial shareholding in the Corporate Promoter.***

Our individual promoters, as defined in chapter “Our Promoters” beginning on page no. 258 of this Red Herring Prospectus, do not have any direct interest or shareholding in the company, rather they have been identified as promoters by virtue of being beneficial owners and bearing operational powers of Motilal Nagpal Family Trust and Shree Bankey Bihari Family Trust. Both the trusts have direct/indirect holding in our corporate promoter and our company.

Without direct shareholding, promoters may lack the motivation to align their actions with the best interests of the shareholders, potentially prioritizing personal or external or corporate promoters interests over the company's long-term success. This situation can lead to reduced accountability, as promoters without a financial stake in the company might not feel as compelled to ensure its growth and profitability. Additionally, there is a heightened risk of conflicts of interest, where promoters might make decisions that benefit other ventures they are involved in rather than focusing on the company’s welfare. This absence of shareholding can also raise concerns about the promoters' commitment to the company's vision and objectives, potentially leading to perception issues among investors, customers, and employees who might view the lack of direct interest as a lack of confidence in the company’s prospects. Moreover, without a financial stake, promoters may not be incentivized to pursue aggressive growth strategies or maximize shareholder value, potentially resulting in conservative or suboptimal business strategies.

***18. Our Company may not have complied with certain statutory provisions of the Companies Act, 2013. Such non-compliances / lapses may attract penalties and prosecution against the Company and its directors which could impact the financial position of the Company to that extent.***

We monitor compliances with applicable laws and regulations by implementing stringent internal checks and controls. Although we have generally been in compliance with applicable laws, there have been certain instances of discrepancies/ errors in statutory filings. However, we have noticed a delay in taking shareholders’ approval under section 180(1)(c) for borrowing power for taking loan from the Corporate Promoter/ Holding company for Financial Year 2021-22. Further, the company has taken shareholders’ approval in financial year 2022-23, and financial year 2023-24. Although no regulatory action has been taken against us with respect to the aforesaid non-compliances/errors, while we endeavour to comply with the applicable laws, there can be no assurance that regulatory action shall not be taken by the relevant authorities against us in the future. In an event such an action is taken, we may be subject to penalties and other consequences that may adversely impact our business, reputation, and results of operation and there can be no assurance that we shall be able to successfully defend any action/allegation raised by such regulatory authorities. Our compliance team meticulously follows a detailed compliance calendar providing for compliances under various applicable laws, including but not limited to the Companies Act. As we continue to grow, there can be no assurance that deficiencies in our internal controls shall not arise, or that we shall be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all. There may be recurrences of similar discrepancies/errors in the future that could subject our Company to penal consequences under applicable laws. Any such action may adversely impact our business, reputation, and results of operation.

The details of non-compliances or delayed filings is given as follows:

S. No.	Form Name	Date of event	Due Date	Delayed days
1	MGT-6	9/27/2021	10/26/2021	981 Days
2	MGT-14	9/27/2021	10/26/2021	985 Days
3	DPT-3	3/31/2022	6/30/2022	749 Days



4	AOC-4(XBRL)	9/27/2022	10/26/2022	199 Days
5	MGT-7	9/27/2022	11/25/2022	172 Days
6	ADT-1	9/27/2022	10/11/2022	226 Days
7	MGT-14	9/27/2022	10/26/2022	68 Days
8	MGT-14	11/28/2022	12/27/2022	558 Days
9	MGT-14	11/28/2022	12/27/2022	204 Days
10	AOC-4(XBRL)	9/29/2023	10/28/2023	181 Days
11	DPT-3	3/31/2023	6/30/2023	384 Days
12	AOC-5	5/24/2023	5/31/2023	28 Days
13	DPT-3	3/31/2024	6/30/2024	07 Days
14	MR-1	4/30/2024	6/28/2024	20 Days
15	INC-27	4/30/2024	5/14/2024	07 Days
16	MGT-6	5/10/2024	6/8/2024	02 Days
17	BEN-2	4/27/2024	5/26/2024	53 Days

- 19. Our success depends largely upon the services of our Directors, Promoters and other Key Managerial Personnel and our ability to attract and retain them. Some of our KMPs are appointed on deputation by our Corporate Promoter/ Holding company, and not directly appointed by our Company. The Demand for Key Managerial Personnel in the industry is intense and our inability to attract and retain Key Managerial Personnel may affect the operations of our Company.**

Our success is dependent on the expertise and services of our Directors, Promoters and our Key Managerial Personnel. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. Our future performance will depend upon the continued services of these persons. Demand for Key Managerial Personnel in the industry is intense. Further, some of our KMPs i.e., Mr. Akhil Gupta, CEO and Mr. Kuntal Kar, Company Secretary & Compliance Officer, are appointed on deputation basis by our Corporate Promoter/ Holding Company. Our Corporate Promoter is acting as a backbone for growth and success of our company and has been working closely to provide appropriate key managerial personnel to our company. The details of their appointment can be referred from the chapter “Our Management” beginning on page no. 233 of the Red Herring Prospectus. The KMPs appointed on deputation may not have the same level of long-term commitment to the company as permanent employees. Their status could result in a focus on short-term goals rather than long-term strategic planning and growth of the company. Their loyalty to their parent organization may lead to potential conflicts of interest and their decisions might be influenced by the interests of their original employer, which could be detrimental to the company's objectives. Further, in order to motivate the employees and stay committed with our company, our company has adopted an Employee Stock Option Plan under Employee Stock Options.

Further, we cannot assure you that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results our operations.

- 20. We may not be able to evaluate our business on the basis of past performance and compete in the industry due to limited history of our company.**

Our company was incorporated on September 14, 2021, thus having limited experience in the business. If we fail to compete effectively in new business segments, our service quality may decline, we might struggle to diversify our portfolio, and we could face difficulties in reducing costs. Our Corporate Promoter has been acting as a backbone for growth and success of our company and has been working closely with our company,

providing their expertise and experience in the industry. Additionally, due to our relatively brief operating history, the limited historical data available may not accurately reflect our future financial position or operational results.

***21. Our Company may incur penalties or liabilities for non-compliance with certain provisions of the GST Act, Income Tax and other applicable laws in previous years.***

Our Company may have incurred penalties or liabilities for non-compliance with certain provisions including lapsed/ made delay in certain filings and/or erroneous filing/ non-filing of e-forms under applicable acts to it in the past years. Such non-compliances/delay Compliances/ erroneous filing/ Non-Filing/ Non-Registration may incur the penalties or liabilities which may affect the results of operations and financial conditions of the company in near future. We have delayed the filing of GSTR-1 for the month of January 2024 by 2 days, due to technical reason. Further, we are improving our operational systems and mitigating to avoid any delays.

***22. We may be required to enter into strategic partnerships and acquisitions in the future, in relation to our growth strategy. If we are unable to successfully identify and integrate acquisitions, our growth strategy and prospects may be adversely affected.***

We intend to utilise our IPO proceeds for unidentified acquisitions. We have also mentioned in the chapter “Our Objects” beginning on page no. 91. Our Company may enter into strategic acquisitions and takeovers that are complementary to our business operations, including opportunities that can help us further improve our technology system, profitability and market reach. We have limited experience in undertaking such strategic acquisitions and subsequent integrations of the same. These strategic acquisitions and subsequent integrations of newly acquired businesses would require significant managerial and financial resources and could result in a diversion of resources from our existing business, which in turn could have an adverse effect on our growth, profitability and business operations. Acquired businesses or assets may not generate expected financial results, integration opportunities, synergies and other benefits immediately, or at all, and may also incur losses. The cost and duration of integrating newly acquired businesses could also materially exceed our expectations, which could negatively affect our results of operation. We may also incur reputational or financial losses to resolve outstanding litigations, contractual liabilities or financial indebtedness we inherit from our strategic acquisitions. We may also face operational and structural integration challenges in integrating IT systems, retaining relationships with key employees of acquired businesses, and increased regulatory and compliance requirements. If any of such challenges are not resolved in our favour, we could lose opportunities in strategic acquisitions and alliances, and our business, financial condition and results of operations will be materially and adversely affected. We may face litigation, arbitral or other claims in connection with, or may inherit such claims or liabilities, as a result of any strategic transaction, including claims from erstwhile employees, distributors, customers, business partners or other third parties. Any inability to identify suitable acquisition, investment or other strategic growth opportunities or to complete such transactions on commercially viable terms in the future may adversely affect our competitiveness or growth prospects.

***23. Our Company’s operation and growth is dependent upon successful implementation of our business strategies.***

The success of our business depends substantially on our ability to implement our business strategies effectively, within the budgeted framework and in a timely manner. We have successfully executed our business strategies in the past but there can be no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted customers. Changes in regulations applicable to us may also make it difficult to implement our business

strategies. Failure to implement our business strategies would have a material adverse effect on our business and the results of operations. For more details kindly refer to chapter “Our Business” beginning on page no. 170 of this Red Herring Prospectus.

**24. OEMs may diversify away from our company for vehicle registration and start doing registration on their own.**

As part of our Digitally Enabled Services, we provide registration services and other allied services to OEMs and used car resale companies. These companies would rather focus on their core business and outsource ancillary activities to third-party providers like ourselves. However, there is a potential scenario where these companies might consider internalizing our services for greater feasibility and control over their respective business. If such a situation arises, it may pose a challenge to our business by directly impacting our revenue and profitability.

**25. We do not have long-term contracts with our suppliers and therefore, there may be potential unavailability of raw materials in the Digitally enables in future, which may adversely affect our business operations.**

Under the Digitally Enabled Channel Sales, we procure products (Automotive components and accessories, also mentioned the details in the chapter “Our Business” beginning on page no. 170) from our suppliers and directly deliver them to our customers. The seamless execution of the delivery of these products depends upon the timely availability of products with suppliers and the availability of our delivery agents at the specified location. If we are unable to obtain adequate supplies of products in a timely manner or on commercially acceptable terms, the cost of products can increase, which could have an adverse effect on our business, prospects, results of operations, and financial condition. Also, we generally do not enter into agreements with our suppliers and transact with them on an order-by-order basis, and we cannot assure you that we will continue to enjoy undisrupted relationships with our suppliers in the future. However, we may enter into long term contracts with our suppliers for continuous supply of automotive components.

**26. We have issued Equity Shares during the last one year at a price that may be below the Issue Price.**

During the last one year we have issued Equity Shares at a price that is lower than the Issue Price as detailed in the following table:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price (₹)	Nature of Consideration	Nature of allotment
June 25, 2024	70,00,000	10/-	Nil	Nil	Bonus Issue
July 09, 2024	39,51,440	2/-	110/-	Cash	Private Placement
July 16, 2024	48,560	2/-	110/-	Cash	Private Placement

**27. We may not be able to prevent unauthorised use of trademarks obtained/ applied for by third parties, which may lead to the dilution of our goodwill.**

As on the date of this Red Herring Prospectus, we have applied 32 trademark registrations of our brand Rosmerta, URJA, MyRaasta under various classes under The Trade Marks Act, 1999. Any unauthorized use or infringement of our trademark by third parties may have negative consequences. It may damage our reputation, discourage potential investors, partners, or customers. Additionally, if we fail to protect our own intellectual property, or fail to get the trademark registered, our competitors or other third parties may copy, steal, or misuse our ideas or

services. This can lead to lost revenues, decreased market share, or erosion of our competitive advantage. Moreover, any unauthorized use, reproduction, or distribution of our copyrighted material without our permission will result in legal action and may lead to financial penalties, damage to our brand reputation.

Also, preventing trademark infringement, particularly in India, is difficult, costly and time consuming. The measures we take to protect our trademarks may not be adequate to prevent unauthorized use by third parties, which may affect our brand and in turn adversely affect our business, financial condition, results of operations and prospects.

For further details on the trademarks, Objected or pending registration, please refer to the chapter titled- Government and Other Approvals – Intellectual Property Rights on page 339 of this Red Herring Prospectus.

***28. Cybersecurity threats continue to increase in frequency and sophistication. A successful cybersecurity attack could interrupt or disrupt our information technology systems or cause the loss of confidential or protected data, which could disrupt our business, force us to incur excessive costs or cause reputational harm***

We provide a digitally enabled services for our customers (OEMs), where we offer a wide range of services, as given the chapter “Our Business” beginning on page no. 170 of this Red Herring Prospectus. In the course of our business, we collect, store, process, transfer, and use various types of confidential information, including personally identifiable information. This is done to comply with government regulations and to deliver our services to customers and counterparties. The information we handle can be sensitive and is subject to numerous privacy, data protection, cybersecurity, and other relevant laws and regulations. Due to the sensitivity and nature of the information we process, as well as the size and complexity of our information systems, we and our third-party service providers are the target of, defend against and must regularly respond to cyberattacks, including from malware, phishing or ransomware, physical security breaches, or similar attacks or disruptions. If our security measures are breached or unauthorized access to customer data is otherwise obtained, our solutions may be perceived as not being secure, and we may incur significant liabilities. We may also incur significant costs and loss of operational resources in connection with remediating, investigating, mitigating, or eliminating the causes of security breaches, cyberattacks, or similar disruptions after they have occurred, and particularly given the evolving nature of these risks, our incident response, disaster recovery, and business continuity planning may not sufficiently address all of these eventualities.

***29. We may not be able to prevent unauthorised use of patents obtained/ applied for by third parties, which may lead to the dilution of our goodwill.***

We have one patent registered by our company under The Patent Act, 1970 for securing our in-house URJA platform, for vehicle registration and data management system. Although, we have secured legal protection for our platform, but there is always a possibility that third parties may independently develop similar processes. The development of similar processes independently by third parties poses a potential threat to our operations, thereby impacting our financial condition and profitability. Such developments could undermine our competitive advantage, which may lead to market disruption, affect our market share and our future revenue from operations.

For further details related to patent please refer to the chapter “Our Business” beginning on page 170 of this Red Herring Prospectus.

***30. Our profitability and business operations are significantly dependent on our ability to successfully anticipate the industry and client requirements. Any failure on our part to do so, may have an impact on our operations, which could have an adverse effect on our revenue, reputation, financial conditions, results of operations and cash flows.***

Our profitability, business operations and its success are significantly dependent on our ability to ensure continued demand for our services in existing and proposed markets, which requires us to continuously anticipate and respond in a timely manner to customer requirements and preferences. If we are unable to successfully anticipate customer requirements or are unable to modify our services, in a timely manner, we may lose customers.

Though we are committed to our services improvement, there can be no assurance that we would be successful in improving our services that respond to changes in customer requirements and preferences. Any enhancement to our existing offerings or new offerings that we develop and introduce involves significant commitment of time and resources and is subject to a number of risks and challenges including:

- ensuring the timely deployment of new offerings and features;
- adapting to emerging and evolving industry standards, technological developments by our competitors and changing client requirements;
- operating effectively with existing or newly-introduced technologies, systems, or applications of our existing and prospective clients.

The development of alternative technologies or a fundamental shift in technologies in key markets for our business segments could have an adverse effect on our business. Moreover, failure to correctly anticipate trends and adapt to the changing technological environment may result in reduced demand for our services which could have adverse effect on our revenue, reputation, financial conditions, results of operations and cash flows.

***31. Our Company has entered into certain related party transactions in the past and may continue to do so in the future.***

As of nine months period ended September 30, 2024, we have entered into several related party transactions with our Promoters, individuals and entities forming a part of our promoter group relating to our operations aggregate amount to Rs. 3,53,710 Thousands. In addition, we have in the past also entered into transactions with other related parties. However, the related party transactions entered into with Promoters/ Directors/ Promoter Group are on arms length and are in compliance with Section 188 of Companies Act, 2013 and other applicable rules, as may be applicable.

For further details, please refer to the chapter titled “*Financial Information – Restated Financial Statements – Note 28 Restated Statement of Related Party Transactions*” beginning on page 288. While we believe that all our related party transactions have been conducted on an arm’s length basis as per the Companies Act, 2013, we cannot assure you that we may not have achieved more favourable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future.

***32. We require certain approvals and licenses in the ordinary course of business and the failure to successfully obtain such registrations would adversely affect our operations, results of operations and financial condition.***

We are governed by various laws and regulations for our business and operations. We are required, and will continue to be required, to obtain and hold relevant licenses, approvals and permits at state and central government levels for doing our business. The approvals, licenses, registrations and permits obtained by us may contain conditions, some of which could be onerous. Additionally, we will need to apply for renewal of certain approvals, licenses, registrations and permits, which expire or need to update pursuant to conversion

of company from Private Company to public Company. Further for purchasing new offices in different cities of India, we require certain approvals and licenses as per the requirement of that particular area.

While we have obtained a significant number of approvals, licenses, registrations and permits from the relevant authorities. There can be no assurance that the relevant authority will issue an approval or renew expired approvals within the applicable time period or at all. Any delay in receipt or non-receipt of such approvals, licenses, registrations and permits could result in cost and time overrun or which could affect our related operations. Furthermore, under such circumstances, the relevant authorities may initiate penal action against us, restrain our operations, impose fines/penalties or initiate legal proceedings for our inability to renew/obtain approvals in a timely manner or at all.

These laws and regulations governing us are increasingly becoming stringent and may in the future create substantial compliance or liabilities and costs. While we endeavor to comply with applicable regulatory requirements, it is possible that such compliance measures may restrict our business and operations, result in increased cost and onerous compliance measures, and an inability to comply with such regulatory requirements may attract penalty. For further details regarding the material approvals, licenses, registrations and permits, which have not been obtained by our Company or are, pending renewal, see “Government and Other Approvals” on page 339 of this Red Herring Prospectus.

Furthermore, we cannot assure you that the approvals, licenses, registrations and permits issued to us will not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any suspension or revocation of any of the approvals, licenses, registrations and permits that has been or may be issued to us may affect our business and results of operations.

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

Effective internal controls are necessary for us to prepare reliable financial reports and effectively prevent and detect any frauds or misuse of funds. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may decline over time. There can be no assurance that additional deficiencies or lacks in our internal controls will not arise in the future, or that we will be able to implement and continue to maintain adequate measures to rectify or mitigate any such deficiencies or lacks in our internal controls. If internal control weaknesses are identified in a delayed manner, our actions may not be sufficient to correct such internal control weakness. Such instances may also adversely affect our reputation, thereby adversely impacting our business, results of operations and financial condition.

***34. Our Promoter and the Promoter Group will jointly continue to retain majority shareholding in our Company the issue, which will allow them to determine the outcome of the matters requiring the approval of shareholders.***

Our promoter will continue to hold collectively 66.02% of the post issued Equity share capital of the company. As a result of the same, they will be able to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholders vote. Such a concentration of the ownership may also have the affect of delaying, preventing or deterring any change in the control of our company. In addition to the above, our promoter will continue to have the ability to take actions that are not in, or may conflict with our interest or the interest of some or all of our minority shareholders, and there is no assurance that such action will not have any adverse effect on our future financials or results of operations.

- 35. *Our funding requirements and proposed deployment of the Net Proceeds have not been appraised by a credit rating agency registered with the Board and if there are any delays or cost overruns, we may have to incur additional cost to fund the objects of the Issue because of which our business, financial condition and results of operations may be adversely affected.***

We intend to use the Net Proceeds for the purposes described in chapter titled “Objects of the Issue” on page 91 of this Red Herring Prospectus. All the funding requirements mentioned as a part of the objects of the Issue have not been appraised by any credit rating agency registered with the Board. The deployment of the funds as stated under chapter “Objects of the Issue” is at the discretion of our Board of Directors and is not subject to monitoring by any external independent credit rating agency.

As per SEBI (ICDR) Regulations, 2018, appointment of monitoring agency is required only for Issue size above ₹ 100 crores. Hence, we have appointed a monitoring agency to monitor the utilization of Issue proceeds. However, the Audit Committee of our Board along with Monitoring Agency will monitor the utilization of Issue proceeds. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

- 36. *Certain Agreements, deeds or licenses and certificates may be in the previous name of the company, we have to update the name of our company in all the statutory approvals and certificates due to the conversion of our Company.***

Our company, Rosmerta Digital Services Limited was converted into public limited company vide special resolution passed in the Extra-Ordinary Meeting of the company held on April 30, 2024. Our certain agreements, deeds or licenses and certificates may be in the name of the erstwhile name of the company Rosmerta Digital Service Private Limited and we would require to update all of them and we have initiated the process to update them all.

However, we cannot guarantee that we will be able to update all these in a timely manner and in case of failure to do so, it may affect our company’s business and operations. Further, we may also face legal and financial complications, increased compliance costs, which may have an adverse effect on our company’s financial condition and performance.

- 37. *Certain key performance indicators for certain listed industry peers included in this Red Herring Prospectus have been sourced from public sources and there is no assurance that such financial and other industry information is complete.***

Pursuant to the requirements of the SEBI ICDR Regulations, we have included certain key performance indicators, comprising financial and operational information, for certain listed industry peers, in the “**Basis for Issue Price**” beginning on page 128 of the Red Herring Prospectus. Although this information is sourced from and relied upon on the consolidated audited financial statements of the relevant listed industry peers as available on the websites of the Stock Exchanges, including the annual reports of the respective companies submitted to Stock Exchanges, there is no assurance that this information with respect to industry peers is either complete. There maybe different methodologies and formulas used to compute the various ratios.

- 38. *Industry information included in this Red Herring Prospectus has been derived from an industry report from various websites. The reliability on the forecasts of the reports could be incorrect and would significantly impact our operations.***

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Red Herring Prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective 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 for other economies 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 may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Red Herring Prospectus.

**39. *Our Company's future funding requirements, in the form of further issue of capital or other securities and/or loans that might be availed by us, may turn out to be prejudicial to the interest of the shareholders depending upon the terms and conditions on which they are raised.***

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

**40. *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 the shares proposed to be offered though this Red Herring Prospectus. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company, please refer to page no. 26 of this Red Herring Prospectus.

**41. *Fraud, theft, employee negligence or similar incidents may adversely affect our results of operations and financial condition.***

Our operations may be subject to incidents of theft or damage to inventory. The business may also encounter some inventory loss on account of employee theft, vendor fraud and general administrative error. While we have not experienced any such instance in the past, there can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse or similar incidents in the future, which could adversely affect our results of operations and financial condition. Though we have insurance losses due to theft, fire, breakage or damage caused by other casualties, could adversely affect our results of operations and financial condition.

**42. *Our insurance coverage in connection with our business may not be adequate and may adversely affect our operations and profitability.***

Our Company has obtained insurance coverage in respect of certain risks. For further details in relation to



our Insurance, please refer to the section titled - Insurance in the chapter titled “Our Business” beginning on page 170 of this Red Herring Prospectus. The insurance policies are renewed periodically to ensure that the coverage is adequate, however, our insurance policies do not cover all risks. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely.

**43. *Our company may face potential cyber-attacks, data breaches, and system failures that could disrupt operations and damage reputation.***

Our company may face substantial cybersecurity risks in today's digital world. With a heavy reliance on digital systems and the management of sensitive data such as personal and vehicle information, the company is vulnerable to various cyber threats. These threats include cyber-attacks, data breaches, operational disruptions etc. which can disrupt business operations leading to downtime, service interruption, financial losses, damage to customer trust and reputation and reduced productivity.

To mitigate these risks, the company has implemented advanced security measures such as firewalls, intrusion detection systems, and encryption protocols. Regular security audits and vulnerability assessments are crucial to identify and address potential threats promptly. Additionally, developing and updating an incident response plan ensures a swift and effective response to cyber incidents.

**44. *High turnover rates and difficulty in retaining skilled employees can impact operational efficiency and growth.***

The operational efficiency and growth of the company maybe affected by high turnover rates and low retention rates of employees. Also, we are susceptible to risks relating to unionization of our workers employed by us. We also cannot assure you that we will not experience disruptions in our work due to disputes or other problems with our workforce. If not resolved in a timely manner, these risks could limit our ability to provide our services to our clients, cause clients to limit their use of our services or result in an increase in our cost of employee benefits and other expenses. If any of these risks materialize, our business, results of operations and financial condition could be affected.

*This space is left blank intentionally.*

### *Issue Related Risk Factors*

***45. There are certain restrictions on daily movements in the price of 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.***

Following the Issue, we will be subject to a daily circuit breaker imposed by Stock Exchange, 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 our circuit breakers will be set by the stock exchange based on the historical volatility in the price and trading volume of the Equity Shares. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can 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.

***46. 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 Exchanges may fluctuate as a result of the factors, including:

- Volatility in the Indian and global capital market;
- Company's results of operations and financial performance;
- Performance of Company's competitors,
- Adverse media reports on Company or pertaining to our Industry;
- Changes in our estimates of performance or recommendations by financial analysts; and
- Significant developments in India's economic and fiscal policies;

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 has been no public market for Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. 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.

***47. Market price of our share will be decide by market forces and issue price of equity share may not be indicative of the market price our share price after the issue.***

After listing and trading permission of equity shares, the price of the shares shall be driven by free market forces. The market price of a company's share is determined by the forces of supply and demand in the stock market. These forces are influenced by a variety of factors, including the company's financial performance, industry trends, economic conditions, and investor sentiment.

When a company issues equity shares, it sets an issue price based on various factors such as the company's valuation, the prevailing market conditions, and the demand for its shares. However, the issue price is not necessarily indicative of the market price of the shares after the issue.

Once the shares are listed on the stock exchange, their price is determined by the forces of supply and demand in the market. If there is strong demand for the shares, the price may rise above the issue price, and if there is weak demand, the price may fall below the issue price.

Therefore, while the issue price of equity shares provides a starting point for the company's valuation, it is not necessarily a reliable indicator of the market price of the shares after the issue. Investors should carefully evaluate all relevant factors and information before making investment decisions in the stock market.

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

Prior to the Issue, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for our Equity Shares will develop or, if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is determined considering various financial factors of the Company and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. There has been significant volatility in the Indian stock markets in the recent past, and the trading price of our Equity Shares after this Issue could fluctuate significantly as a result of market volatility or due to various internal or external risks, including but not limited to those described in this Red Herring Prospectus. A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment

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

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities may differ from those that would apply to a company in another jurisdiction. Investors may have more difficulty in asserting their rights as shareholders in an Indian company than as shareholder of a corporation in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other jurisdictions. Under the Companies Act, prior to issuance of any new equity shares, a public limited company incorporated under Indian law must offer its equity shareholders pre-emptive rights to subscribe to a proportionate number of equity shares to maintain existing ownership, unless such pre-emptive rights are waived by a special resolution by a three fourths majority of the equity shareholders voting on such resolution. If you are a foreign investor and the law of the foreign jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such foreign jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file an offering document or a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interest in our Company would decline.

***50. Any variation in the utilization of the Net Proceeds as disclosed in this Red Herring Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company.***

We propose to utilize the Net Proceeds for raising funds for capital expenditure, working capital Requirement and general corporate purpose. For further details of the proposed objects of the Issue, please refer the chapter titled "Objects of the Issue" beginning on Page No. 91 of this Red Herring Prospectus. At this juncture, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this 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 vary the disclosed utilization 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.

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

In light of these factors, we may not be able to vary the 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.

### ***External Risk Factors***

#### ***51. Outbreaks of contagious diseases, such as the recent outbreak of COVID-19, may have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.***

India experienced multiple waves of COVID-19 which had impacted global supply chains and resulted in shortages of materials and components used in the manufacturing operations and an inability to meet the manufacturing targets and this impact continues till date. The COVID-19 pandemic had resulted in restrictions on travel and transportation and prolonged closures of workplaces, businesses and schools, with employees being asked to work from home and citizens being advised to stay at home. Consequently, there was a significant disruption in attendance at the manufacturing facilities.

There can be no assurance that any future outbreak of contagious diseases will not have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

#### ***52. Changes in the laws, regulations and Government Policy could adversely affect economic conditions in India generally and our business in particular.***

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, changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us. For instance, the Government has proposed a comprehensive national goods and services tax ("GST") regime that will combine taxes and levies by the Central and state Governments into a unified rate structure. Given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to the tax regime following implementation of the GST. For further details please refer to the chapter "***Government and Other Approvals***" on page 339 for details of the laws currently applicable to us. Elimination or substantial change of policies or the introduction of policies that negatively affect the Company's business could cause its results of operations to suffer. Any significant change in India's economic policies could disrupt business and economic conditions in India generally and the Company's business in particular.

#### ***53. A slowdown in economic growth in India could adversely affect our business, results of operations, financial condition and cash flows.***

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth

and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. Demand for our services may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the country in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand, global economic uncertainty and liquidity crisis, and volatility in exchange currency rates. Consequently, any future slowdown in the Indian economy could harm our business, results of operations, financial condition and cash flows.

***54. Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.***

Inflation is typically impacted by factors such as governmental policies, regulations, commodity prices, liquidity and global economic environment. Any change in the government or a change in the economic and deregulation policies could adversely affect the inflation rates. Continued high rates of inflation may increase our costs such as salaries, travel costs and related allowances, which are typically linked to general price levels. There can be no assurance that we will be able to pass on any additional costs to our clients or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our profitability and, if significant, on our financial condition.

***55. 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 effect on our business, financial condition and results of operations.***

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include STT, GST, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. Imposition of any other taxes by the Central and the State Governments may adversely affect our results of operations.

***56. Investors may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.***

Capital gains arising from the sale of equity shares within 12 months in an Indian company are generally taxable in India. Any gain realised on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gain being long term capital gain amounting to upto one lakhs rupees provided Securities Transaction Tax (“STT”) is paid on the transaction. STT is levied on and collected by a domestic stock exchange on which equity shares are sold. Any gain realised on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, is subject to long term capital gains tax in India. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of equity shares is exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident.

Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

***57. Instability in financial markets could materially and adversely affect our results of operations and financial condition.***

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and

market conditions. Any financial turmoil, especially in the United States of America or Europe, 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 affects 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. The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion affect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse affect on our business, operations, financial condition, profitability and price of our Equity Shares.

***58. 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, tsunamis, 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. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares.

***59. 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 may adversely affect the Indian stock markets where our Equity Shares will trade the global equity markets as well generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

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## SECTION IV- INTRODUCTION

### THE ISSUE

Particulars	Details of Number of Shares
Issue of Equity Shares by our Company	Up to 1,40,36,000 Equity Shares of face value of Rs.2/- each fully paid-up for cash at price of Rs. [●]/- per Equity Share aggregating to Rs. [●] Lakh.
Reserved for Market Makers	Up to 7,03,000 Equity Shares of face value of Rs.2/- each fully paid-up for cash at price of Rs. [●]/- per Equity Share aggregating to Rs. [●] Lakh.
Net Issue to the Public	Up to 1,33,33,000 Equity Shares of face value of Rs.2/- each fully paid-up for cash at price of Rs. [●]/- per Equity Share aggregating to Rs. [●] Lakh.
<b>Of which:</b>	
<b>A. QIB portion **</b>	Not more than 66,64,000 Equity Shares
Of which	
(a) Anchor Investor Portion	Up to 39,98,000 Equity Shares of face value of Rs.2/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Thousand
(b) Net QIB Portion (assuming the anchor Investor Portion is fully subscribed)	Up to 26,66,000 Equity Shares of face value of Rs.2/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Thousand
<b>Of which:</b>	
(i) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Up to 1,33,000 Equity Shares of face value of Rs.2/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Thousand
(ii) Balance of QIB Portion for all QIBs including Mutual Funds	Up to 66,64,000 Equity Shares of face value of Rs.2/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Thousand
<b>B. Non – institutional portion **</b>	Not Less than 20,01,000 Equity Shares of face value of Rs.2/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Thousand
<b>C. Retail portion **</b>	Not Less than 46,68,000 Equity Shares of face value of Rs.2/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Thousand
<b>Pre-and Post-Issue Equity Shares:</b>	
Equity Shares outstanding prior to the Issue	3,90,50,000 Equity Shares of Rs.2/- each
Equity Shares outstanding after the Issue	5,30,86,000 Equity Shares of Rs.2/- each
Use of Proceeds	Please see the chapter titled “Objects of the issue” on page 91 of this Red Herring Prospectus for information about the use of Net Proceeds.

*\*\*As per the Regulation 253 of the SEBI (ICDR) Regulations, 2018, as amended, as present issue is a Book Building issue the allocation is the net offer to the public category shall be made as follows:*

a) *Not less than Thirty five percent to retail individual investor;*

- b) *Not less than Fifteen percent to non-institutional investor*
- c) *Not more than fifty percent to qualified institutional buyers, five percent of which shall be allocated to mutual funds.*

*Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.*

*Provided further that in addition to five percent allocation available in terms of clause I, mutual funds shall be eligible for allocation under the balance available for qualified institutional buyers.*

*Our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portions shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see "Issue Procedure" on page 374.*

*Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories, as applicable, at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable law.*

#### **Notes**

- 1) *The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. The issue is being made by our company in terms of Regulation 229 (2) of SEBI (ICDR) Regulation, read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post issued paid-up equity share capital of our company are being offered to the public for subscription.*
- 2) *The Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on June 29, 2024 and by our Shareholders pursuant to a resolution passed at the EGM held on July 01, 2024, This Issue is made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details please refer to the section titled "Issue Structure" beginning on page no. 412 of this Red Herring Prospectus.*
- 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. All Bidders, other than the Anchor Investors, are mandatorily required to participate in this Issue only through an Application Supported by Blocked Amount ("ASBA") process, providing details of their respective bank accounts (including UPI ID for UPI Bidders using UPI Mechanism) in which the Bid amount will be blocked by the Self Certified Syndicate Banks or the Sponsor Bank. The Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For further details, please see "Issue Procedure" on page 374.*
- 4) *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.*
- 5) *In the event of an under-subscription in the issue and compliance with Rule 19(2)(b) of the SCRR, our Company and the BRLMs shall first ensure Allotment of Equity Shares offered pursuant to the Fresh issue by the Issuer.*
- 6) *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 Book Running Lead Managers and the Designated Stock Exchange, subject to applicable laws.*



**SUMMARY OF OUR FINANCIAL INFORMATION**
**RESTATED STATEMENT OF ASSETS AND LIABILITIES**
*(Rupees in Thousands)*

Particulars	Note No.	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>I. ASSETS</b>					
<b>1. Non-current assets</b>					
(a) Property, plant and equipment	3	1,938	2,688	3,964	4,481
(b) Right-of-use assets	3	583	717	-	-
(c) Financial assets					
(i) Other financial assets	4	60	58	-	-
(d) Other Non-Current Assets	11	10,000			
(e) Deferred tax assets (net)	5	3,626	2,985	882	-
(f) Income tax assets (net )	6	-	-	-	187
<b>Total non-current assets</b>		<b>16,207</b>	<b>6,448</b>	<b>4,846</b>	<b>4,668</b>
<b>2. Current assets</b>					
(a) Inventories	8	12,421	3,518	6,015	241
(b) Financial assets					
(i) Investments	7	2,07,916	-	-	-
(ii) Trade receivables	9	4,82,041	165,765	80,578	19,490
(iii) Cash and cash equivalents	10	13,667	43,922	16,185	383
(iv) Bank balance other than (ii) above	10.1	108	106	100	-
(v) Other financial Assets	4	1,90,959	119,404	80,592	27,833
(c) Other current assets	11	77,988	35,290	4,927	3,099
<b>Total current assets</b>		<b>9,85,100</b>	<b>368,005</b>	<b>188,397</b>	<b>51,046</b>
<b>Total assets (1)+(2)</b>		<b>10,01,307</b>	<b>374,453</b>	<b>193,243</b>	<b>55,714</b>
<b>II. EQUITY AND LIABILITIES</b>					
<b>1. Equity</b>					
(a) Equity share capital	12	78,100	100	100	100
(b) Other equity	13	631,834	122,032	15,816	(301)
<b>Total equity</b>		<b>7,09,934</b>	<b>122,132</b>	<b>15,916</b>	<b>(201)</b>
<b>Liabilities</b>					
<b>2. Non- current liabilities</b>					
(a) Financial liabilities					
(i) Lease liabilities	14	279	398	-	-
(b) Provisions	15	7,578	5,614	2,964	378
(c) Deferred tax liabilities	5	-	-	-	183
<b>Total non- current liabilities</b>		<b>7,857</b>	<b>6,012</b>	<b>2,964</b>	<b>561</b>
<b>(3) Current liabilities</b>					
(a) Financial liabilities					
(i) Borrowings	16	-	149,901	131,828	43,921

(ii) Lease liabilities	<b>14</b>	300	300	-	-
(iii) Trade payables	<b>17</b>				
(a) Total outstanding due of micro enterprises and small enterprises		1,647	436	200	225
(b) Total outstanding due of other than micro enterprises and small enterprises		257,477	55,977	18,036	1,867
(iv) Other financial liabilities	<b>18</b>	16,490	13,983	13,886	6,980
(a) Other current liabilities	<b>19</b>	5,460	5,402	7,631	2,361
(c) Provisions	<b>15</b>	15	9	4	-
(d) Current tax liabilities - (Net)	<b>20</b>	2,127	20,301	2,778	-
<b>Total current liabilities</b>		<b>2,88,335</b>	<b>246,309</b>	<b>174,363</b>	<b>55,354</b>
<b>Total Liabilities (2) +(3)</b>		<b>2,91,373</b>	<b>252,321</b>	<b>177,327</b>	<b>55,915</b>
<b>Toal equity and liabilities (1)+(2)+(3)</b>		<b>10,01,307</b>	<b>374,453</b>	<b>193,243</b>	<b>55,714</b>

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**RESTATED STATEMENT OF PROFIT AND LOSS**
*(Rupees in Thousands)*

Particulars	Note No.	For the period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the period ended Sep 14, 2021 to March 31, 2022
<b>I. INCOME:</b>					
Revenue from operations	<b>21</b>	9,22,423	841,900	297,891	20,270
Other income	<b>22</b>	2,934	7	-	-
<b>Total Income</b>		<b>925,357</b>	<b>841,907</b>	<b>297,891</b>	<b>20,270</b>
<b>II. EXPENSES :</b>					
Purchase of traded goods and services	<b>23</b>	514,842	407,992	53,572	464
Change in inventory in traded goods	<b>23.1</b>	(8,903)	2,497	(5,774)	(241)
Employee benefits expense	<b>24</b>	87,747	136,522	120,507	14,912
Finance costs	<b>25</b>	3,023	10,695	6,549	334
Depreciation and amortization expense	<b>4</b>	1,007	1,765	1,579	19
Other expenses	<b>26</b>	129,233	141,262	99,120	4,862
<b>Total expenses</b>		<b>7,26,949</b>	<b>700,733</b>	<b>275,553</b>	<b>20,350</b>
<b>III. Profit/(Loss) before tax for the year</b>		<b>1,98,408</b>	<b>141,174</b>	<b>22,338</b>	<b>(80)</b>
<b>IV. Tax expense</b>					
(i) Current tax	<b>27</b>	50,739	37,815	7,193	38
(ii) Deferred tax assets		(676)	(2,293)	(1,042)	183
(iii) Tax expenses pertaining to earlier year		(27)			
<b>Total tax expense for the year/period</b>		<b>50,036</b>	<b>35,522</b>	<b>6,151</b>	<b>221</b>
<b>V. Profit/(Loss) for the year/period (III-IV)</b>		<b>148,372</b>	<b>105,652</b>	<b>16,187</b>	<b>(301)</b>
<b>Other comprehensive Income/(loss) for the year/period</b>					
<b>A. Items that will not be reclassified to profit or loss</b>					
(i) Remeasurement of post employment benefit obligations		140	754	(94)	-
(ii) Income tax relating to these items		(35)	(190)	24	-
<b>(VI) Other comprehensive income for the year/period</b>		<b>105</b>	<b>564</b>	<b>(70)</b>	<b>-</b>
<b>(VII) Total comprehensive income for the year/period (V+VI)</b>		<b>1,48,477</b>	<b>106,216</b>	<b>16,117</b>	<b>(301)</b>
<b>Earnings per equity share of Rs. 2/- each</b>					

1) Basic (in ₹)	<b>28</b>	<b>4.02</b>	<b>3.01</b>	<b>0.46</b>	<b>(0.00)</b>
2) Diluted (in ₹)		<b>4.01</b>	<b>3.01</b>	<b>0.46</b>	<b>(0.00)</b>
Corporate Information	1				
Summary of basis of preparation & material accounting policies	2				
See accompanying notes forming an integral part of these restated financial statements					

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**RESTATED STATEMENT OF CASH FLOW**
*(Rupees in Thousands)*

Particulars	For the period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the period ended September 14, 2021 to March 31, 2022
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Profit before tax</b>	198,408	141,174	22,338	(80)
Adjustments for:				
Depreciation & Amortization	1,007	1,765	1,579	19
Finance costs	3,023	10,695	6,549	334
ESOP reserve	2,830			
Unrealised gain on change in fair value of investment measured at FVTPL	(2,516)			
Profit on sale of current investment	(400)			
Unrealised gain on foreign exchange fluctuation (net)	(14)			
Provision for expected credit loss	2,000	4,015	-	-
Interest Income	(4)	(7)		
<b>Operating profit before working capital changes</b>	<b>2,04,334</b>	<b>157,642</b>	<b>30,466</b>	<b>273</b>
Decrease/ (increase) in trade receivables	(3,18,262)	(89,202)	(61,088)	(19,490)
Decrease/ (increase) in stock in trade	(8,903)	2,497	(5,774)	(241)
Decrease/ (increase) in non-current financial assets	-	(58)	-	-
Decrease/ (increase) in current financial assets	(71,555)	(38,809)	(52,759)	(27,833)
Decrease/ (increase) in other current assets	(42,698)	(30,364)	(1,828)	(3,099)
(Decrease)/increase in trade payables	202,712	38,177	16,144	2,092
(Decrease)/increase in provisions	2,110	3,409	2,496	378
(Decrease)/increase in other current liabilities	58	(2,229)	5,271	2,361
(Decrease)/increase in other-current financial liabilities	2,507	97	6,906	6,980
<b>Cash inflow/(outflow) from operations before tax</b>	<b>(29,697)</b>	<b>41,160</b>	<b>(60,166)</b>	<b>(38,579)</b>
Income taxes paid	(68,888)	(20,290)	(4,227)	(225)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(98,584)</b>	<b>20,870</b>	<b>(64,393)</b>	<b>(38,804)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>				

	Purchase of property plant and equipment	(10,123)	(399)	(1,062)	(4,500)
	Purchase of mutual funds	(2,50,000)	-	-	-
	Sale of mutual funds	45,000	-	-	-
	Change in fixed deposit	-	(0)	(100)	-
	<b>Net cash used from investing activities</b>	<b>(2,15,123)</b>	<b>(399)</b>	<b>(1,162)</b>	<b>(4,500)</b>
<b>C</b>	<b>CASH FLOW FORM FINANCING ACTIVITIES</b>				
	Proceeds from issue of share capital	4,40,000	-	-	100
	Proceeds from issue of share application money	324,500	-	-	-
	Proceeds from borrowings (net)	(1,49,901)	13,267	81,358	43,587
	Repayment of lease liability (including interest)	(150)	(113)	-	-
	Dividend paid	(3,505)			
	Interest paid	(2,992)	(5,889)	-	-
	<b>Net cash inflow from financing activities</b>	<b>283,452</b>	<b>7,265</b>	<b>81,358</b>	<b>43,687</b>
	<b>Net increase in cash and cash equivalents</b>	<b>(30,254)</b>	<b>27,736</b>	<b>15,803</b>	<b>383</b>
	<b>Opening cash and cash equivalents</b>	<b>43,922</b>	<b>16,185</b>	<b>383</b>	<b>-</b>
	<b>Closing cash and cash equivalents</b>	<b>13,667</b>	<b>43,922</b>	<b>16,185</b>	<b>383</b>

**Notes:**

1) The above cash flow statement has been prepared as per "Indirect Method" as set out in Indian Accounting Standard -7, "Statement of Cash Flow"

2) Component of cash and cash equivalent:-

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Cash and cash equivalent</b>				
- Cash and cash equivalent	13,667	43,922	16,185	383
<b>Total</b>	<b>13,667</b>	<b>43,922</b>	<b>16,185</b>	<b>383</b>

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## GENERAL INFORMATION

### Brief Information on Company and Issue

<b>Registered Office</b>	402, 4th Floor, World Trade Tower, Barakhamba Lane, Connaught Place, Central Delhi, New Delhi, Delhi, India, 110001 Tel.: 011-45685414; Fax: N.A. E-mail: <a href="mailto:cs@rosmertadigital.com">cs@rosmertadigital.com</a> Website: <a href="http://www.rosmertadigital.com">www.rosmertadigital.com</a>		
<b>Corporate Office</b>	1 <sup>st</sup> Floor, Plot No 66, Vatika Tower Sector 44, Gurgaon Sector 45, Gurgaon, Haryana, India, 122003 Tel.: 0124-4990800; Fax: N.A. E-mail: <a href="mailto:cs@rosmertadigital.com">cs@rosmertadigital.com</a> Website: <a href="http://www.rosmertadigital.com">www.rosmertadigital.com</a>		
<b>Date of Incorporation</b>	September 14, 2021		
<b>CIN</b>	U74999DL2021PLC386542		
<b>Company Category</b>	Company Limited by Shares		
<b>Registrar of Company</b>	Registrar of Companies, Delhi & Haryana A) 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi-110019 Tel.: 011-26235703. E-mail: <a href="mailto:roc.delhi@mca.gov.in">roc.delhi@mca.gov.in</a> Website: <a href="http://www.mca.gov.in">www.mca.gov.in</a>		
<b>Company Secretary and Compliance Officer</b>	Mr. Kuntal Kar 1 <sup>st</sup> Floor, Plot No 66, Vatika Tower Sector 44, Gurgaon Sector 45, Gurgaon, Haryana, India, 122003 Tel.: +91 9289480509; Fax: N.A. E-mail: <a href="mailto:cs@rosmertadigital.com">cs@rosmertadigital.com</a>		
<b>Chief Financial Officer</b>	Mr. Amit Kumar Somani 1 <sup>st</sup> Floor, Plot No 66, Vatika Tower Sector 44, Gurgaon Sector 45, Gurgaon, Haryana, India, 122003 Tel.: +91 8448853030 Fax: N.A. E-mail: <a href="mailto:cfo@rosmertadigital.com">cfo@rosmertadigital.com</a>		
<b>Designated Stock Exchange</b>	SME Platform of BSE Limited Address: 25 <sup>th</sup> floor, P.J. Towers, Dalal Street, Fort, Mumbai – 400001. Website: <a href="https://www.bsesme.com">https://www.bsesme.com</a>		
<b>Bid/ Issue Programme</b>	Bid/Issue Opens On:	November 18, 2024	Bid/Issue Closes On: November 21, 2024
Anchor Bid Opens on: November 14, 2024			



\* Our Company in consultation with the BRLMs 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.



**Note:** Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days.


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**DETAILS OF INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY**

Book Running Lead Manager to the Issue	Book Running Lead Manager to the Issue
	 Capital Advisors Pvt. Ltd.
<b>Narnolia Financial Services Limited</b> Address: 201, 2 <sup>nd</sup> Floor, Marble Arch, 236 B A.J.C Bose Road, Kolkata, West Bengal- 700020, India Tel No.: +91- 8130678743 Fax No.: Not Available Email: <a href="mailto:ipo@narnolia.com">ipo@narnolia.com</a> Website: <a href="http://www.narnolia.com">www.narnolia.com</a> Contact Person: Mr. Pankaj Pasi SEBI Registration No. INM000010791	<b>Beeline Capital Advisors Private Limited</b> Address: B/1311-1314, Shilp Corporate Park Near Rajpath Club, Rajpath Rangoli Road, Sarkhej - Gandhinagar Hwy, Ahmedabad, Gujarat 380054 Tel No.: +91-79-48407357 Fax No.: Not Available Email: <a href="mailto:mb@beelinemb.com">mb@beelinemb.com</a> Website: <a href="http://www.beelinemb.com">www.beelinemb.com</a> Contact Person: Mr. Nikhil Shah SEBI Registration No. INM000012917

Registrar to the Issue	Banker to the company
	
<b>Link intime India Private Limited</b> Address: C – 101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai - 400083, Maharashtra, India Tel No: +91 8108114949 Fax No: NA Email: <a href="mailto:rosmerta.ipo@linkintime.co.in">rosmerta.ipo@linkintime.co.in</a> Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> Contact Person: Ms. Shanti Gopalkrishnan SEBI Registration No.: INR000004058	<b>ICICI Bank Limited</b> Address: D-16, SOUTH EXTENSION PART-2, New Delhi-110049, India Tele. No.: +91 8130899009 Fax No.: NA E-mail: <a href="mailto:varinder.shahi@icicibank.com">varinder.shahi@icicibank.com</a> Website: <a href="http://www.icicibank.com">www.icicibank.com</a> Contact Person: Mr. Varinder Shahi

Legal Advisor	Statutory Auditor/ Peer Review Auditor
	<b>S. S. Kothari Mehta &amp; Co. LLP</b>
<b>Luthra and Luthra Law Offices India</b> Address: 1st and 9th floor, Ashoka Estate, 24, Barakhamba Rd, Fire Brigade Lane, Barakhamba, New Delhi, Delhi 110001 Tel No.: +911141215100 Email Id: <a href="mailto:delhi@luthra.com">delhi@luthra.com</a> / <a href="mailto:a.kapoor@luthra.com">a.kapoor@luthra.com</a> Contact Person: Mr. Akshit Kapoor Enrolment no.: D/667/2011	Address: Plot No. 68, Okhla Industrial Area, Phase-Iii, New Delhi, India- 110020 Tel No.: +91-11-4670 8888 Email Id: <a href="mailto:info@sskmin.com">info@sskmin.com</a> Contact Person: Sunil Wahal Firm Registration No.: 000756N Peer Review No.: 014441

Market Maker and Syndicate Member	Banker to the Issue & Sponsor bank
	
<b>Spread X Securities Private Limited</b>	<b>ICICI Bank Limited</b>
Address : D-602, Titanium Square, Nr. B.M.W Show Room, S.G.Highway, Ahmedabad – 380054	<b>Address:</b> Capital Market Division, 163, 5 <sup>th</sup> Floor, HT Parekh Marg, Churchgate, Mumbai- 400020
Tel No : +91 799227443340	<b>Tele. No.:</b> 022-68052182
Email Id : <a href="mailto:info@spreadx.in">info@spreadx.in</a>	<b>Fax No.:</b> NA
Website : <a href="http://www.spreadx.in">www.spreadx.in</a>	<b>E-mail:</b> <a href="mailto:varun.badai@icicibank.com">varun.badai@icicibank.com</a>
Contact Person : Mrs. Khushbu Nikhilkumar Shah	<b>Website:</b> <a href="http://www.icicibank.com">www.icicibank.com</a>
SEBI Registration No.: INZ000310930	<b>Contact Person:</b> Varun Badai

#### DETAILS OF BOARD OF DIRECTORS OF OUR COMPANY

S.N.	Name	DIN/PAN	Category	Designation	Address
1.	Akhil Gupta	09285050	Executive	Whole Time Director and Chief Executive Officer	99, first floor, Karkardooma court, Agr enclave, Karkardooma, East Delhi - 110092
2.	Sanjay Sharma	08869848	Executive	Whole Time Director	G-9, M.I.G Flats, Prasad Nagar, New Delhi, Central Delhi - 110005
3.	Brijesh Singh	03217960	Non-Executive	Director	53, Hope Apartment, Sector-15, Gurgaon, Haryana- 122001
4.	Mukesh Malhotra	01345153	Non-Executive	Director	A-1502 Platinum Heights, Ramprastha Greens, Vaishali, I.E. Sahibabad, Ghaziabad, UP – 201010.
5.	Ashok Kacker	01647408	Non-Executive	Independent Director	B-702, Beau- Monde Apartments, Appa Saheb Marathe Marg Nedar Siddivinayak Temple Prabha Devi, Mumbai, MA, 400025
6.	Dilip Harel Mitra Chenoy	01830779	Non-Executive	Independent Director	House Number-20 Sunder Nagar, Delhi High Court, Lodhi Road, New Delhi- 110003

7.	Suneeta Trivedi	06742087	Non-Executive	Independent Director	H. No B-486, Third Floor, New Friends Colony, South Delhi, Delhi-110025
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*For further details of our directors, please refer to the chapter titled “Our Management” beginning on page 233 of this Red Herring prospectus.*

*Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Offer, Link Intime India Private Limited and/or the BRLMs, i.e., Narnolia Financial Services Limited and Beeline Capital Advisors Private Limited, in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary account, unblocking of amount in ASBA, etc.*

*All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB to whom the Application was submitted (at ASBA Bidding Locations), giving full details such as name, address of the applicant, number of Equity Shares applied for, Application Amount blocked, ASBA Account number and the Designated Branch of the relevant SCSBs where the Application was submitted by the ASBA Applicants.*

*For all Issue related queries and for redressal of complaints, Applicants may also write to the BRLM. All complaints, queries or comments received by Stock Exchange/SEBI shall be forwarded to the BRLM, who shall respond to the same.*

#### **SELF-CERTIFIED SYNDICATE BANKS**

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on the website of SEBI. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the below mentioned SEBI link. <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>

#### **REGISTERED BROKERS**

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 Centres. 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 TO OFFER AND SHARE TRANSFER AGENTS**

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 CDPs eligible to accept Bid cum Application Forms at the Designated CDP Locations, including

details such as name and contact details, are provided on the website of Stock Exchange. 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)) on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time.

## STATEMENT OF RESPONSIBILITY OF THE BOOK RUNNING LEAD MANAGERS/STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES

Since Narnolia Financial Services Limited and Beeline Capital Advisors Private Limited are the Book Running Lead Managers (BRLMs) to the Offer and all the responsibilities relating to co-ordination and other activities in relation to the Offer shall be performed by them.

Sr. No.	Activities	Responsibility	Coordinator
1.	Capital restructuring with the relative components and formalities such as type of instruments, etc.	NFSL	NFSL
2	Due Diligence of the Company's operations/management/business plans/ legal, etc. Drafting and design of offer document and of statutory advertisement including memorandum containing salient features of the Prospectus. The Book Running Lead Managers shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock exchange, RoC and SEBI including finalization of the Prospectus and filing with the RoC.	NFSL	NFSL
3.	Appointment of Registrar to the issue (RTA), bankers to the Issue, printers and other agencies to the Issue, etc.	NFSL & BCAPL	BCAPL
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertisement, brochure, etc	NFSL & BCAPL	BCAPL
5.	Underwriting Obligations with respect to the Public Issue. The detailed terms and conditions will be governed through a separate Underwriting Agreement between NFSL & BCAPL.	NFSL & BCAPL	BCAPL
6.	Appointment of intermediaries namely Underwriters, Market Makers, Bankers to the Offer, finalizing Issue Materials, advertising agency, including co-ordination for agreements.	NFSL & BCAPL	BCAPL
7.	Finalization of pricing in consultation with the Company and Selling Shareholders.	NFSL & BCAPL	NFSL
8.	Preparation of road show presentation and frequently asked questions including institutional marketing finalization the list and division of domestic investors for one to one meeting	NFSL & BCAPL	BCAPL
9.	Coordination with Stock Exchanges for bidding terminals, mock trading	NFSL & BCAPL	BCAPL
10.	Post bidding activities including management of escrow accounts, coordinate non- institutional allocation, coordination with Registrar, SCSBs, Sponsor Banks and other Bankers to the Issue, intimation of allocation and dispatch of refund to Bidders, etc. Coordinating with Stock Exchanges and SEBI for submission of all post-Issue reports including the final post-Issue report to SEBI.	NFSL & BCAPL	NFSL

## **CREDIT RATING**

This being an issue of Equity Shares, credit rating is not required.

## **IPO GRADING**

Since the Issue is being made in terms of Chapter IX of SEBI ICDR Regulations, there is no requirement of appointing an IPO grading agency.

## **EXPERT OPINION**

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

Our Company has received written consent dated, July 20, 2024, from Peer Review Auditor namely, M/s S. S. Kothari Mehta & Co. LLP (FRN: 000756N) and legal advisor namely, M/s Luthra and Luthra Law Offices, India respectively, to include their name as an expert as defined under Section 2(38) of the Companies Act, read with Section 26(5) of the Companies Act 2013.

The report of the peer review auditor on Statement of Tax Benefits and report on Restated Financials, for the period ended September 30, 2024, and for the financial years ended March 31, 2024, 2023 and 2022 included in this Red Herring Prospectus.

Further, Luthra and Luthra Law Offices, India has given its legal due diligence report, as included in this Red Herring Prospectus, in relation to the Outstanding Litigations and Material Developments dated October 28, 2024.

Aforementioned consents have not been withdrawn as on the date of this Red Herring Prospectus. However, the term – expert shall not be construed to mean an – expert as defined under the U.S. Securities Act.

All the intermediaries, including Lead Managers/ BRLMs, has relied upon the appropriacy and authenticity of the same.

## **DEBENTURE TRUSTEES**

Since this is not a debenture issue, appointment of debenture trustee is not required.

## **APPRAISAL AND MONITORING AGENCY**

Our Company has, in compliance with Regulation 262(1) of the SEBI ICDR Regulations, appointed CARE Ratings Limited as monitoring agency vide agreement and consent dated October 28, 2024, for monitoring the utilization of the Net Proceeds from the Fresh Issue.

For details in relation to the proposed utilization of the Net Proceeds from the fresh issue, see “Objects of the issue” on page 91 of this Red Herring Prospectus.

## **BOOK BUILDING PROCESS**

The book building, in the context of the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus/ Red Herring Prospectus within the Price Band, which will be decided by our Company, in consultation with the BRLMs, and will be advertised in [●] editions of the English national newspaper, [●] editions of the Hindi national newspaper, and [●] editions in Regional newspaper where our Registered Office is located, each with wide circulation, at least two working days prior to the Bid/ Offer Opening Date. The Offer Price shall be finalized after the Bid/ Issue Closing Date. The principal parties involved in the Book Building Process are:

All Bidders (except Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Pursuant to the UPI Circulars, Retail Individual Bidders may also participate in this Offer through UPI in the ASBA process. 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/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date.

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

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Issue. In this regard, our Company has appointed the BRLMs to manage this Issue and procure Bids for this Issue. The Book Building Process is in accordance with guidelines, rules and regulations prescribed by SEBI and are subject to change from time to time. Bidders are advised to make their own judgement about an investment through this process prior to submitting a Bid.

The process of Book Building is in accordance with the guidelines, rules and regulations prescribed by SEBI under the SEBI ICDR Regulations and the Bidding Processes are subject to change from time to time. Investors are advised to make their own judgment about investment through this process prior to submitting a Bid in this Offer.

Bidders should note that this Offer is also subject to obtaining (i) final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment.

For further details, please refer to the chapters titled “Issue Structure” and “Issue Procedure” beginning on pages 412 and 374 respectively of this Red Herring Prospectus.

## **ILLUSTRATION OF BOOK BUILDING PROCESS AND THE PRICE DISCOVERY PROCESS**

For an illustration of the Book Building Process and the price discovery process, please refer to the chapter titled “Issue Procedure” on page 374 of this Red Herring Prospectus.

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## UNDERWRITING AGREEMENT

Our Company and BRLMs to the issue hereby confirm that the Issue is 100% Underwritten. The Underwriting agreement is dated July 19, 2024. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters 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:

*(Amount. In Thousands)*

Name, Address, Telephone, Fax, and Email of the Underwriter	Indicative No. of Equity Shares to Be Underwritten*	Amount Underwritten	% of the Total Issue Size Underwritten
<b>NARNOLIA FINANCIAL SERVICES LIMITED</b>  <b>Address:</b> 201, 2nd Floor, Marble Arch, 236 B A.J.C Bose Road, Kolkata, West Bengal- 700020, India <b>Telephone:</b> : 012 417954664 <b>Phone No.:</b> +91- 8130678743 <b>Email:</b> <a href="mailto:ipo@narnolia.com">ipo@narnolia.com</a> <b>Website:</b> <a href="http://www.narnolia.com">www.narnolia.com</a> <b>Contact Person:</b> Mr. Pankaj Pasi <b>SEBI Registration Number:</b> INM000010791 <b>CIN:</b> U51909WB1995PLC072876	Up to 70,18,000	[●]	50.00%
<b>BEELINE CAPITAL ADVISORS PRIVATE LIMITED</b>  <b>Address:</b> B 1311-1314, Shilp Corporate Park, Near Rajpath Club, Rajpath Rangoli Road, Sarkhej-Gandhinagar Hwy, Ahmedabad- 380054, Gujarat, India. <b>Telephone:</b> +91-79-48407357 <b>Email:</b> mb@beelinemb.com <b>Website:</b> <a href="http://www.beelinemb.com">www.beelinemb.com</a> <b>Contact Person:</b> Mr. Nikhil Shah <b>SEBI Registration Number:</b> INM000012917 <b>CIN:</b> U67190GJ2020PTC114322	Up to 70,18,000	[●]	50.00%

*\*Includes up to 7,03,000 equity shares of face value of Rs. 2 each to be subscribed by market maker*

In the opinion of our Board of Directors of the Company, the resources of the abovementioned Underwriter is sufficient to enable them to discharge the underwriting obligations in full. The above-mentioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges.

## FILING OF PROSPECTUS

A soft copy of the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus shall be filed with SME platform of BSE Limited (BSE SME).

A soft copy of the Red Herring Prospectus and Prospectus shall be filed with SEBI through SEBI Intermediary Portal at <https://siportal.sebi.gov> in as per Regulation 246(1) of SEBI (ICDR) Regulations. Pursuant to Regulation 246(2) of SEBI ICDR Regulations, the SEBI shall not issue any observation on the offer document.

A copy of the Red Herring Prospectus and Prospectus along with the documents required to be filed under Section 26 read with Section 32 of the Companies Act will be delivered to the Registrar of Companies, Delhi, 4<sup>th</sup> Floor, IFCI Tower, 61, Nehru Place, New Delhi-110019.

### **GREEN SHOE OPTION**

No green shoe option is contemplated under the Issue.

### **CHANGE IN THE AUDITOR DURING LAST 3 YEAR**

The following changes have taken place in the Auditors during the last three years preceding the date of this Red Herring Prospectus:

<b>Name of the Auditor</b>	<b>Date of Appointment</b>	<b>Date of Resignation</b>	<b>Reason for Change</b>
S. S. Kothari Mehta & Co. LLP <b>FRN:</b> 000756N <b>Address:</b> Plot No. 68, Okhla Industrial Area, Phase-Iii, New Delhi, India- 110020	27-09-2022	N.A.	Re-Appointment due to 139(9) of the Companies Act, 2013 at the first Annual General Meeting

### **WITHDRAWAL OF THE ISSUE**

Our company in consultation with the BRLMs, 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 (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The BRLMs, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one (1) day of receipt of such notification. Our Company shall also promptly inform BSE SME 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 from BSE SME, which our Company shall apply for after Allotment. If our Company 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 Red Herring Prospectus.

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

Our Company and the BRLMs have entered into a tripartite agreement dated July 19, 2024 with **Spread X Securities Private Limited** the Market Maker for this Issue, duly registered with BSE SME to fulfill the obligations of Market Making:

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR)



Regulations, and its amendments from time to time and the circulars issued by the BSE and SEBI regarding this matter from time to time. Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered 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 BSE Limited and SEBI from time to time.
3. The minimum depth of the quote shall be Rs.1,00,000. However, the investors with holdings of value less than Rs.1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) 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.
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. 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.
6. On the first day of the listing, there will be pre-opening session (call auction) and thereafter 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.
7. The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
8. 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.

The Market Maker(s) shall have the right to terminate said arrangement by giving a one month notice or on mutually acceptable terms to the Beeline Capital Advisors Private Limited, who shall then be responsible to appoint a replacement Market Maker(s). In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the BRLMs 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 BRLMs 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.

9. **Risk containment measures and monitoring for Market Makers:** SME Platform of BSE will have all margins which are applicable on the BSE 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.
10. **Punitive Action in case of default by Market Maker:** SME Platform of BSE 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 Makers, 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(s) 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.

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 Makers from time to time.

Price Band and Spreads: Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Markets 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 Rs. 20 Crore	25%	24%
Rs.20 Crore to Rs.50 Crore	20%	19%
Rs.50 Crore to Rs.80 Crore	15%	14%
Above Rs.80 Crore	12%	11%

The Marketing 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.

***The trading shall take place in the TFT segment for the 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.***

***This space is left blank intentionally.***

## CAPITAL STRUCTURE

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

(Rupees In Thousand)

Sr. No.	Particulars	Aggregate Nominal value	Aggregate value at offer price
<b>A.</b>	<b>Authorized Share Capital</b>		
	5,50,00,000 Equity Shares of Rs. 2/- each	1,10,000.00	-
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Share Capital before the Issue</b>		
	3,90,50,000 Equity Shares of Rs.2/- each	78,100.00	-
	<b>Present Issue in terms of the Red Herring Prospectus*</b>		
	Issue upto 1,40,36,000 Equity Shares of face value of Rs.2/- each at a premium of Rs. [●] /- per share	28,072.00	[●]
	<i>of which:**</i>		
(I)	Reservation for Market Maker- Up to 7,03,000 Equity Shares of Rs.2/- each at a price of Rs. [●] /- per Equity Share reserved as Market Maker Portion.	1,406.00	[●]
(II)	Net Issue to the Public – Up to 1,33,33,000 Equity Shares of Rs.2/- each at a price of Rs. [●] /- per Equity Share.	26,666.00	[●]
<b>C.</b>	<b>Of the Net Issue to the Public</b>		
(I)	<b>Allocation to Qualified Institutional Buyer</b> – 66,64,000 Equity Shares of Rs. 2/- each at a price of Rs. [●] per Equity Share.	13,328.00	[●]
(II)	<b>Allocation to Retail Individual Investors</b> – 46,68,000 Equity Shares of Rs. 2/- each at a price of Rs. [●] per Equity Share shall be available for allocation for Investors applying for a value of up to Rs.2.00 Lakhs.	9,336.00	[●]
(III)	<b>Allocation to Other than Retail Individual Investors</b> 20,01,000 Equity Shares of Rs. 2/- each at a price of Rs. [●] per Equity Share shall be available for allocation for Investors applying for a value of above Rs.2.00 Lakhs.	4,002.00	[●]
<b>D.</b>	<b>Issued, Subscribed and Paid-up Share Capital after the Issue</b>		
	Up to 5,30,86,000 Equity Shares of Rs. 2/- each	1,06,172.00	
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Issue	3,62,000.00	
	After the Issue***		[●]

\* The present Issue has been authorized pursuant to a resolution of our Board of Directors dated June 29,2024, and by Special Resolution passed under Section 62(1)I of the Companies Act, 2013 at the Extraordinary General Meeting of the members held on July 01, 2024.

Our Company has only one class of share capital i.e. Equity Shares of the face value of Rs. 2/- each only. All Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Red Herring prospectus.

*\*\*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 spillover from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.*

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## NOTES TO THE CAPITAL STRUCTURE

### 1. Details of increase in Authorized Share Capital:

Since the incorporation of our Company, the authorized share capital of our Company has been altered in the manner set forth below:

S. N.	Date	No. of Shares	Face Value (in Rs.)	Cumulative No. of Shares	Cumulative Authorised Share Capital (in Rs.)	Whether AGM/EGM
1.	On Incorporation*	1,00,000	10	1,00,000	10,00,000	N.A.
2.	30-04-2024	1,09,00,000	10	1,10,00,000	11,00,00,000	EGM
The Authorised Equity share capital of the company is sub-divided from Rs. 10/- per equity share to Rs. 2/- per equity share by passing an Ordinary Resolution in a duly adjourned Annual General Meeting held on June 25, 2024. After sub-division following is authorized capital of the Company:						
	25-06-2024	5,50,00,000	2	5,50,00,000	11,00,00,000	AGM

\*The date of incorporation of our Company is September 14, 2021.

### 2. History of Paid-up Equity Share Capital of our Company.

S. N.	Date of Allotment	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Paid-up Capital (Rs.)	Cumulative Securities premium (Rs.)
1.	On Incorporation	10,000	10	NA	Cash	Subscription to MOA	10,000	1,00,000	N.A.
2.	25-06-2024	70,00,000	10	NA	Other than Cash	Bonus Issue in the ratio 700:1	70,00,000	7,01,00,000	N.A.
The Equity share capital of the company is sub-divided from Rs. 10/- per equity share to Rs. 2/- per equity share by passing an Ordinary Resolution in an adjourned Annual General Meeting held on June 25, 2024. After sub-division following is Paid up capital of the Company:									
	25-06-2024	3,50,50,000	2	NA	NA	Split of shares	3,50,50,000	7,01,00,000	N.A.
3.	09-07-2024	39,51,440	2	110	Cash	Private Placement	3,90,01,440	7,80,02,880	42,67,55,520
4.	16-07-2024	48,560	2	110	Cash	Private Placement	3,90,50,000	7,81,00,000	43,20,00,000

#### Note:

- Initial Subscribers to the MOA subscribed to 10,000 Equity Shares of face value of ₹ 10.00/- each as per the details given below:

S.No.	Name of Person	No. of Shares issued
1.	Rosmerta Technologies Limited	9,990

2.	Mr. Pankaj Madan (Nominee of Rosmerta Technologies Limited)	10
<b>Total</b>		<b>Total</b>

2. The Company thereafter issued 70,00,000 Equity shares of face value Rs. 10/- each on June 25, 2024, for cash consideration by way of Bonus Issue, mentioned in detail below:

S. N.	Name	No. of Shares Issued
1.	Rosmerta Technologies Limited	59,46,500
2.	Shree Bankey Bihari Family Trust	10,50,000
3.	Mr. Vijay Mehta as Nominee of Rosmerta Technologies Limited	700
4.	Mr. Sanjay Sharma as Nominee of Rosmerta Technologies Limited	700
5.	Mr. Amit Kumar Somani as Nominee of Rosmerta Technologies Limited	700
6.	Mr. Surender Kumar as Nominee of Rosmerta Technologies Limited	700
7.	Mr. Ravi Verma as Nominee of Rosmerta Technologies Limited	700
<b>Total</b>		<b>70,00,000</b>

3. The Company thereafter Issued 39,51,440 Equity shares of face value Rs. 2/- each on July 09, 2024, for a cash consideration by way of Private Placement, mentioned in detail below:

S. N.	Name	No. of Shares Issued
1.	Capri Global Holdings Pvt. Ltd.	6,00,000
2.	Tikri Investments	6,00,000
3.	Bankey Bihari Estates LLP	4,50,000
4.	Rajasthan Global Securities Pvt Ltd	4,00,000
5.	Indiaemerging Infrastructure Pvt. Ltd.	2,50,000
6.	Viney Equity Market LLP	2,00,000
7.	Lalit Dua	2,00,000
8.	Riffleberg Capital Private Limited	1,50,000
9.	Berjis Desai Capital Advisor LLP	1,50,000
10.	Crayons Advertising Ltd	1,50,000
11.	Diwakar Bhagwati Gandhi	1,00,000
12.	Yaduraj Bhageria	1,00,000
13.	Mala Sareen	1,00,000
14.	Girish Sareen	1,00,000
15.	Galaxy Noble Global Opportunities Fund	90,900
16.	Varun Gupta	50,000
17.	Sagar P Brahmhatt	41,400
18.	Shinohub Traders LLP	40,000
19.	Reena Rai	30,000
20.	Baruna Rai	30,000
21.	Vineet Arora	20,000
22.	Utsav Shrivastava HUF	18,000
23.	Manish Kumar	18,000
24.	Archit Garg	18,000
25.	Kavita Mohindra	13,640
26.	Nikhil Tyagi	12,000
27.	Raian Nogi Karanjawala	10,000
28.	Himanshu Sharma	9,500
<b>Total</b>		<b>39,51,440</b>

4. The Company thereafter Issued 48,560 Equity shares of face value Rs. 2/- each on July 16, 2024, for a cash consideration by way of Private Placement, mentioned in detail below

<b>S.No.</b>	<b>Name of Person</b>	<b>No. of Shares issued</b>
<b>1.</b>	Darshna Parimal Khakharia	16,000
<b>2.</b>	Bhavin Jitendra Shah	16,560
<b>3.</b>	Shruti Vikas Shah	16,000
<b>Total</b>		<b>48,560</b>

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### 3. Shareholding of the Promoters of our Company

As on the date of this Red Herring Prospectus, Our Promoter – Rosmerta Technologies Limited holds 2,97,74,975 Equity Shares and Shree Bankey Bihari Family Trust holds 52,57,500 Equity Shares of total 3,50,50,000\* Equity Shares respectively, representing 85.00% and 15.00% of the pre-issue paid up share capital of our Company.

#### *Details of Build-up of shareholding of the Promoters*

Date of Allotment / acquisition / transaction and when made fully paid up	Nature (Allotment/ transfer)	Number of Equity Shares	Face Value per Equity	Issue/ Transfer price per Equity	Consideration (cash/ other than cash)	Name of Transferor / Transferee	% of capital of Cumulative Shares
			Share (in Rs.)	Share (in Rs.)			
<b>Rosmerta Technologies Limited<sup>^</sup></b>							
Incorporation	Subscriber to MOA	10,000*	10	10	Cash	N.A.	100.00
29-03-2024	Transfer	(1,500)	10	12,479.14	Cash	Transferred to Shree Bankey Bihari Family Trust	85.00
25.06.2024	Bonus Allotment	59,50,000	10	Nil	Other Than Cash	N.A.	85.00
	<b>Total</b>	<b>59,58,500</b>					<b>85.00%</b>
25.06.2024	Sub-Division of face value of Rs. 10/- to Rs. 2/-	2,97,92,500	2	N.A.	N.A.	N.A.	<b>85.00%</b>
	<b>Total</b>	<b>2,97,92,500</b>					<b>85.00%</b>
<b>Shree Bankey Bihari Family Trust</b>							
29-03-2024	Share Transfer	1,500	10	12,479.14	Cash	Rosmerta Technologies Limited	15.00%
25.06.2024	Bonus Allotment	10,50,000	10	10	Other Than	N.A.	15.00%



					Cash		
	<b>Total</b>	<b>10,51,500</b>					<b>15.00%</b>
25.06.2024	Sub-Division of face value of Rs. 10/- to Rs. 2/-	52,57,500	2	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>15.00%</b>
	<b>Total</b>	<b>52,57,500</b>					<b>15.00%</b>

*\*Including 10 Equity Shares held by Mr. Pankaj Madan as nominee of Rosmerta Technologies Limited. On April 12, 2024, Mr. Pankaj Madan transferred 5 Equity shares to Rosmerta Technologies Limited and 1 share each to Mr. Vijay Mehta, Mr. Sanjay Sharma, Mr. Amit Kumar Somani, Mr. Surender Kumar, and Mr. Ravi Verma, as new nominees to Rosmerta Technologies Limited.*

*^ The Equity Shares of Rosmerta Technologies Limited include the shares held by its nominees on behalf of Rosmerta Technologies Limited*

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. None of the Equity Shares held by our Promoters are under pledged.

#### 4. Our shareholder Pattern

I. The table below represents the shareholding pattern of our Company as per Regulation 31 of the SEBI (LODR) Regulations, 2015, as on the date of this Red Herring Prospectus:

Category Code	Category of shareholder	No. of shareholder	No. of fully paid-up equity shares held	No. of Partly paid-up equity shares held	No. of underlying Depository Receipts	Total no. of shares held	Shareholding as a % of total no. of shares (calculated as per SCRA, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				No. of shares underlying Outstanding Convertible Securities (including warrants)	Shareholding as a % assuming full conversion of convertible securities (as a % of diluted share capital) As a % of (A+B+C2)	No. of locked-in shares		No. of shares pledged or otherwise encumbered		Number of shares held in dematerialized form	
								No. of Voting Rights						Total as a % of (A+B+C)	No. (a)	As a % of shares held (b)	No. (a)		As a % of shares held (b)
								Class X	Class Y	Total	Total as a % of (A+B+C)								
<i>I</i>	<i>II</i>	<i>III</i>	<i>IV</i>	<i>V</i>	<i>VI</i>	<i>VII= IV+V+VI</i>	<i>VIII</i>	<i>IX</i>				<i>X</i>	<i>XI=VII+X</i>	<i>XII</i>		<i>XIII</i>		<i>XIV</i>	
(A)	Promoters and Promoter Group	7	3,50,50,000	-	-	3,50,50,000	89.76%	3,50,50,000	-	3,50,50,000	89.76%	-	89.76%	-	-	-	-	3,50,50,000	
(B)	Public	32	40,00,000	-	-	40,00,000	10.24%	40,00,000	-	40,00,000	10.24%	-	10.24%	-	-	-	-	40,00,000	
(c)	Non-Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Total</b>	<b>39</b>	<b>3,90,50,000</b>	<b>-</b>	<b>-</b>	<b>3,90,50,000</b>	<b>100%</b>	<b>3,90,50,000</b>	<b>-</b>	<b>3,90,50,000</b>	<b>100%</b>	<b>-</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,90,50,000</b>	

\*As of the date of this Red Herring Prospectus 1 Equity Shares holds 1 vote.

6. As on the date of this Red Herring Prospectus, there are no partly paid-up shares/outstanding convertible securities/warrants in our Company.
7. Following are the details of the holding of securities of persons belonging to the category “Promoter and Promoter Group” and “public” before and after the Issue:

Sr. No.	Name of shareholder	Pre issue		Post issue	
		No. of equity Shares	As a % of Issued Capital	No. of equity Shares	As a % of Issued Capital
<b>Promoters</b>					
1	Rosmerta Technologies Limited	2,97,74,975	76.25%	2,97,74,975	56.09%
2	Shree Bankey Bihari Family Trust	52,57,500	13.46%	52,57,500	9.90%
<b>Total – A</b>		<b>3,50,32,475</b>	<b>89.71%</b>	<b>3,50,32,475</b>	<b>65.99%</b>
<b>Promoter Group</b>					
3	Mr. Vijay Mehta as Nominee of Rosmerta Technologies Limited	3,505	Negligible	3,505	Negligible
4	Mr. Sanjay Sharma as Nominee of Rosmerta Technologies Limited	3,505	Negligible	3,505	Negligible
5	Mr. Amit Kumar Somani as Nominee of Rosmerta Technologies Limited	3,505	Negligible	3,505	Negligible
6	Mr. Surender Kumar as Nominee of Rosmerta Technologies Limited	3,505	Negligible	3,505	Negligible
7	Mr. Ravi Verma as Nominee of Rosmerta Technologies Limited	3,505	Negligible	3,505	Negligible
<b>Total – B</b>		<b>17,525</b>	<b>0.05%</b>	<b>17,525</b>	<b>0.03%</b>
<b>Public</b>					
8	Public	<b>40,00,000</b>	<b>10.24%</b>	<b>40,00,000</b>	<b>7.53%</b>
9	IPO	-	-	1,40,36,000	26.44%
<b>Total-C</b>		<b>40,00,000</b>	<b>10.24%</b>	<b>1,80,36,000</b>	<b>33.98%</b>
<b>Total</b>		<b>3,90,50,000</b>	<b>100.00%</b>	<b>5,30,86,000</b>	<b>100.00%</b>

8. The average cost of acquisition of or subscription to Equity Shares by our Promoters is set forth in the table below:

Name of the Promoter	No. of Shares held	Average cost of Acquisition* (in Rs.)
Rosmerta Technologies Limited	2,97,92,500	Negligible
Shree Bankey Bihari Family Trust	52,57,500	3.56

\* As certified by M/s S S Kothari Mehta & Co. LLP Chartered Accountants, dated July 20, 2024.

9. Details of Major Shareholders:

A. List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date of this Red Herring Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of Paid-up Capital**
1.	Rosmerta Technologies Limited	2,97,74,975	76.25%
2.	Shree Bankey Bihari Family Trust	52,57,500	13.46%
3.	Capri Global Holdings Pvt. Ltd.	6,00,000	1.54%
4.	Tikri Investments	6,00,000	1.54%
5.	Bankey Bihari Estates LLP	4,50,000	1.15%
6.	Rajasthan Global Securities Pvt Ltd	4,00,000	1.02%
<b>Total</b>		<b>3,70,82,475</b>	<b>94.96%</b>

B. List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date ten days prior to the date of the Red Herring Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of Paid-up Capital**
1.	Rosmerta Technologies Limited	2,97,74,975	76.25%
2.	Shree Bankey Bihari Family Trust	52,57,500	13.46%
3.	Capri Global Holdings Pvt. Ltd.	6,00,000	1.54%
4.	Tikri Investments	6,00,000	1.54%
5.	Bankey Bihari Estates LLP	4,50,000	1.15%
6.	Rajasthan Global Securities Pvt Ltd	4,00,000	1.02%
<b>Total</b>		<b>3,70,82,475</b>	<b>94.96%</b>

C. List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date one year prior to the date of this Red Herring Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of Paid-up Capital**
1.	Rosmerta Technologies Limited	9,990	99.90%
2.	Pankaj Madan as Nominee of Rosmerta Technologies Limited	10	0.10%
<b>Total</b>		<b>10,000</b>	<b>100.00%</b>

D. List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date two years prior to the date of this Red Herring Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of Paid-up Capital**
3.	Rosmerta Technologies Limited	9,990	99.90%
4.	Pankaj Madan as Nominee of Rosmerta Technologies Limited	10	0.10%

<b>Total</b>	<b>10,000</b>	<b>100.00%</b>
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*\*The 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 Red Herring Prospectus.*

*\*\* the % has been calculated based on existing (pre-issue) Paid up Capital of the Company.*

10. Our Company has not issued any Equity Shares out of revaluation reserve or reserves without accrual of cash resources.
11. Our Company has not issued any Equity Shares during a period of one year preceding the date of this Red Herring Prospectus at a price lower than the Issue Price except the following:

S. No	Name of Allottees	No. of Shares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Date of Allotment	Reason for Allotment	Benefit occurred to Issuer
1.	Rosmerta Technologies Limited	59,46,500	10	Nil	June 25, 2024	Bonus Issue	Capitalization of Reserves
2.	Shree Bankey Bihari Family Trust	10,50,000	10	Nil	June 25, 2024	Bonus Issue	
3.	Vijay Mehta as Nominee of Rosmerta Technologies Limited	700	10	Nil	June 25, 2024	Bonus Issue	
4.	Sanjay Sharma as Nominee of Rosmerta Technologies Limited	700	10	Nil	June 25, 2024	Bonus Issue	
5.	Amit Kumar Somani as Nominee of Rosmerta Technologies Limited	700	10	Nil	June 25, 2024	Bonus Issue	
6.	Surender Kumar as Nominee of Rosmerta Technologies Limited	700	10	Nil	June 25, 2024	Bonus Issue	
7.	Ravi Verma as Nominee of Rosmerta Technologies Limited	700	10	Nil	June 25, 2024	Bonus Issue	
<b>Total</b>		<b>70,00,000</b>					

S. No	Name of Allottees	No. of Shares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Date of Allotment	Reason for Allotment	Benefit occurred to Issuer
1.	Public Shareholders	39,51,440	2	110/-	July 09, 2024	Private Placement	Capital raising for business
2.	Public Shareholders	48,560	2	110/-	July 16, 2024	Private Placement	Capital raising for business
<b>Total</b>		<b>40,00,000</b>					

12. Except as disclosed in this Red Herring Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six (6) 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 (including issue of securities convertible into Equity Shares) whether preferential or otherwise. However, during such period or a later date, it may issue Equity Shares or securities linked to Equity Shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
13. We have 39 (Thirty Nine) shareholders as on the date of filing of this Red Herring Prospectus.
14. As on the date of this Red Herring Prospectus, our Promoters and Promoters' Group holds a total of 3,50,50,000 Equity Shares representing 89.76% of the pre-issue paid up share capital of our Company.
15. Except for the following none of our Promoters, their relatives and associates, persons in Promoter Group or the directors of the Company which is a promoter of the Company and/or the Directors of the Company have purchased or sold any securities of our Company during the past six months immediately preceding the date of filing this Red Herring Prospectus:

S. No.	Date	Transferor	Transferee	No. of Shares Transferred	Face Value	Consideration
1.	29.03.2024	Rosmerta Technologies Limited	Shree Bankey Bihari Family Trust	1500	Rs. 10*	Rs. 1,87,18,720

\* The Equity share capital of the company is sub-divided from Rs. 10/- per equity share to Rs. 2/- per equity share by passing an Ordinary Resolution in an adjourned Annual General Meeting held on June 25, 2024

16. The members of the Promoters Group, our Directors and the relatives of our Directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months immediately preceding the date of filing this Red Herring Prospectus.
- 17. Details of Promoter's Contribution locked in for 3 years:**

As per Sub-Regulation (1) of Regulation 236 of the SEBI (ICDR) Regulations, 2018, an aggregate of 20%

of the post-Issue Capital shall be considered as Promoter's Contribution.

Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute 20.00% 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 Red Herring Prospectus until the completion of the lock-in period specified above.

In terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, 2018, *Minimum Promoters Contribution as mentioned above shall be locked-in for a period of 3 years from the date of commencement of commercial production or date of allotment in the Initial Public Offer, whichever is later.*

*Explanation: The expression "date of commencement of commercial production" means the last date of the month in which commercial production of the project in respect of which the funds raised are proposed to be utilized as stated in the offer document, is expected to commence.*

We further confirm that Minimum Promoters Contribution of 20.00% of the post issue paid-up Equity Shares Capital does not include any contribution from Alternative Investment Fund.

The Minimum Promoters Contribution has been brought into to the extent of not less than the specified minimum lot and has been contributed by the persons defined as Promoters under the SEBI (ICDR) Regulations, 2018.

The lock-in of the Minimum Promoters Contribution will be created as per applicable regulations and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

The details of the Equity Shares held by our Promoters, which are locked in for a period of 3 years from the date of Allotment in the Offer are given below:

Name of Promoter	Date of Transaction and when made fully paid-up	Nature of Transaction	No. of Equity Shares	Face Value (Rs.)	Issue/ Acquisition Price per Equity Share (Rs.)	Percentage of post-Offer paid-up capital (%)	Lock in Period
Rosmerta Technologies Limited	June 25, 2024	Bonus Issue*	1,07,17,600	2.00	Nil	20.19%	3 years

Note: Bonus Shares were issued on June 25, 2024 for face value of Rs. 10/- each. However, the equity shares were sub-divided later on and the effect is taken for Promoter's Contribution.

The Equity Shares that are being locked in are not ineligible for computation of Promoters contribution in terms of Regulation 237 of the SEBI ICDR Regulations. Equity Shares offered by the Promoters for the minimum Promoters contribution are not subject to pledge. Lock-in period shall commence from the date of allotment of Equity Shares in the Public Issue.

We confirm that the minimum Promoters contribution of 20.00% which is subject to lock-in for 3 years does not consist of:

- a) Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets;

- b) Equity Shares acquired during the preceding three years resulting from a bonus issue by utilization of revaluation reserves or Unrealised profits of the issuer or from bonus issue against equity shares which are ineligible for minimum Promoters contribution;
- c) Equity Shares acquired by Promoters during the preceding one year at a price lower than the Issue Price;
- d) The Equity Shares held by the Promoters and offered for minimum 20% Promoters Contribution are not subject to any pledge.
- e) Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters Contribution subject to lock-in.

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.

### **Equity Shares locked-in for One Year**

In addition to above Equity Shares that are locked-in for three years as the minimum Promoters’ contribution, the promoters and public pre-issue shareholding of Equity Share capital of our Company, i.e. 2,83,32,400 Equity Shares shall be locked in for a period of one year from the date of Allotment in the Public Issue. Further, such lock-in of the Equity Shares would be created as per the bye laws of the Depositories.

### **Pledge of Locked in Equity Shares:**

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the locked-in Equity Shares held by our Promoters can be pledged as a collateral security for a loan granted by a scheduled commercial bank or a public financial institution or a systemically important non-banking finance company or a housing finance company, subject to the following:

- In case of Minimum Promoters’ Contribution, the loan has been granted to the issuer company or its subsidiary (ies) 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.
- In case of Equity Shares held by Promoters in excess of Minimum Promoters’ contribution, the pledge of equity shares is one of the terms of sanction of the loan.
- However, 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 specified has expired.

### **Transferability of Locked in Equity Shares:**

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable:

- The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR)



Regulations, 2018 may be transferred to another Promoters or any person of the Promoters' 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.

- The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoters' 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.
18. Our Company, our Promoters, our Directors and the BRLMs to this Offer have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares from any person.
19. Our Company has not issued shares for consideration other than cash or out of revaluation of reserves, including Bonus Shares, at any point of time since Incorporation except the following:

S. No.	Name of Allottees	No. of Shares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Date of Allotment	Reason for Allotment	Benefit occurred to Issuer
1.	Rosmerta Technologies Limited	59,46,500	10	Nil	June 25, 2024	Bonus Issue in the ratio 700:1	Capitalization of Reserve
2.	Shree Bankey Bihari Family Trust	10,50,000	10	Nil	June 25, 2024		
3.	Vijay Mehta as Nominee of Rosmerta Technologies Limited	700	10	Nil	June 25, 2024		
4.	Sanjay Sharma as Nominee of Rosmerta Technologies Limited	700	10	Nil	June 25, 2024		
5.	Amit Kumar Somani as Nominee of Rosmerta Technologies Limited	700	10	Nil	June 25, 2024		
6.	Surender Kumar as Nominee of Rosmerta Technologies Limited	700	10	Nil	June 25, 2024		
7.	Ravi Verma as Nominee of Rosmerta Technologies Limited	700	10	Nil	June 25, 2024		
<b>Total</b>		<b>70,00,000</b>					

20. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 230 to 234 of the Companies Act, 2013.
21. Our Company has not re-valued any of its assets. However, the company has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves. For more details, please refer to the chapter "financial statements as restated" on the page 288 of this Red Herring Prospectus.

## 22. ESOP Trust and ESOP Scheme

Pursuant to the resolution passed by our Board on June 29, 2024 and by our Shareholders on July 01, 2024, our Company has launched ESOP Plan 2024 which shall be implemented through a Direct Route and to be administered by the Board of Directors. The ESOP scheme currently holds 13,43,000 Equity Shares and under the scheme a set of employees were selected on basis of laid down criteria under Clause 7 of the said ESOP Plan. The Plan shall be effective from July 01, 2024 i.e. the date of Shareholder's approval. Options cannot Vest less than 1 (one) year from the Date of Grant of an Option (except in case of death and Permanent Disability) and may extend to a maximum period of 4(four) years from the date of Grant, as may be determined by the Board of Directors.

The objective of the ESOP is to reward the employees of our Company, to motivate the Employees to contribute to the growth and profitability of the Company and to catapult the quality of life of hard working, high performing, honest and loyal employees, and their families

The following table sets forth the particulars of the options granted / Equity Shares earmarked under the ESOP Plan 2024 as on the date of this Red Herring Prospectus:

i) Equity Shares Earmarked	13,43,000	
ii) Option Granted	-	
iii) Options Vested	-	
iv) Options Exercised	-	
v) Exercise Price of Options	-	
vi) Total number of Equity Shares that would arise as a result of full exercise of options granted	13,43,000	
vii) Options Lapsed	-	
viii) Variation in Terms of Options	Nil	
ix) Money Realised by Exercise of Options	N.A (Options not yet exercised)	
x) Total Number of Options in Force		
xi) Employee Wise details of Options Granted to		
i. Senior managerial personnel, i.e. Directors and key management personnel	<b>Name</b>	<b>Total No. of Options Granted</b>
	Akhil Gupta	3,00,000
	Brijesh Singh	29,700
	Mukesh Malhotra	2,00,000
	Sanjay Sharma	36,000
	Amit Kumar Somani	25,000
	Kuntal Kar	21,600
ii. Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	<b>Name</b>	<b>Total No. of Options Granted</b>
	Akhil Gupta	3,00,000
	Mukesh Malhotra	2,00,000
iii. Identified employees who are granted options, during any one year equal to or exceeding 1% of	No options were granted under the scheme amounting to more than 1% of the issued	

the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant	capital of our Company to any employee in any year
xii) Diluted Earnings Per Share pursuant to the issue of equity shares on exercise of options calculated in accordance with applicable accounting standard on 'Earnings Per Share'.	N.A
xiii) Difference between the employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that shall have been recognised if Our Company had used the fair value of the options and the impact of this difference on profits and on the Earnings Per Share of the Company.	N.A
xiv) Description of the pricing formula and the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in market at the time of grant of the option.	N.A
xv) Impact on profits and EPS of the last three years if our Company had followed the accounting policies specified in Regulation 15 of the SEBI BSE Regulations in respect of options granted in the last three years	The ESOP Expenses has been booked under Extra-Ordinary items and the Company has calculated the Profit Attributable to Equity Shareholders after tax before Extraordinary items. Thus, there is no impact on profits and EPS.
xvi) Intention to sell Equity Shares arising out of the ESOP Scheme within three months after the date of listing of Equity Shares in the initial public offer of the company, by Whole Time Directors, Senior Management and Key Managerial Personnel and employees having Equity Shares arising out of the ESOP Scheme.	All pre-IPO shares held by person other than promoters shall be locked in for period of one year from the date of allotment

22. There are no safety net arrangements for this public Offer.
23. As on the date of filing of this Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
24. As per Regulation 268(2) of SEBI (ICDR) Regulations, 2018, an over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment lot. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by

the Promoters and subject to lock-in shall be suitably increased to ensure that 20% of the post issue paid-up capital is locked-in.

25. All the Equity Shares of our Company are fully paid up as on the date of this Red Herring Prospectus. Further, since the entire money in respect of the Offer is being called on application, all the successful applicants will be allotted fully paid-up equity shares.
26. As per RBI regulations, OCBs are not allowed to participate in this Issue.
27. There is no Buyback, stand by, or similar arrangement by our Company/Promoters/Directors/BRLMs for purchase of Equity Shares issued / offered through this Red Herring Prospectus.
28. As on the date of this Red Herring Prospectus, none of the shares held by our Promoters/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.
29. Investors may note that in case of over-subscription, the allocation in the Issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, as amended from time to time.
30. Under subscription, if any, in any category, shall be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the BRLMs and BSE.
31. The Issue is being made through Book Building Method.
32. BRLMs to the Issue viz. Narnolia Financial Services Limited and Beeline Capital Advisors Limited and its associates do not hold any Equity Shares of our Company.
33. Our Company has not raised any bridge loan against the proceeds of this Issue.
34. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
35. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
36. An Applicant cannot make an application for more than the number of Equity Shares being Issued/Offered through this Red Herring Prospectus, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
37. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Offer.
38. Our Promoters and the members of our Promoter Group will not participate in this Issue.
39. Our Company has not made any public issue since its incorporation.
40. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Red Herring Prospectus and the Offer Closing Date shall be

reported to the Stock Exchange within twenty-four hours of such transaction.

41. For the details of transactions by our Company with our Promoter Group, Group Companies during the period ended September 30, 2024 and financial years ended on March 31, 2023, March 31, 2022 & March 31 2021 Fiscals, please refer to paragraph titled *-Related Party Transaction* in the chapter titled "Restated Financial Statements" beginning on page number 288 of this Red Herring Prospectus.

None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled "*Our Management*" beginning on page number 233 of this Red Herring Prospectus.

*This space is left blank intentionally.*

## OBJECTS OF THE ISSUE

The Issue includes a public Issue of Upto 1,40,36,000 Equity Shares of face value of Rs.2/- each of our Company at an Issue Price of [●] per Equity Share.

### Requirement of Funds: -

We intend to utilize the net proceeds of the Issue to meet the following objects: -

1. Funding the capital expenditure for purchase of office space in Mumbai
2. Funding the capital expenditure for setting up warehouses, model workshops and experience centers in various parts of India.
3. Funding the capital expenditure for setting up IT infrastructure
4. Funding the Working Capital Requirement of our Company
5. Funding expenditure for inorganic growth through acquisitions & other strategic initiatives and General Corporate Purposes

(Collectively referred as the “objects”)

We believe that listing will enhance our corporate image and visibility of brand name of our Company. We also believe that our Company will receive the benefits from listing of Equity Shares on the SME Platform of BSE Limited (BSE SME). It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

The main objects clause of our Memorandum of Association (MOA) enables our Company to undertake its existing activities and these activities which have been carried out until now by our Company are valid in terms of the objects clause of our Memorandum of Association (MOA). Further the objects clause and objects incidental and ancillary to the main objects clause of our Subsidiary, enables to undertake their existing business activities

### Requirements of Funds:

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

Particulars	Amt. (₹ in Thousands)
Gross Issue Proceeds*	[●]
Less: Public Issue Related Expenses*	[●]
<b>Net Issue Proceeds*</b>	<b>[●]</b>

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

### Utilization of Funds:

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

S. No	Particulars	Amt. (₹ in Thousands)	% of Total Size
1.	Funding the capital expenditure for purchase of	1,98,625	[●]

	office space in Mumbai		
2.	Funding the capital expenditure for setting up warehouses, model workshops and experience centers in various parts of India.	98,275	[●]
3.	Funding the capital expenditure for setting up IT infrastructure	1,38,480	[●]
4.	Funding the Working Capital Requirement of our Company	7,50,000	[●]
5.	Funding expenditure for inorganic growth through acquisitions & other strategic initiatives and General Corporate Purposes <sup>^*</sup>	[●]	[●]
<b>Net Issue Proceeds</b>		[●]	[●]

<sup>^</sup>The cumulative amount to be utilized towards inorganic growth through acquisitions & other strategic initiatives and General Corporate Purposes shall not exceed 35% of the amount raised by our Company. Further, the amount utilized for our object of 'Unidentified Acquisition for Company' shall not exceed 25% of the amount raised by our Company.

<sup>\*</sup>To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC and the amount to be utilized for general corporate purposes shall not exceed 25% of the amount raised by our Company.

#### Proposed Schedule of Implementation:

The proposed year wise break up of deployment of funds and Schedule of Implementation of Net Issue Proceeds is as under:

(₹ In thousands)			
S. No.	Particulars	Amount to be deployed and utilized in F.Y. 2024-25*	Amount to be deployed and utilized in F.Y. 2025-26*
1.	Funding the capital expenditure for purchase of office space in Mumbai	1,98,625	--
2.	Funding the capital expenditure for setting up warehouses, model workshops and experience centers in various parts of India.	16,700	81,575
3.	Funding the capital expenditure for setting up IT infrastructure	60,800	77,680
4.	Funding the Working Capital Requirement of our Company	3,50,000	4,00,000
5.	Funding expenditure for inorganic growth through acquisitions & other strategic initiatives and General Corporate Purposes <sup>^*</sup>	[●]	[●]
	<b>Total</b>	[●]	[●]

<sup>^</sup>The cumulative amount to be utilized towards inorganic growth through acquisitions & other strategic initiatives shall not exceed 35% of the amount raised by our Company. Further, the amount utilized for our object of 'Unidentified Acquisition for Company' shall not exceed 25% of the amount raised by our

Company.

*\*To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC and the amount to be utilized for general corporate purposes shall not exceed 25% of the amount raised by our Company.*

Further to the extent our Company is unable to utilize any portion of the Net Proceeds towards the Object, as per the estimated schedule of deployment specified above; our Company shall deploy the Net Issue Proceeds in the subsequent Financial Years towards the Object.

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds. We further confirm that no part proceed of the Issue shall be utilised for repayment of any Part of unsecured loan outstanding as on date of Red Herring Prospectus.

The above requirement of funds are based on our current business plan, internal management estimates based on the prevailing market conditions, and also based on quotations obtained from certain vendor for purchase of office in Mumbai, quotations from vendors and certificate from an independent architect for the estimated costs relating to the warehouse and security deposits for proposed warehouse, experience centers, model workshops etc. These funding requirements or deployments have not been appraised by any bank or financial institution. We may have to revise our funding requirements and deployment from time to time on account of various factors, such as change in costs, including due to inflation or increase in the rate of taxation or change in the rate of currency exchange, revision in quotations at the time of actual expenditure, change in financial and market conditions, our management's analysis of economic trends and our business requirements, changes in technology, ability to identify and consummate new business initiatives as well as general factors affecting our results of operations, financial condition, business and strategy and interest/exchange rate fluctuations or other external factors, which may not be within the control of our management. This may entail rescheduling (including preponing the deployment of Net Proceeds) and revising the funding requirement for a particular Object or increasing or decreasing the amounts earmarked towards any of the aforementioned Objects at the discretion of our management, subject to compliance with applicable law.

In case of any surplus amount after utilization of the Net Proceeds towards any of the aforementioned Objects, we may use such surplus amount towards (i) other Objects as set out above; and/ or (ii) general corporate purposes, provided that (a) the total amount to be utilized towards general corporate purposes does not exceed 25% of the amount raised by our Company, (b) the cumulative amount to be utilized for general corporate purposes and our object of "Funding Unidentified Acquisition for Company" shall not exceed 35% of the amount raised by our Company; and (c) the amount to be utilized for our Object of "Funding Unidentified Acquisition for Company" shall not exceed 25% of the amount raised by our Company. Further, in case of a shortfall in meeting the aforementioned Objects, we may explore a range of alternate funding options including utilizing our internal accruals.



For further details, see “Risk Factors” – “We have not entered into any definitive arrangements to utilize certain portions of the Net Proceeds of the Offer. Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency, and our management and Board will have broad discretion over the use of the Net Proceeds” on page 28.

**Means of Finance:** -We intend to finance our Objects of Issue through Net Proceeds which is as follows:

Particulars	Amt. (₹ in Thousands)
Net Proceeds	[●]
<b>Total</b>	<b>[●]</b>

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

#### **Details of the Objects:**

##### **1. Funding the capital expenditure for purchase of office space in Mumbai**

We propose to deploy issue proceeds amounting to Rs. 1,98,625 thousands by acquiring commercial property which will be used in carrying out business operations in Mumbai. As of the date of this DRHP the registered office as well as all other place of businesses as mentioned in Place of business under chapter title “Our Business” at page number 170 are taken on lease by the company. This proposed expenditure will not only lead to creation of an asset for the company but will also add to the profitability of the company as the annual rental expenditure borne on properties taken on lease by the company will be reduced and risk associated with rented/leased property also gets minimized.

The purpose of Rosmerta Digital Services Limited's office in Mumbai is to take advantage of the strategic location of the city and promote corporate expansion. Our goals to increase productivity and spur innovation will be aided by the city's strong infrastructure and welcoming business community. Currently, the majority of our business is accumulated from the west region of the Country i.e. 42.09% of September 30, 2024 product sales have come from the western region of India (mainly Maharashtra state), the office will help us solidify this position, and interact with existing and new customers. As part of our growth strategy, we also want to start exporting automotive components and accessories out of India, Maharashtra has one of the largest ports and is regarded as the export hub of India, this will further help us achieve our growth and business plan. Our desire to be nearer to our main supporters and clients so that we can better serve them and address their requirements is what motivated us to create an office in Mumbai. We can take advantage of Mumbai's vibrant market, reach a wider range of skilled individuals, and remain ahead of industry developments by locating our office there.

**Details of the Vendor**

No.	Particulars	Details
1	Name of the vendor	Frank Estate Consultancy Pvt. Ltd.
2	Address of the vendor	64, Dubash Chambers, 3 <sup>rd</sup> Floor, 110 Kumptha Street, Ballard Estate, Mumbai – 400001, India.
3	Descriptions of the vendor	RERA Registered Real Estate Broker
4	Occupation of the vendor	Real Estate Broker
5	The amount paid or payable in cash, shares or debentures to the vendor and, where there is more than one separate vendor, or the issuer is a sub purchaser, the amount so paid or payable to each vendor, specifying separately the amount, if any, paid or payable for goodwill	The Amount will be paid through Cash i.e. banking channel as per property finalized at the time of purchase.
6	Nature of the title or interest in such property acquired or to be acquired by the issuer	The property to be acquired by the Company is freehold property
7	Short particulars of every transaction relating to the property completed within the two preceding years, in which any vendor of the property to the issuer or any person who is, or was at the time of the transaction, a promoter, or a director or proposed director of the issuer had any interest, direct or indirect, specifying the date of the transaction and the name of such promoter, director or proposed director and stating the amount payable by or to such vendor, promoter, director or proposed director in respect of the transaction.	Not Applicable
8	The property to which the above clauses apply is a property purchased or acquired by the issuer or proposed to be purchased or acquired, which is to be paid for wholly or partly out of the proceeds of the issue or the purchase or acquisition of which has not been completed as of the date of the draft offer document or offer document, as the case may be.	Not Applicable

The company has received quotation for four properties options in specific area of Mumbai. The details

of the properties are mentioned herein below:

(Amount in thousands)

Particulars	Property – I Building Name – Maker Chamber V, 16 <sup>th</sup> Floor, Nariman Point, Mumbai Build-up Area – 3600 sqft + 3073 Sq feet Terrace	Property – II Building Name – Mittal Court Wing A 1 <sup>st</sup> Floor, Nariman Point, Mumbai Build-up Area – 4600 sqft	Property – III Building Name – Sakhar Bhavan, 1 <sup>st</sup> Floor, Nariman Point, Mumbai Build-up Area 3275 sqft
Demand Price	180000	180000	175000
Stamp Duty	10800	10800	10500
Collector Fee	11824	9313	7086
Registration Fees	30	30	30
Registration Service Charge	30	30	30
Collector Facilitating Charge	200	200	200
Society Charge	2503	2325	2279
Brokerage	3600	3600	3500
<b>Total Cost of Property</b>	<b>208987</b>	<b>207164</b>	<b>198625</b>

As per the quotations received from RERA Registered Broker Frank Estate Consultancy Pvt. Ltd. dated October 25<sup>th</sup>, 2024 which is valid till December 31<sup>st</sup>, 2024.

Note:

- (i) The purchase price of the property above mentioned are tentative, we have taken the minimum amount out of three options i.e. ₹198625 thousands. The rates/purchase consideration may change due to factors including but not limited to market or economic conditions.
- (ii) In case of any increase in purchase consideration, the same will be funded by the company through internal accruals.
- (iii) The quotation received are valid as on the date of DRHP.

Our Directors, Key Managerial Personnel, Senior Management Personnel and Group Companies do not have any interest in above-mentioned Object or in the entities from whom we have obtained quotations in relation to such proposed expenses.

## 2. Funding the capital expenditure for setting up warehouses, model workshops and experience centers in various parts of India.

### Warehouses:

Our company intends to deploy Net Proceeds aggregating to ₹29,147 Thousands towards setting up new warehouses in NCR, Panchkula, Chennai, and Mumbai - Bhiwandi, measuring a total of approximately 18,000 square feet.

The primary objective of establishing dedicated warehouses for Digitally Enabled Channel Sales of automotive components and accessories is to enhance operational efficiency and customer satisfaction significantly. Managing over 5000 SKUs requires a responsive supply chain, and these warehouses are designed to ensure timely availability of parts, meeting stringent turnaround times: one day for Runner

parts (frequently required automotive components for general servicing of vehicles such as engine oil, brake fluid etc.), less than three days for Repeaters (regularly required automotive components such as brake pad, brake shoe, windshield wipers etc.), and less than seven days for Stranger parts (rarely required automotive components only in unique cases such as engine or body parts specific to a vehicle model). This efficiency is critical for maintaining high levels of customer satisfaction and operational reliability. Furthermore, these warehouses will also help us collaborate with Original Equipment Suppliers (OES) and introduce the business model of make-to-stock. This shift will increase our profit margins as buying large quantities would help us negotiate better commercial terms.

In addition to the OES collaborations, the warehouses will also help us grow in the vehicle accessories domain. These vehicle accessories, which are usually quite small in size and much cheaper per unit than automotive components, are required to be bought in large lots dictated by the Minimum Order Quantity (MOQ) level set by their respective manufacturers. These warehouses will optimize bulk purchasing and kitting processes to meet regional, retailer, and customer-specific requirements, securing price advantages and ensuring precise fulfillment. Centralized warehouses reduce overall transportation costs and improve the flexibility of the value chain. By implementing a hub-and-spoke model with a central warehouse in NCR, Chandigarh, Chennai, and Mumbai, primary logistics costs are minimized. This model also enhances inventory control, provides a more responsive supply chain, and reduces secondary and tertiary logistics costs.

In summary, establishing dedicated warehouses for Digitally Enabled Channel Sales of automotive and accessories is a strategic initiative that addresses multiple operational and customer satisfaction objectives. It ensures efficient inventory management, reduces costs, leverages advanced technologies, and provides a robust infrastructure to effectively meet the demands of the digital marketplace.

We propose to occupy the premises for the new warehouse on a leasehold basis. The exact location for this warehouse has not been identified, but we have broadly identified the cities for setting up our warehouses as of the date of this Red Herring Prospectus.

**Capital expenditure for fit-outs**

The estimated capital expenditure per square feet for setting up the warehouse set out below.

Warehouse at National Capital Regions (Proposed Area – 8000 Sq feet):

Asset Description	Unit	UoM	Unit Price (in Rs.)	Total Price (in Rs.)
7 Mtr motor conveyor	1	Nos	5,50,000	5,50,000
Electrification – Standard 12000 Saft	12000	Sqft	95	11,40,000
SPR racks	20	Nos	5,500	1,10,000
Diesel Generator 40 KV	1	Nos	4,82,000	4,82,000
Forklift 1 ton EV	1	Nos	8,65,000	8,65,000
LSS racks	150	Nos	8,500	12,75,000
UPS 10KV	1	Nos	3,20,000	3,20,000
Electric stacker	1	Nos	7,75,000	7,75,000
Wooden Pallet	500	Nos	1,500	7,50,000
IT networking	12000	sqft	45	5,40,000

Office , Meeting room, Canteen Setu	300	sqft	2,200	6,60,000
Handling Bins	500	Nos	600	3,00,000
Washrrom ( M/F)	150	sqft	2,200	3,30,000
Desktop computer	5	Nos	92,500	4,62,500
Shrink Wrap machine	1	Nos	4,30,000	4,30,000
Supra Bins (Face side open)	600	Nos	450	2,70,000
Air Conditioner - Split 1.5 Ton	3	Nos	57,000	1,71,000
Dock Curtains	8	Nos	13,800	1,10,400
Hand Pallet Truck - Cap 2.0 ton	4	Nos	21,200	84,800
Bar code Label Printer	2	Nos	57,000	1,14,000
Start up cost	1	Nos	1,20,000	1,20,000
Laptop	2	Nos	52,000	1,04,000
CCTV Camera with NVR	15	Nos	5,000	82,500
QC Team Tables	4	Nos	16,000	64,000
Signage Boards & Banners (per 50,00)	10	Nos	5,800	58,000
Water cooler	1	Nos	52,000	52,000
Printer - All in one	2	Nos	24,600	49,200
Packing table	3	Nos	16,350	49,050
Fan- Pedestal Fan - 24"	4	Nos	6,600	26,400
Platform Trolley	4	Nos	11,000	44,000
Desktop Table	5	Nos	8,200	41,000
Handover Cage Trolley	2	Nos	19,600	39,200
Almirah for storage/Locker	3	Nos	11,500	34,500
Attendance Biometric device	1	Nos	25,500	25,500
Fire Extinguisher - ABC type - 6 kg	8	Nos	1,950	15,600
CCTV Camera TV Screen 14 inches	1	Nos	18,500	18,500
Picking Trolley	2	Nos	8,100	16,200
Chair & Table (Security)	2	Nos	7,250	14,500
Filing Cabinets - 2 ft (W) x 1.5 ft (D)	2	Nos	6,800	13,600
Bay Marking	800	Running Ft	10	8,000
Weighing Machine	1	Nos	6,200	6,200
Boards (Notice board/ Display Board	1	Nos	5,800	5,800
Dustbins	4	Nos	850	3,400
Board (White board/)	1	Nos	2,800	2,800
Insecticutors	1	Nos	2,600	2,600
First Aid Box	1	Nos	950	950
<b>Total (in Rs.)</b>				<b>10,63,72,000</b>
<b>Total (in thousands)</b>				<b>10,637.20</b>

As per the quotations received from Three Tee Auto Logistics Private Limited dated July 12, 2024 which is valid for six months.

Warehouse at Chandigarh (Proposed Area – 2000 Sq feet):

Asset Descriptions	Unit	UoM	Unit Price	Total Price (in Rs.)
LSS Rack	35	Nos	8,500	2,97,500
Electric Stacker small	I	Nos	4,10,000	4,10,000

4Mtr Motor conveyor	1	Nos	1,85,000	1,85,000
Diesel Generator 20KV 1)	1	Nos	2,60,000	2,60,000
SPR racks	12	Nos	5,500	66,000
Electrification - Standard 2000	2,000	Sqft	95	1,90,000
Shrink Wrap machine small	1	Nos	2,10,000	2,10,000
Wooden Pallet	50	Nos	1,500	75,000
UPS IOKV I)	1	Nos	3,10,000	3,10,000
Office. Meeting room, Canteen 150)	150	Soft	1,200	1,80,000
Desktop computer	1	Nos	85,000	85,000
Washrrom ( M/F) 80)	80	Sqft	1,600	12,8000
Handling Bins 80)	80	Nos	550	44,000
Air Conditioner - Split 1.5 Ton	1	No	58,000	58,000
IT networking 2000	2,000	Sqft	45	90,000
Bar code Label Printer	1	Nos	58,000	58,000
Supra Bins (Face side open) 150)	150	Nos	450	67,500
Dock Curtains	2	Nos	15,500	31,000
Hand Pallet Truck - Cap 2.0 ton	2	Nos	21,500	43,000
Bar code label Printer	1	Nos	58,000	58,000
Startup cost 1 }	1	Nos	53,000	53,000
Laptop	1	Nos	53,000	53,000
CCTV Camera with NVR	4	Nos	6,000	24,000
QC Team Tables	2	Nos	18,000	36,000
Signage Boards & Banners ( <i>per</i> 50,00)	7	Nos	6,500	45,500
Water cooler	1	Nos	58,000	58,000
Printer - Allin one	1	Nos	25,500	25,500
Packing table	2	Nos	16,550	33,100
Platform Trolley	2	Nos	12,000	24,000
Desktop Table	2	Nos	9,500	19,000
Handover Cage Trolley	1	Nos	19,500	19,500
Almirah for storage/Locker	1	NOS	11,500	11,500
Fan- Pedestal Fan - 24'	2	Nos	7,800	15,600
Attendance Biometric device	1	Nos	27,500	27,500
Fire Extinguisher - ABC type -6 kg	4	Nos	2,150	8,600
CCTV Camera TV Screen 14 inches	1	Nos	19,500	19,500
Picking Trolley 1)	1	Nos	9,500	9,500
Chair & Table (Security)	1	Nos	7,700	7,700
Filing Cabinets - 2 ft (W) x 15 ft (0) 1)	1	Nos	7,800	7,800
Bay Marking 2001	200	Running Ft	10	2,000
Weighing Machine 1)	1	Nos	6,500	6,500
Boards (Notice board/ Display Board	1	Nos	6,500	6,500
Dustbins ..	1	Nos	850	850
Board (White board/) 1)	1	Nos	2,800	2,800
Insecticutors	1	Nos	2,600	2,600
Frst Aid Box	1	Nos	950	950
<b>Total</b>				<b>33,66,500</b>
<b>Total (in Thousands)</b>				<b>3,366.50</b>

As per the quotations received from Three Tee Auto Logistics Private Limited dated July 12, 2024 which is valid for six months.

Warehouse at Chennai (Proposed Area – 3000 Sq feet):

Description	Unit	UoM	Unit Price	Total Price (in Rs.)
Forklift 1 ton EV	1	Nos	8,75,000	8,75,000
US racks	40	Nos	8,200	3,28,000
Electric stacker small	1	Nos	4,10,000	4,10,000
4 Mtr motor conveyor	1	Nos	18,500	1,85,000
Diesel Generator 20 KV	1	Nos	2,65,000	2,65,000
SPR racks 30	30	Nos	5,500	1,65,000
Electrification {Standard 30000}	3000	Sqft	85	255000
Shrink Wrap machine small	1	Nos	2,10,000	210000
Wooden Pallet 160	160	Nos	1500	240000
UPS 10KV	1	Nos	315000	315000
Office, Meeting room, Canteen	150	Sqft	1200	180000
Desktop computer	2	Nos	83000	166000
Washroom ( M/F)	100	Sqft	1800	180000
Handling Bins 150	150	Nos	550	82,500
Air Conditioner - Split 1.5 Ton	1	Nos	56000	56,000
IT networking 300	3000	Sqft	35	1,05,000
Bar code label Printer	2	Nos	58000	1,16,000
Supra Bins (Face side open) 150	150	Nos	450	67,500
Dock Curtains 3	3	Nos	12600	37,800
Hand Pallet Truck - Cap 2.0 ton	2	Nos	21500	43,000
Bar code label Printer	1	Nos	28000	28,000
Start-up cost	1	Nos	52000	52,000
Laptop	2	Nos	52000	1,04,000
CCTV Camera with NVR 8	8	Nos	5200	41,600
QC Team Tables	2	Nos	17000	34,000
Signage Boards & Banners (per 500)	7	Nos	5600	39,200
Water cooler	1	Nos	56000	56,000
Printer – All in one	1	Nos	24500	24,500
Packing table	2	Nos	16350	32,700
Platform Trolley	2	Nos	11000	22,000
Desktop Table	2	Nos	9500	19,000
Handover Cage Trolley	1	Nos	19500	19,500
Almirah for storage/ Locker	1	Nos	11000	11,000
Fan- Pedestal Fan • 24"	3	Nos	6400	19,200
Attendance Blometric device	1	Nos	26000	26,000
Fire Extinguisher • ABC type -6 kg	4	Nos	1950	7,800
CCTV Camera TV Screen 14 inches	1	Nos	16000	16,000
Picking Trolley	1	Nos	8500	8,500
Chair & Table (Security)	1	Nos	8100	8,100
Filing Cabinets • 2 ft (W) x 1.5 ft (D)1	1	Nos	6900	6,900
Bay Marking 300	300	Running Foot	10	3,000
Weighing Machine	1	Nos	6200	6,200

Boards (Notice board/ Display Board)	1	Nos	5600	5,600
Dustbins	2	Nos	850	1,700
Board (White board)	1	Nos	2700	2,700
Insecticutors	1	Nos	2600	2600
First Aid Box	1	Nos	950	950
<b>Total</b>				<b>48,80,550</b>
<b>Total (in Thousands)</b>				<b>4,880.55</b>

As per the quotations received from Three Tee Auto Logistics Private Limited dated July 12, 2024 which is valid for six months.

Warehouse at Bhiwandi (Proposed Area – 5000 Sq feet):

Asset Description	Category	Unit	UoM	Unit Price (in Rs.)	Total Price (in Rs.)
Forklift 1 ton EV	Facility	1	Nos	8,65,000	8,65,000
US racks	Facility	100	Nos	8,200	8,20,000
Electric stacker	Facility	1	Nos	7,55,000	7,55,000
7 MU motor conveyor	Facility	1	Nos	5,05,000	5,05,000
Diesel Generator 40 KV	Facility	1	Nos	4,85,000	4,85,000
SPR racks	Facility	100	Nos	5,500	5,50,000
Electrification • Standard	Facility	5000	SO	85	4,25,000
Shrink Wrap machine	Facility	1	Nos	4,10,000	4,10,000
Wooden Pallet	Facility	300	Nos	1,500	4,50,000
UPS 10KV	IT	1	Nos	3,05,000	3,05,000
Office, Meeting room, Canteen	Facility	250	Sqft	1,200	3,00,000
Desktop computer	IT	3	Nos	83,500	2,50,500
Washroom ( M/F)	Facility	150	Sqft	1,600	2,40,000
Handling Bins	Facility	400	Nos	550	2,20,000
Air Conditioner - Split 1.5 Ton	Facility	3	Nos	56,000	1,68,000
IT networking	Facility	5,000	Sqft	35	1,75,000
Bar code label Printer	IT	2	Nos	56,000	1,12,000
Supra Bins (Face side open)	Facility	300	Nos	450	1,35,000
Dock Curtains	Facility	6	Nos	13,500	81,000
Hand Pallet Truck - Cap 2.0 ton	MHE	4	Nos	21,500	86,000
Bar code label Printer	IT	2	Nos	56,000	1,12,000
Start up cost	Facility	1	Nos	52,000	52,000
Laptop	IT	2	Nos	51,000	1,02,000
CCTV Camera with NVR	IT	8	Nos	5,500	44,000
QC Team Tables	IT	2	Nos	16,000	32,000
Signage Boards & Banners (per 500)	HSSE	7	Nos	6,500	45,500
Water cooler	Facility	1	Nos	56,000	56,000
Printer - All in one	IT	1	Nos	25,500	25,500
Packing table	Facility	2	Nos	16,350	32,700
Platform Trolley	MHE	2	Nos	12,500	25,000
Desktop Table	MHE	3	Nos	9,500	28,500
Handover Cage Trolley	Facility	2	Nos	21,500	43,000
Almirah for storage/ Locker	Facility	2	Nos	12,000	24,000
Fan- Pedestal Fan • 24"	Facility	3	Nos	7,800	23,400
Attendance Biometric device	IT	1	Nos	27,500	27,500
Fire Extinguisher • ABC type -6	H5SE	4	Nos	2,150	8,600



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CCTV Camera TV Screen 14 inches	IT	1	Nos	19,500	19,500
Picking Trolley	MHE	2	Nos	8,200	16,400
Chair & Table (Security)	Facility	2	Nos	7,300	14,600
Filing Cabinets • 2 ft (W) x 1.5 ft (D)1	Facility	1	Nos	7,100	7,100
Bay Marking	Facility	500	Running Foot	10	5,000
Weighing Machine	MHE	1	Nos	6,100	6,100
Boards (Notice board/ Display Board)	Facility	1	Nos	5,600	5,600
Dustbins	Facility	3	Nos	850	2,550
Board (White board!)	Facility	1	Nos	2,600	2,600
Insecticutors	Facility	1	Nos	2,600	2,600
First Aid Box	Facility	1	Nos	950	950
<b>Total</b>					<b>81,02,200</b>
Total (in Thousands)					<b>8,102.20</b>

As per the quotations received from Three Tee Auto Logistics Private Limited dated July 12, 2024 which is valid for six months.

### **Security deposit**

Our Company typically occupies the premises for our warehouses on a leasehold basis, pursuant to various lease agreements or leave and license agreements, as applicable, which will be entered into between our Company with the real estate owners, typically for a fixed period. In terms of such lease agreements and/or leave and license agreements, we are required to furnish an interest free security deposit to the respective lessors at the time of signing the lease arrangements, for the duration of the lease.

We propose to occupy the premises for all proposed warehouse(s) on a leasehold basis. The total average security deposit cost has been determined based on the average of the cost incurred by our Company towards payment of security deposits for setting up is as follows:

S. No.	Location	Area	Estimated cost for the Security deposit for six months (in Thousands)
1.	NCR (National Capital Region) <sup>(1)</sup>	8000	960
2.	Panchkula <sup>(2)</sup>	2000	240
3.	Chennai <sup>(3)</sup>	3000	360
4.	Bhiwandi <sup>(4)</sup>	5000	600
<b>Total</b>		<b>18,000</b>	<b>2160</b>

(1) As per the Logitechno E2E Solutions vide Quotation dated July 11, 2024, and valid for six months from the date of Quotation.

(2) As per the Fitsol Supply Chain Solutions Private Limited vide Quotation dated July 10, 2024, and valid for six months from the date of Quotation.

(3) As per the Fitsol Supply Chain Solutions Private Limited vide Quotation dated July 10, 2024, and valid for six months from the date of Quotation.

(4) As per the Fitsol Supply Chain Solutions Private Limited vide Quotation dated July 10, 2024, and valid for six months from the date of Quotation.

**Total Cost for setting up warehouses:**

(Amount in Thousands)

S. No.	Locations	Area	Estimated cost for Security deposit for six months (in thousands)	Capital Expenditure	Total Cost
1.	NCR (National Capital Region)	8000	960	10,637	11,597
2.	Panchkula	2000	240	3,367	3,607
3.	Chennai	3000	360	4,881	5,241
4.	Bhiwandi	5000	600	8,102	8,702
<b>Total</b>		<b>18,000</b>	<b>2160</b>	<b>26,987</b>	<b>29,147</b>

Based on the above estimates and certifications, our Company proposes to utilize ₹29,147 Thousand of the Net Proceeds towards setting up the warehouse(s). Our Company has not entered into any definitive agreements with any contractors/ vendors in respect of the quotations above-mentioned and there can be no assurance that the same contractors/vendors would be engaged to eventually supply the items or at the same costs.

**Model Workshops:**

Our company intends to deploy net proceeds aggregating Rs. 42,324 thousand towards setting up new model workshops, which will total approximately 24,000 square feet in Chandigarh, Chennai, and Mumbai.

The purpose behind establishing model workshops for Digitally Enabled Channel Sales of automotive components and accessories is to enhance the knowledge and skills of mechanics and retailers, thereby improving customer service and driving sales. These workshops are designed to provide hands-on training and comprehensive product knowledge, ensuring that all stakeholders are well-equipped to handle the latest vehicle parts and accessories. Model workshops will serve as training centers where mechanics and retailers can gain practical experience with the products. By understanding the installation, maintenance, and troubleshooting processes, they can offer better service to customers. This knowledge transfer is crucial for maintaining high standards of service and ensuring that customers receive accurate and reliable information about the products.

The workshops will also act as centers for showcasing the latest automotive components and accessories, allowing mechanics and retailers to familiarize themselves with new products before they are introduced to the market. This proactive approach ensures that the sales team is always up-to-date with the latest offerings, enhancing their ability to promote these products effectively. In addition to training, the model workshops will function as feedback centers where mechanics and retailers can share their insights and experiences with the products. This feedback loop is essential for continuous improvement and helps the organization address any issues promptly, ensuring that the products meet the highest quality standards. Financially, the investment in model workshops is justified by the long-term benefits of improved customer satisfaction and increased sales. Well-trained mechanics and informed retailers can provide

superior service, leading to higher customer loyalty and repeat business. Additionally, the ability to showcase and educate about new products can drive early adoption and boost sales figures.

Establishing model workshops is a strategic initiative aimed at enhancing the expertise of mechanics and retailers, improving customer service, and driving sales. By providing hands-on training, showcasing new products, and facilitating a feedback loop, these workshops will play a critical role in ensuring the success of Digitally Enabled Channel Sales of automotive components and accessories.

We propose to occupy the premises for setting up the model workshops on a leasehold basis. The exact location for this model workshops has not been identified but we have broadly identified the cities for setting up our model workshops as of the date of this Red Herring Prospectus.

### ***Capital expenditure for fit-outs***

The estimated capital expenditure per square feet for setting up the model workshops in Chandigarh, Chennai and Mumbai admeasuring 8000 sq feet each set out below.

Sr. No.	Asset Description	Unit	UOM	Unit Price	Total Price (in Rs.)
1	Store Racks	50	Nos	7,850	3,92,500
2	Electrification Standard	8,000	Sqft	105	8,40,000
3	Diesel Generator 40 KV	1	Nos	4,85,000	4,85,000
4	UPS 10KV	1	Nos	3,00,000	3,00,000
5	Electric stacker	1	Nos	7,65,000	7,65,000
6	IT Networking	8,000	sqft	40	3,20,000
7	Office, Meeting room, Canteen Setu	900	sqft	1,150	10,35,000
8	Washroom (M/F)	150	sqft	1,550	2,32,500
9	Supra Bins (Face Side Open)	500	Nos	350	1,75,000
10	Laptop	2	Nos	55,000	1,10,000
11	Air Conditioner - Split 1.5 Ton	3	Nos	55000	1,65,000
12	Hand Pallet Truck Cap 2.0 ton	2	Nos	20000	40,000
13	CCTV Camera with NVR	10	Nos	5000	50,000
14	Signage Boards & Banners (per 50,00)	5	Nos	5500	27,500
15	Water cooler	1	Nos	55500	55,500
16	Printer - All in one	2	Nos	24000	48,000
17	Almirah for storage/Locker	3	Nos	10000	30,000
18	Fan-Pedestal Fan . 24"	4	Nos	6450	25,800
19	Attendance Biometric device	1	Nos	24500	24,500
20	Fire Extinguisher . ABC type - 6 kg	10	Nos	1950	19,500
21	CCTV Camera TV Screen 14 inches	1	Nos	17500	17,500
22	Picking Trolley	2	Nos	8150	16,300
23	Chair & Table (Security)	2	Nos	7000	14,000
24	Filing Cabinets . 2 ft (W) x 1.5 ft (D)	1	Nos	6800	6,800
25	Bay Marking	500	Running	10	5,000
26	Boards (Notice board/ Display Board	1	Nos	5500	5,500
27	Dustbins	4	Nos	756	3,024

28	Board (White board/)	1	Nos	2500	2,500
29	Insecticutors	1	Nos	2450	2,450
30	First Aid Box	1	Nos	850	850
31	Underground water pit	1	Nos	215000	2,15,000
32	Pnuematic fitting	8000		100	8,00,000
	<b>Total</b>				<b>62,29,724</b>
	<b>Total (in thousands)</b>				<b>6,229</b>

As per the quotations received from M/s AEC Interiors Private Limited dated July 15, 2024 which is valid for six months.

### Capital expenditure for Equipments

The estimated capital expenditure per square feet for setting up the model workshops in Chandigarh, Chennai and Mumbai admeasuring 8000 sq feet each set out below.

S.NO.	EQUIPMENTS	QTY.	LIST PRICE	SPECIAL PRICE
1	2-Post Electro Hydraulic Lift 4 Ton Clear / Base Floor With 10 Pcs. Fasteners & 1 Kg Lockfix Chemical Set	1	1,15,000	1,15,000
2	Dual Scissor Lift 4 Ton With Hyd. Power Pack Pit Mounted	1	2,41,500	2,41,500
3	Dual Scissor Lift 3 Ton With Hyd. Power Pack Floor Mounted	1	2,35,750	2,35,750
4	4-Post Electro Hydraulic Lift 4 Ton With 16 Pcs. Fasteners & 1 Kg Lockfix Chemical Set	1	3,68,000	3,20,000
5	Intergrated Workstation (W/o Trolley's & Oil Disposer)	1	28,175	28,175
6	Express Service Trolley With All Hand & Pneumatic Tools	1	51,750	51,750
7	Tools Trolley 5 Drawers With 96 Pcs. Tools & Inserts, Single Locking Mechanism	1	28,175	28,175
8	Waste Oil Drain Trolley 50 Ltrs. On Wheels	1	8,625	8,625
9	Big Bodyshop Trolley With Heavy Caster Wheels Having Individual Space For Keeping Bonnet, All Doors, All Seats, Fendors, Lights, Roof Lining, Steering Clumn, Wheel, AC Blower, Diggy, Etc. With Complete Car Parts	1	39,100	39,100
10	Panel Repair Stand For Denting	1	4,025	4,025
11	Door Repair Stand For Paint Prepstation	1	10,925	10,925

12	Windshield Repair / Replace Work Bench	1	4,025	4,025
13	Work Bench with vice & grinder	1	21,563	21,563
14	Engine Table with S.S Top	1	21,275	21,275
15	Strut Spring Compressor / Shocker Puller	1	20,700	20,700
16	Air Filter Cleaner With Inbuilt Exhaust Fan & Pneumatic Point With P.U. Pipe & Air Blow Gun	1	18,975	18,975
17	Hydraulic Press 10-15 Ton With Manual Dowty Pump	1	41,400	41,400
18	Parts Cleaning Machine With Swirl Type Multi Jet Nozzles, Acrylic Door & Flow Pump	1	28,175	28,175
19	Engine & Transmission Dismantling/Fitment Trolley Hydraulic Operated	1	48,300	48,300
20	Removed Parts Storage Trolley With Detachable S.S. Trays	1	10,925	10,925
21	Masking Paper Dispenser Trolley on Wheels With Cutting Blades	1	16,675	16,675
22	Tools Board (Spl. Service Tools) / Storage Rack	1	1,03,500	1,03,500
23	Tools Board (Spl. Service Tools) / Storage Rack	1	80,500	80,500
24	Wheel Carrying Trolley (4 Tyres)	1	8,625	8,625
25	Denting Tool Kit / Hammer Dolly Set of 7 Pcs.	1	8,625	8,625
26	Hydraulic Garage Jack 3.5 Ton (Low Floor)	1	14,375	14,375
27	Hydraulic Transmission Jack 0.5 Ton (Cylinder Jack)	1	29,900	29,900
28	Sturdy Table With S.S. Top & Inbuilt Retractable 08 Nos. S.S. Revolving Stools for Technicians.	1	48,875	48,875
29	Digital Preset Fully Automatic Tyre In/Deflator With Hose Pipes & Fittings (Panel / Wall Mounted Type)	1	28,175	28,175
30	Trolley With S.S. Trays on Wheels For Keeping Washing Products	1	18,975	18,975
31	Convex Mirror With Stand (Adjustable)	1	8,625	8,625
32	Pneumatic Brake Bleeder With Filling Bottle & Accessories	1	21,275	21,275
33	Engine Fixture Rotary Type on Wheels With Detachable S.S. Tray Beneath	1	40,250	40,250
34	Hydraulic Jib Crane 2 Ton With Manual Pump Inbuilt & Hanging Hook	1	28,175	28,175
35	Storage Rack For Batteries	1	14,375	14,375
36	Storage Rack For Paper Mats (M.S.) Powder Coated	1	9,028	9,028

37	Transmission / Gear Oil Dispensing Pump 16 Ltrs.	1	7,188	7,188
38	Engine Keeping Stand on Wheels Adjustable Type Top (Universal For All Engines)	1	14,375	14,375
39	Air Impact Wrench	1	12,075	12,075
40	Air Impact Socket Set	1	3,680	3,680
41	PU Coil Hose 8x12 10Mtr. With QRC	1	2,128	2,128
42	PU Coil Hose 5x8 10Mtr. With Air Blow Gun	1	2,128	2,128
43	AC RRR Machine Automatic for EV/Hybrid (Dual)	1	1,69,050	1,69,050
44	Automatic Infrared Dryer With Inbuilt Controlling Panel	1	80,500	80,500
45	MIG Welding 200Amp with Accessories	1	1,09,250	1,09,250
46	Plasma Cutter	1	97,750	97,750
47	Pneumatic Spot Weld Cutter	1	30,475	30,475
48	WHEEL ALIGNER - CAR ALIGN 3D PIT TYPE	1	3,33,500	3,33,500
49	WHEEL ALIGNER - CAR ALIGN 3D ON WHEELS Compatible With 2-Post Lift	1	3,68,000	3,68,000
50	Wheel Balancer- Digital Display	1	80,500	80,500
51	Tyre Changer - Standard	1	80,500	80,500
52	Go Jack (Set of 02 pcs.) Hydraulic Foot Operated	1	33,925	33,925
53	Electric Brake Bleeder (Automatic)	1	66,700	66,700
54	Paint Booth 7X4X4 Mtrs.	1	7,76,250	6,75,000
55	Vacuum Cleaner Wet And Dry 50 Ltrs. Dual Motor (Heavy Duty)	1	36,800	32,000
56	Dent Puller (Portable) 3800 AMP	1	78,200	68,000
57	Spot Welder Cum Dent Puller Machine 13000 Amp (Oil Cool) Heavy Duty	1	3,73,750	3,25,000
58	Damaged Car Moving Dolly	1	18,975	18,975
59	Bodyshop Paint And Denter Trolley With Complete Paint Spray Gun, Painting Tools, Dent Puller & Hammer Dolly Set & Other Tools	1	1,61,000	1,40,000
60	Electric Portable Raptor Vacuum Dust collection Machine with Dual Action Sander 80 Ltrs.	1	1,26,500	1,26,500
61	Pneumatic Body Sealer Gun	1	5,175	5,175
62	Trim Removal Kit (Plastic)	1	4,025	4,025
63	Windshield replacement kit-Manual	1	13,800	13,800
64	Battery Hydrometer	1	288	288
65	Digital Multimeter	1	1,898	1,898
66	Crimping Tool	1	1,495	1,495

67	Hot Air Blow Gun	1	6,325	6,325
68	Soldering Iron set	1	863	863
69	Pop Rivetter	1	3,393	3,393
70	Axle Stand (Set of 2 Pcs.)	1	3,450	3,450
71	Clip remover Set Big & Small	1	3,450	3,450
72	Needle File Set Of 12 Pcs	1	1,587	1,587
73	File Set	1	3,243	3,243
74	Face Guard	1	518	518
75	Safety Work Goggles	1	173	173
76	Scraper- 4 Sizes	1	1,783	1,783
77	Chisel Punch Set	1	1,484	1,484
78	Double Vacuum Suction Cup	1	1,898	1,898
79	Angle Grinder - Pneumatic	1	8,625	8,625
80	Sander / Polisher - Pneumatic	1	9,775	9,775
81	Sander / Polisher -Pad	1	1,093	1,093
82	Air Hammer	1	10,120	10,120
83	Air Drill	1	10,028	10,028
84	Air Impact Ratchet	1	11,213	11,213
85	Air Saw	1	11,328	11,328
86	Sealant Cutter	1	20,643	20,643
87	Spray Gun (Gravity Type) For 1.3 mm	1	15,813	15,813
88	Spray Gun (Gravity Type) For 1.4 mm	1	16,963	16,963
89	Spray Gun (Gravity Type) For 1.7 mm	1	18,113	18,113
90	Paint Gun Holder	1	1,093	1,093
91	Gun Cleaning Kit with Cleaning Brushes & Needles	1	5,175	5,175
92	EV Battery Lift Capacity 1 TON	1	1,20,750	1,05,000
93	EV Tools Kit	1	1,56,000	1,05,000
94	Battery Charger Cum Booster	1	33,925	29,500
95	Battery Tester With Printer	1	27,600	24,000
96	Air Compressor 10 HP, Double Cylinder & Auto Cut, Crompton Motor, Safety Valve, Pressure Gauge & Tank : 450 Ltrs.	1	1,47,200	1,28,000
97	Air Dryer for Air Compressor 40-60 cfm	1	74,750	65,000
98	Service Creeper Cum Sitting Stool	1	5,175	4,500
99	Fresh Oil Management System (Digital) With Hose Reels for 3 Oil (Pipeline is Exclusive)	1	5,75,000	4,50,000
100	Seamless Pipeline for Oil Management System Per Mtr. As Per Site Plan	1	1,650	1,472
101	Automatic Coolant Flusing Machine (Digital)	1	80,500	70,000
102	AC Leak Detector UV Type	1	21,275	18,500
103	Vernier Caliper 6" 0 - 150 mm	1	4,773	4,150
104	Vernier Caliper 12" - 0 - 300 mm	1	10,293	8,950
105	Micrometer Set of 4 Pcs. 0-100 mm	1	31,223	27,150

106	Compression Gauge (Petrol)	1	3,738	3,250
107	Compression Gauge (Diesel)	1	12,075	10,500
108	Radiator Cap & Cooling System Check	1	13,225	11,500
109	Vacuum Gauge	1	3,220	2,800
110	Engine Oil Pressure Gauge	1	4,025	3,500
111	Vice Grip Pliers Set of 9 Pcs.	1	22,425	19,500
112	Spoon Set of 2 Pcs.	1	12,593	10,950
113	Wiring Repair Kit	1	14,375	12,500
114	Vehicle Stethoscope	1	2,128	1,850
115	Cylinder Bore Gauge 50-150 mm	1	16,675	14,500
116	Oil Seal Puller	1	2,271	1,975
117	Dial Gauge With Magnetic Stand	1	3,968	3,450
118	Battery Jumper Cable Set	1	4,025	3,500
119	Torque Wrench 1/2" Drive 70 - 340 nm / 500 nm	1	7,590	6,600
120	Torque Wrench 1/2" Drive 25 - 135 nm	1	7,015	6,100
121	IR Laser Thermometer 12:1, RANGE - 50* TO +500*C	1	6,325	5,500
122	Tap & Round Die Set 3 mm - 12 mm	1	5,750	5,000
123	Plastic Gauge Set	1	5,175	4,500
124	Piston Ring Compressor	1	2,013	1,750
125	Piston Ring Expander	1	1,553	1,350
126	3 Jaw Universal Puller Set	1	20,125	17,500
127	V-Block Set of 2 Pcs.	1	2,277	1,980
128	Surface Plate With M.S. Stand	1	14,375	12,500
129	Hydraulic Unit - 4 Ton	1	27,600	24,000
130	Inspection Lamp With Wire & Cage	1	1,553	1,350
131	Electric Drill Machine 3/4"	1	6,670	5,800
132	Straight Edge 600 mm	1	2,530	2,200
133	Refractrometer	1	4,543	3,950
134	Injector Back Leak Tester / Common Rail Back-Leak Kit	1	16,790	14,600
135	Sanding Block Set of 3 Pcs. (Small, Medium & Large)	1	3,680	3,200
135	Dual Stage Combifine Filter	1	78,200	68,000
136	Washing Bay Scissor Lift With Hyd. Power Pack 3.5 Ton	1	86,250	86,250
<b>Total (in Rs.)</b>				<b>62,63,461.00</b>
<b>Total (in Thousands)</b>				<b>6263</b>

*As per the quotations received from ICON Autocraft Private Limited dated October 25, 2024 which is valid upto January 31, 2025.*

### ***Security deposit***

Our Company typically occupies the premises for our model workshops on a leasehold basis, pursuant to various lease agreements or leave and license agreements, as applicable, which will be entered into



between our Company with the real estate owners, typically for a period of fixed period. In terms of such lease agreements and/ or leave and license agreements, we are required to furnish an interest free security deposit to the respective lessors at the time of signing the lease arrangements, for the duration of the lease.

We propose to occupy the premises for all proposed model workshops on a leasehold basis. The total average security deposit cost has been determined based on the average of the cost incurred by our Company towards payment of security deposits for setting up is as follows:

S. No.	Location	Area (in Sq feet)	Estimated cost for the Security deposit for six months (in Thousands)
1.	Chandigarh <sup>(1)</sup>	8000	1680
2.	Chennai <sup>(2)</sup>	8000	1392
3.	Mumbai <sup>(3)</sup>	8000	1776
<b>Total</b>		<b>24,000</b>	<b>4848</b>

- (1) As per the Fitsol Supply Chain Solutions Private Limited vide Quotation dated June 17, 2024, and valid for six months from the date of Quotation.
- (2) As per the Fitsol Supply Chain Solutions Private Limited vide Quotation dated June 18, 2024, and valid for six months from the date of Quotation.
- (3) As per the Fitsol Supply Chain Solutions Private Limited vide Quotation dated June 21, 2024, and valid for six months from the date of Quotation.

**Total Cost for setting up model workshop:**

(Amount in Thousands)

S. No.	Locations	Area (in Sq feet)	Estimated cost for Security deposit for six months	Capital Expenditure for fit-outs	Capital Expenditure for Equipments	Total Cost
1.	Chandigarh	8000	1680	6,229	6,263	14,172
2.	Chennai	8000	1392	6,229	6,263	13,884
3.	Mumbai	8000	1776	6,229	6,263	14,268
<b>Total</b>		<b>24,000</b>	<b>4848</b>	<b>18,687</b>	<b>18,789</b>	<b>42,324</b>

Based on the above estimates and certifications, our Company proposes to utilize ₹42,324 Thousands of the Net Proceeds towards setting up the model workshops. Our Company has not entered into any definitive agreements with any contractors/ vendors in respect of the quotations above-mentioned and there can be no assurance that the same contractors/vendors would be engaged to eventually supply the items or at the same costs.

**Experience Centers:**

Our company intends to deploy Net Proceeds aggregating ₹26,804 Thousand towards setting up experience centers measuring approximately 8,000 square feet in Chandigarh, Chennai, Mumbai, and Pune.

Experience centers are primarily intended to improve consumer engagement, foster trust, and stimulate sales through immersive, hands-on product encounters for Digitally Enabled Channel Sales of automotive

components and accessories. Customers may explore, try, and comprehend the whole selection of vehicle accessories at these centers, which are meant to offer them a personalized and interactive experience. Experience centers will function as cutting-edge showrooms where individuals may engage with different components and accessories first-hand. These centers will assist in making well-informed purchase selections by providing a tactile experience. They can clearly grasp the features, quality, and advantages of the products by seeing, touching, and using them. The confidence and happiness of customers are greatly increased by this practical method.

Additionally, the centers will provide clients with individualized consultations with knowledgeable professionals who can assist them with the selection process. By ensuring that clients receive advice that is specifically customized to their requirements and interests, these consultations further enhance the shopping experience. Having experts demonstrate how various additions might improve vehicle performance, safety, and aesthetics can give clients insights that they would not obtain from online descriptions alone.

Experience centers will feature live demonstrations and workshops in addition to product displays. These gatherings will demonstrate the usefulness and advantages of different accessories while instructing attendees on how to install and operate them. These kinds of programs help consumers develop a stronger bond with the brand and discover a greater selection of goods. In terms of finances, experience centers require a capital outlay for the construction of excellent, captivating environments that symbolize the brand's dedication to excellence. However, the long-term advantages of better sales, more devoted customers, and favorable word-of-mouth recommendations make these expenditures worthwhile.

**Capital expenditure for Civils works and services**

The estimated capital expenditure for 2000 square feet for setting up the experience centre set out below.

S. No.	Item	Description of Work	Unit	Quantity	Rates	Amount (in Rs.)
<b>1.00</b>		<b><u>Flooring works</u></b>				
A	Shop Interior Floor	Kajaria floor tile of size 2' x 4'. P/F and laying tiles code_as per design drawings. The tiles shall be laid with paper joint. (if required PCC to be done) . Rate inclusive of cutting charges.	Sq ft	1,000.0	230.00	2,30,000.00
		Welspun Carpet tile of size 2' x 2'. P/F and laying tiles code_as per design drawings. PCC to be done . Rate inclusive of Installation	Sq ft	1,000.0	500.00	5,00,000.00
	NOTE	Ensure protection of tiles with polythene sheet over it till handing over				
		<b>TOTAL = 1</b>				<b>7,30,000.00</b>
<b>2.00</b>		<b><u>Partitions and Paneling</u></b>				
A	Partitions In	P/F full height ply partition made out of 12mm thk plywood on both sides to	Sq ft	850.00	450.00	3,82,500.00

	store interior	receive approved paint finish to make BOH walls as per design drawings. The vertical GI member shall be placed at 450 to 500 mm center to center and horizontal members to be placed at 600 mm c/c as per site conditions with necessary grooves and cuts etc. including fire retardant treatment.				
<b>B</b>	Paneling In store interior	P/F full height ply paneling made out of 12mm thk plywood on one side to receive approved paint finish as per design drawings. The vertical GI member shall be placed at 450 to 500 mm center to center and horizontal members to be placed at 600 mm c/c as per site conditions with necessary grooves and cuts etc. including fire retardant paint treatment to the inside surface of ply.	sqft.	850.00	500.00	4,25,000.00
	Note:	1. All GI sections used must be Gyproc Make				-
		2. All plywood used must be Greenply/Archiply/Equivalent make, termite and fire proof.				-
		3. All raw materials/finish Materials to be provided as per approved specifications.				-
		<b>TOTAL = 2</b>				<b>8,07,500.00</b>
<b>3.00</b>		<b><u>Doors &amp; shutter</u></b>				
<b>A</b>	BOH Door - D1	Glass doors / sliding panels				-
			nos.	5.00	45,000.00	2,25,000.00
		List of Ironmongery for one door- Haffle/ Hettich/ Ebco/Equivalent Make: sliding door track (4'), 2 rollers, 1 latch, 4 hinges, screws, 1 set Godrej Cylindrical Locks (SS finish)				-
	Note:	Ensure quality, compatible hardware, proper priming, painting techniques, and adequate masking.				-
		<b>TOTAL = 3</b>				<b>2,25,000.00</b>
<b>4.00</b>		<b><u>Finishes</u></b>				

<b>A</b>	Textur e paint on Panele d walls, partitio ns and Door	Prepare the waII surface by cleaning and smoothing it thoroughly. Apply a base coat of primer, followed by texture paint using a roller or brush. Ensure each coat dries completely between applications to achieve the approved texture and finish.	sqft.	1,500.00	90.00	1,35,000.00
<b>B</b>	Plaster ed and POP Punnin g finish	Providing line and leveled POP finish on ply panel walls with avg thickness of upto 12mm. The surface should be levelled in plumb and finished before the application of approved texture paint finish.	sqft.	1,500.00	35.00	52,500.00
<b>C</b>	Ceiling Paint	Providing 3 or more finishing coats of semi gloss enamel ASIAN paint as per approved code. Last coat should be Roller finish,of approved make & shade to ceiIng and applied evenly to give approved uniform finish. With uniform base preparation of surface and 2 coat of primer as specified.	sqft.	2,000	55.00	1,10,000.00
		<b>TOTAL = 4</b>				<b>2,97,500.00</b>
<b>5.00</b>		<b><u>Ceiling</u></b>				
<b>A</b>	Ceiling	Providing and fixing in position 6" thk I Section Rafters in MDF @ 3702mm ht from FFL finished with approved fire rated paint suspended using 1.5mm thk polished ss suspension wires with clamps to hold rafters as shown in the drawing. (Levelling of rafters to horizontal plan & vertical plan where required). Rate to include making necessary cut-outs/openings for light fittings, wirings and other services as per design.	rft.	900.00	450.00	4,05,000.00
		<b>TOTAL = 5</b>				<b>4,05,000.00</b>
<b>6.00</b>		<b><u>Electrical Wiring</u></b>				
<b>A</b>	Electri cal Wiring Work	P/F Electricals wiring and conduiting and DB/s etc complete low side electrical works store, including Lighting and Music system	Rft	2,000.00	385.00	7,70,000.00

		wiring, fixing of light fixtures, speakers CCTV etc. Pls refer drawings for lighting and consider 6 points in Cash area and BOH with data point and telephone point. (Conduit:FRLS & Wires:FR)				
		<b>TOTAL = 6</b>				<b>7,70,000.00</b>
<b>7.00</b>		<b>HVAC</b>				
<b>A</b>		to be designed as per area and services available on site (approx cost)				12,50,000.00
		<b>TOTAL = 7</b>				<b>12,50,000.00</b>
<b>8.00</b>		<b>LIGHTS</b>				
<b>A</b>		Lighting design to be done according to approved layout and design and natural light availability (approx cost)				8,50,000.00
		<b>TOTAL = 8</b>				<b>8,50,000.00</b>
<b>10.00</b>		<b>AUDIO</b>				
<b>A</b>		5.1 Setup Wall Hanging Speakers of Approved Brand	Nos	8.00	55,000.00	4,40,000.00
<b>B</b>		Woofer	Nos	8.00	20,000.00	1,60,000.00
		Rate Inclusive Installation Charges				
		<b>TOTAL = 9</b>				<b>6,00,000.00</b>
<b>11.00</b>		<b>SMOKE DETECTOR (qty to be decided on site)</b>				
		Ceiling Mounted Smoke Detector	Nos		1,800.00	-
		Response Indicator Location For Smoke Detector On True Ceiling	Nos		2,800.00	-
		Manual Call Point	Nos		2,300.00	-
		Hooter	Nos		4,500.00	-
		Fire Extinguisher - Co2-5 Kg	Nos		2,950.00	-
		Fire Extinguisher - ABC 4.5 Kg	Nos		2,350.00	-
		Rate Inclusive Installation Charges	Nos		12,500.00	-
<b>12.00</b>		<b>SPRINKLER (qty to be decided on site)</b>				
		Existing sprinkler outlets & pipelines to be routed as per sprinkler Layout drawing detail. Rate to include the gi pipes in rft and labour	Nos		900.00	-

	Charges.				
<b>13.00</b>	<b>DESIGN DRAWING DEVELOPMENT CHARGES</b>				
	Perparing 3D renders , 2D & Drawings	Nos			2,50,000.00
<b>Total (in Rs.)</b>					<b>61,85,000.00</b>
<b>Total (in Thousand)</b>					<b>6,185.00</b>

As per the quotations received from Brand Kettle Projects Private Limited dated July 15, 2024 which is valid for six months.

### **Security deposit**

Our Company typically occupies the premises for our experience centre on a leasehold basis, pursuant to various lease agreements or leave and license agreements, as applicable, which will be entered into between our Company with the real estate owners, typically for a period of fixed period. In terms of such lease agreements and/ or leave and license agreements, we are required to furnish an interest free security deposit to the respective lessors at the time of signing the lease arrangements, for the duration of the lease.

We propose to occupy the premises for all proposed experience centre on a leasehold basis. The total average security deposit cost has been determined based on the average of the cost incurred by our Company towards payment of security deposits for setting up is as follows:

<b>S. No.</b>	<b>Location</b>	<b>Area</b>	<b>Estimated cost for the Security deposit for six months (in Thousands)</b>
1.	Chandigarh <sup>(1)</sup>	2000	480
2.	Chennai <sup>(2)</sup>	2000	504
3.	Mumbai <sup>(3)</sup>	2000	540
4.	Pune <sup>(4)</sup>	2000	540
<b>Total</b>		<b>8100</b>	<b>2064</b>

(1) As per the Logitechno E2E Solutions vide Quotation dated July 11, 2024, and valid for six months from the date of Quotation.

(2) As per the Logitechno E2E Solutions vide Quotation dated July 03, 2024, and valid for six months from the date of Quotation.

(3) As per the Logitechno E2E Solutions vide Quotation dated July 02, 2024, and valid for six months from the date of Quotation.

(4) As per the Logitechno E2E Solutions vide Quotation dated July 04, 2024, and valid for six months from the date of Quotation.

### **Total Cost for setting up Experience Centres:**

(Rupees in Thousands)

<b>S. No.</b>	<b>Locations</b>	<b>Area (in sqft)</b>	<b>Estimated cost for Security deposit for six months</b>	<b>Capital Expenditure</b>	<b>Total Cost</b>
1.	Chandigarh	2,100	480	6,185	6,665
2.	Chennai	2,000	504	6,185	6,689
3.	Mumbai	2,000	540	6,185	6,725

4.	Pune	2,000	540	6,185	6,725
<b>Total</b>		<b>8,100</b>	<b>2,064</b>	<b>24,740</b>	<b>26,804</b>

Based on the above estimates and certifications, our Company proposes to utilize ₹26,804 Thousand of the Net Proceeds towards setting up the experience centre. Our Company has not entered into any definitive agreements with any contractors/ vendors in respect of the quotations above-mentioned and there can be no assurance that the same contractors/vendors would be engaged to eventually supply the items or at the same costs.

In respect of the above-stated estimated costs for setting up warehouses, model workshops and experience centres, we have not assumed increase in the average cost of capital expenditure for fit-outs. These estimated costs may increase or decrease depending on the revised commercial terms, rate of inflation or other macro-economic factors, amongst others. In the event of any increased estimated cost, such additional cost shall be funded through alternate funding options such as internal accruals and/ or availing future debt from lenders.

Our Directors, Key Managerial Personnel, Senior Management Personnel and Group Companies do not have any interest in above-mentioned Object or in the entities from whom we have obtained quotations in relation to such proposed expenses.

### ***Government Approvals***

Our warehouses, model workshops and experience centres will have to be registered under the relevant shops and establishments legislation/ will obtain a trade license under the municipality of the state where it will be set up. Our Company will apply for such approvals in due course and in accordance with applicable laws. For details, see “Key Regulations and Policies in India” and “Government and Other Approvals” on pages 204 and 339 respectively.

### **3. Funding the capital expenditure for setting up IT infrastructure**

We intend to utilize ₹1,38,480 Thousand of the Net Proceeds towards investment in enhancement of our technology and data software capabilities.

Rosmerta Digital Services is focusing on improving its existing systems (My Raasta App & Urja) and introducing new applications i.e. Management Information System (MIS), Dealer Management System, Citizen e-services for Customers and Field Teams, Spare parts and accessories sales, Transportation Management System, and Warehouse Management System. They plan to integrate these systems into a unified backend to optimize data flow across all interfaces. The company aims for scalable, microservice-based solutions to facilitate growth, emphasizing cost efficiency, seamless data integration, and ongoing innovation to enhance business resilience.

The implementation of advanced Warehouse Management Systems (WMS) and Transport Management Systems (TMS) will provide real-time oversight, improving accuracy and productivity. These technologies will streamline processes such as order picking, put-away, and inventory tracking, ensuring higher efficiency

The Total cost for IT Infrastructure is as follows:

S. No.	Particulars	Amount (Rupees in Thousand)
1.	Key Modules (Management Information System - Web interface & PWA) <ul style="list-style-type: none"> <li>- Onboarding &amp; Verification</li> <li>- Role-Based Access Controls</li> <li>- Data Integration and Visualization</li> <li>- ERP and CRM Integration</li> <li>- Ad-hoc Reporting</li> <li>- Analytics and Insights</li> <li>- Customization &amp; Personalization</li> <li>- AI-Driven Anomaly Detection</li> <li>- Training and Support repository</li> </ul>	33036
2.	Key Modules (Dealer management system - Web Interface) <ul style="list-style-type: none"> <li>- Onboarding &amp; Verification</li> <li>- Inventory Management</li> <li>- Sales Management</li> <li>- Customer Relationship Management</li> <li>- Financial Management</li> <li>- Document Management</li> <li>- Analytics and Reporting</li> <li>- AI-Driven Predictive Analytics</li> <li>- Workflow Automation</li> </ul>	25343
3.	Key Modules (Citizen e-services - Web interface & Mobile App) <p>End users- Web interface</p> <ul style="list-style-type: none"> <li>- Onboarding &amp; Verification</li> <li>- Comprehensive Service Catalogue</li> <li>- Document Management</li> <li>- Real-Time Status Tracking</li> <li>- Chatbot and Customer Support</li> <li>- Insurance and Financing Integration</li> </ul> <p>On Field - Mobile App</p> <ul style="list-style-type: none"> <li>- Onboarding &amp; Verification</li> <li>- Algorithm-Based Task Allocation</li> <li>- Real-Time Location Tracking</li> <li>- Offline Capability</li> </ul>	31226
4.	Sales of spares and accessories - Web interface & Mobile App <ul style="list-style-type: none"> <li>- Onboarding &amp; Verification</li> <li>- Browse categories and subcategories</li> <li>- Text and audio based Search</li> <li>- Offers and banners</li> <li>- Browse by car makers/number plate/vehicle</li> <li>- Cart Management</li> <li>- Track order</li> </ul>	15387



	<ul style="list-style-type: none"> <li>- Manage your car</li> <li>- Integration with third party delivery</li> </ul>	
5.	Transportation Management System - Web Interface <ul style="list-style-type: none"> <li>- Onboarding &amp; Verification</li> <li>- Contract Management</li> <li>- Shipment Planning</li> <li>- Route optimization</li> <li>- Performance Tracking</li> <li>- Integration with WMS, ERP and logistics</li> <li>- Smart Documentation</li> <li>- Performance Tracking</li> <li>- Real time tracking</li> </ul>	12671
6.	Warehouse Management System - Web interface <ul style="list-style-type: none"> <li>- Onboarding &amp; Verification</li> <li>- Role based access</li> <li>- Order management</li> <li>- Warehouse operations (picking&amp;packaging)</li> <li>- Inventory management</li> <li>- Automation inventory management</li> </ul>	14029
7.	Upgrades in the existing system (My Raasta App & Urja) <ul style="list-style-type: none"> <li>- AI Chatbot Layer</li> <li>- Communication Platform</li> <li>- Logistics Platform</li> <li>- Last Mile Application</li> </ul>	6788
<b>Total</b>		<b>138480</b>

*As per the quotations received from Kellton Tech Solutions Limited dated July 07, 2024 which is valid for six months.*

Our Directors, Key Managerial Personnel, Senior Management Personnel and Group Company do not have any interest in the proposed investment to be made by our Company towards enhancement of technological and data software capabilities.

#### **4. Funding the Working Capital Requirement of our Company**

The Business of the Company is working capital intensive; hence it will meet the requirement to the extent of ₹750000 Thousand from the Net Proceeds of the Issue and balance from borrowings at an appropriate time as per the requirements of the business. The Company will be utilizing the additional working capital for expansion of its business activities.

*Basis of Estimation, assumptions and justification of working capital requirements:*

The estimates of the working capital requirements for the financial years ending on March 31, 2025, and March 31, 2026, have been prepared based on the management estimates of future financial performance. The projection has been prepared using a set of assumptions that include assumptions about future events and management's actions that are not necessarily expected to occur. On the basis of existing and estimated working capital requirement of our Company on standalone basis, and assumptions for such working

capital requirements. The proposed funding of such working capital requirements as set forth below:

(₹ In Thousand)

S. No.	Particulars	Actual (Restated)				(Projected)	
		For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2024	For the period ended September 30, 2024	For the year ended March 31, 2025	For the period ended March 31, 2026
I	<b>Current Assets</b>						
	Inventories	241	6,015	3,518	12,421	3,71,592	7,13,126
	Trade receivables	19,490	80,578	1,65,765	4,82,041	4,45,907	7,13,121
	Investments	-	-	-	2,07,916	-	-
	Cash and cash equivalents	383	16,285	44,028	13,775	41,660	48,190
	Other financial Assets	27,833	80,592	1,19,404	1,90,959	2,56,480	4,10,177
	Other current assets	3,099	4,927	35,290	77,988	99,091	1,58,473
	<b>Total (A)</b>	<b>51,046</b>	<b>1,88,397</b>	<b>3,68,005</b>	<b>9,85,100</b>	<b>12,14,730</b>	<b>20,43,087</b>
II	<b>Current Liabilities</b>						
	Trade payables	2,092	18,236	56,413	2,59,125	90,326	1,42,300
	Other financial liabilities	6,980	13,886	13,983	16,490	14,283	14,283
	Other current liabilities	2,361	7,631	5,402	5,775	30,680	49,100
	Current tax liabilities - (Net)	0.00	2,782	20,310	2,127	20,310	20,310
	<b>Total (B)</b>	<b>11,433</b>	<b>42,535</b>	<b>96,108</b>	<b>2,83,516</b>	<b>1,55,599</b>	<b>2,25,993</b>
III	<b>Total Working Capital Gap (A-B)</b>	<b>39,613</b>	<b>1,45,862</b>	<b>2,71,897</b>	<b>7,01,583</b>	<b>10,59,131</b>	<b>18,17,094</b>
IV	Funding Pattern						
	Short-term borrowing & Internal Accruals	<b>39,613</b>	<b>1,45,862</b>	<b>2,71,897</b>	<b>7,01,583</b>	<b>7,09,131</b>	<b>14,17,094</b>
	<b>IPO Proceeds</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>3,50,000</b>	<b>4,00,000</b>

### *Holding Levels*

The following table sets forth the details of the holding period levels (in days) considered <sup>(1)</sup>:

Particulars	Actual March 31, 2022	Actual March 31, 2023	Actual March 31, 2024	Projected March 31, 2025	Projected March 31, 2026
Inventory days	4	7	2	75	90

Trade receivable days	351	99	72	90	90
Trade payable days	38	25	30	25	25

(1) As certified by the A Y & Company, Chartered Accountants pursuant to their certificate dated July 20, 2024

(2) Inventory days: Average of inventory for the current and previous period / direct cost (including cost of goods sold and other direct expenses) \* 365

(3) Trade receivable days: Average of trade receivables for the current and previous period/ revenue from operations \* 365

(4) Trade payable days: Average of trade payables for the current and previous period / total direct cost for the current period \* 365

A part from above there are other working capital requirements such as Cash and Cash Equivalents, Other Current assets, loans and advances, short term provisions and other current liabilities. Details of which are given below.

### **Justifications:**

#### *Current Assets*

#### *Inventory:*

*(Rupees in thousand)*

Particulars	Actual (Restated)	Actual (Restated)	Actual (Restated)	(Projected)	(Projected)
	31-March-22	31-March-23	31-March-24	31-March-25	31-March-26
Inventories	241	6015	3518	371592	713126
In Days	4	7	2	75	90

The Inventory for FY 2022 stands at Rs. 241 Thousand and the same has increased to Rs. 6015 Thousand in FY 2023. For the same period, Inventory Days have increased from 4 days in FY 2022 to 7 Days in FY 2023. Considering the same for FY 2024, the inventory amount stands at Rs. 3518 Thousand which stands at 2 days.

The Company is planning are shift to warehousing the spare parts from FY 2025. As expected, the company plans to change the model, the inventory days will be maintained to 75 days and 90 days for FY 2025 and 2026. This would amount to Rs.371592 Thousand in FY 2025 & Rs. 713126 Thousand in FY 2026.

#### *Trade Receivables:*

*(Rupees in thousand)*

Particulars	Actual (Restated)	Actual (Restated)	Actual (Restated)	(Projected)	(Projected)
	31-March-22	31-March-23	31-March-24	31-March-25	31-March-26
Trade receivables	19490	80578	165765	445907	713121
In Days	351	99	72	90	90

The numbers in the data show that in 2022, the company took almost 351 days to collect money owed to them, because it was the incorporated year of the company which is incorporated in mid of the year. but in 2023, they improved and collected it faster with debtor days reduced to 99 days which was further reduced to 72 days. Since the operation of our Company has grown the trade receivable increased from Rs. 19490 Thousand in FY 2022 to Rs. 80578 Thousand in FY 2023 which was further increased to Rs. 165765 Thousand.

The company is in the business where receivables hold an important part of the working capital. The projects are milestone based and payments are recovered based upon completion of such milestones as per project timeline. Still, company projects to bring the receivable days from 90 in FY 2025 and FY 2026. The increase in amount from Rs. 445907 Thousands in FY 2025 to Rs. 713121 Thousands in FY 2026 suggests overall growth of the company.

*Cash and Cash Equivalents:*

*(Rupees in thousand)*

Particulars	Actual (Restated)	Actual (Restated)	Actual (Restated)	(Projected)	(Projected)
	31-March-22	31-March-23	31-March-24	31-March-25	31-March-26
Cash and cash equivalents	383	16285	44028	41660	48190
In Days	7	20	19	8	6

In the year FY 2022 being the first year of incorporation, the requirement of Cash and Cash equivalent was Rs. 383 Thousands which was increased to Rs. 16285 Thousands and Rs. 44028 Thousands in FY 2023 and FY 2024 as the revenue has grown during past years. The days also grew from 7 days in FY 2022 to 20 days and 19 days in FY 2023 and FY2024 respectively.

Further, as the operations and revenue are projected to increase in FY 2025 and FY 2026, we are planning to maintain cash requirement to 6-8 days. At this the Cash and Cash equivalent we will maintain Rs. 41660 Thousands to Rs. 48190 Thousands in FY 2025 and FY 2026 respectively.

*Other Financial Assets:*

*(Rupees in thousand)*

Particulars	Actual (Restated)	Actual (Restated)	Actual (Restated)	(Projected)	(Projected)
	31-March-22	31-March-23	31-March-24	31-March-25	31-March-26
Other financial Assets	27833	80592	119404	256480	410177
In Days	496	91	52	52	52

The Other Financial Assets includes security deposits with customers & amount recoverable from RTO Fees paid on behalf of customer which was higher in terms of days in FY 2022 and reduced from the FY 2023 and FY 2024 at level of 91 days to 52 days. Since the operations and revenue were growing in past years the amount of financial assets increased from Rs. 27833 Thousands in FY 2022 to Rs. 80592 Thousand in FY 2023 and further Rs. 119404 Thousand in FY 2024.

The company is planning to maintain 52 days level for other financial assets in FY 2025 and FY 2026

which increase the level to Rs. 256480 Thousand in FY 2025 and Rs. 410177 Thousand in FY 2026 in respect to projected increase in revenue.

*Other Current Assets:*

*(Rupees in thousand)*

Particulars	Actual (Restated)	Actual (Restated)	Actual (Restated)	(Projected)	(Projected)
	31-March-22	31-March-23	31-March-24	31-March-25	31-March-26
Other current assets	3099	4927	35290	99091	158473
In Days	56	6	15	20	20

Other current assets include Advances to Suppliers, Employees & Imprest, Bank Deposit, Prepaid Expenses, Taxes Recoverable. The amount of other current assets was Rs. 3099 Thousand as initial year of operation which was increased to Rs. 4927 Thousand in FY 2023 and Rs. 35290 Thousand FY 2024 in terms of growth in revenue in past years.

Looking ahead, the company is preparing for substantial growth through an Initial Public Offering (IPO) to raise capital. This IPO is expected to lead to a rise in revenue and have a parallel increase in profits. As part of this strategy, the company anticipates that its Other Current Assets will also expand to Rs. 99091 Thousand in FY 2025 to Rs. 158473 Thousand in FY 2026 maintaining the current level of days in range of 15-20 days.

This increase in estimated and projected period is because the company expects that upon increasing the payment of advance to vendors, suppliers or service providers to get the benefit of better pricing, early deliver of goods and better services on account of such products being bought. This would ultimately help the company to enhance its bottom-line.

*Current Liabilities:*

*(Rupees in thousand)*

Particulars	Actual (Restated)	Actual (Restated)	Actual (Restated)	(Projected)	(Projected)
	31-March-22	31-March-23	31-March-24	31-March-25	31-March-26
Trade payables	2092	18236	56413	90326	142300
In Days	38	25	30	25	25

The amount of trade payable was Rs. 2092 Thousand in FY 2022 being the first year of incorporation which was increased to Rs. 18236 Thousands in FY 2023 and Rs. 56413 Thousand as the business grows. The Days for trade payable was maintained at 25 days in FY 2023 to 30 days to FY 2024.

For FY 2025 & FY 2026, the company expects to keep the payable days at 25 Days level and after keeping the days at such level it could be seen that the amount of trade payable increase to Rs. 90326 Thousand and Rs. 142300 Thousand respectively. This is clearly due to the reason for growth expected by the company in terms of revenue and profits in the projected year.

*Other Financial Liabilities*

*(Rupees in thousand)*

Particulars	Actual (Restated)	Actual (Restated)	Actual (Restated)	(Projected)	(Projected)
	31-March-22	31-March-23	31-March-24	31-March-25	31-March-26
Other financial liabilities	6980	13886	13983	14283	14283
In Days	127	19	8	4	3

The financial liabilities includes amount payable to employees towards their salary & other benefits as well which was higher in the year March 22 in terms of days i.e. 127 days being the first year of incorporation of the company. Further the same has been reduced to 19 days & 8 days in the year March 2023 & March 2024 respectively. The amount outstanding to them was increased from 6980 Thousand in the year March 2022 to 13886 Thousand in the Year March 2023 since the operations has increased significantly. Further the same slightly increased in the year March 2024 to Rs. 13983 Thousand despite of increase in operations of the company because of reduced holding level.

For FY 2025 & FY 2026, the company expects to keep the other financial days at 3-4 Days level and after keeping the days at such level it could be seen that the amount of other financial liabilities will stand at Rs. 14283 Thousand for both the years. This is clearly due to the reason increase in Employee Benefit cost which will be higher as company is planning to increase their revenue as well.

*Other current liabilities*

*(Rupees in thousand)*

Particulars	Actual (Restated)	Actual (Restated)	Actual (Restated)	(Projected)	(Projected)
	31-March-22	31-March-23	31-March-24	31-March-25	31-March-26
Other current liabilities	2361	7631	5402	30680	49100
In Days	126	17	6	6	6

The Other Current liabilities includes amount payable to government authorities toward indirect taxes & advance received from customers in normal course of business which was higher in the year March 22 in terms of days i.e. 126 days being the first year of incorporation of the company. Further the same has been reduced to 17 days & 6 days in the year March 2023 & March 2024 respectively. The amount outstanding to was increased from 2361 Thousand in the year March 2022 to Rs. 7631 Thousand in the Year March 2023 since the operations has increased significantly. Further the same decreased in the year March 2024 to Rs. 5402 Thousand despite of increase in operations of the company because of reduced holding level.

For FY 2025 & FY 2026, the company expects to keep the other current liabilities days at 6 Days level and after keeping the days at such level it could be seen that the amount of other current liabilities increase to Rs. 30680 Thousand & 49100 Thousand respectively. This is clearly due to the reason for payable towards indirect taxes will be grow as company expects as substantial jump in their revenue in the future years.

*Current tax liabilities - (Net)*

*(Rupees in thousand)*

Particulars	Actual (Restated)	Actual (Restated)	Actual (Restated)	(Projected)	(Projected)
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	31-March-22	31-March-23	31-March-24	31-March-25	31-March-26
Current tax liabilities - (Net)	0.00	2782	20310	20310	20310
In Days	0	4	11	6	4

The Current Tax liabilities includes amount payable towards Current Income Tax liabilities of the company. The same was NIL in the year March 2022 since there was no tax liability during the year. Further the same is slightly increased to 4 days & 11 days in the year march 2023 & March 2024 due to higher tax liability as the Profit of the company is in increasing trend. The tax liability in the year March 2023 was Rs. 2782 Thousand which increased to Rs. 20310 Thousand in the year March 2024 due to increase in Profitability of the company.

For FY 2025 & FY 2026, the company expects to keep the Current Tax liabilities days at 4-6 Days level and after keeping the days at such level it could be seen that the amount of Current Tax Liabilities increases to Rs. 20310 Thousand and Rs. 20310 Thousand respectively. This is clearly due to the reason for growth expected by the company in terms of their taxable income during the year.

#### **5. Funding expenditure for inorganic growth through acquisitions and other strategic initiatives and General Corporate Purposes**

We expect to utilize ₹ [●] thousand of the Net Proceeds towards funding inorganic growth through acquisitions and other strategic initiatives, subject to (a) the cumulative amount to be utilized for general corporate purposes and our object of 'Funding inorganic growth through acquisitions and other strategic initiatives' shall not exceed 35% of the amount raised by our Company, and (b) the amount to be utilized for our object of 'Funding inorganic growth through acquisitions and other strategic initiatives' shall not exceed 25% of the amount raised by our Company.

The amount of Net Proceeds proposed to be deployed for funding inorganic growth through potential acquisitions and strategic initiatives is based on our management's current estimates and budgets, and our Company's historical acquisitions and strategic investments and partnerships, and other relevant considerations. The actual deployment of funds and the timing of deployment will depend on a number of factors, including the timing, nature, size and number of acquisitions or strategic initiatives proposed, as well as general macro- or micro-economic factors affecting our results of operation, financial condition and access to capital.

As on the date of this Red Herring Prospectus, we have not identified any specific targets with whom we have entered into any definitive agreements. Our acquisition strategy is primarily driven by our Board, and typically involves detailed due diligence being undertaken by us on the potential target, and subsequently negotiating and finalizing definitive agreements towards such acquisition.

In addition, our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, initial development costs for projects other than the identified projects, and the strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act.

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 Red Herring Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

Our Directors, Key Managerial Personnel, Senior Management Personnel and Group Company do not have any interest in the proposed investment to be made by our Company towards acquisitions & other strategic initiatives and general corporate purposes.

#### **6. Public Issue Expenses: -**

The estimated Issue related expenses include Issue Management Fee, Underwriting and Selling Commissions, Printing and Distribution Expenses, Legal Fee, Advertisement Expenses, Registrar's Fees, Depository Fee and Listing Fee. The total expenses for this Issue are estimated to be approximately Rs. [●] thousands which is [●]% of the Issue Size. All the Issue related expenses shall be proportionately met out from proceeds of the Issue as per applicable laws. The break-up of the same is as follows:

<b>Particulars</b>	<b>Estimated expenses (Rs. In thousands) *</b>	<b>As a % of total estimated Issue related expenses*</b>	<b>As a % of the total Issue size*</b>
Book Running Lead Managers 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 issue stationery	[●]	[●]	[●]
Others, if any (market making, depositories, marketing fees, secretarial, peer review auditors, etc.)	[●]	[●]	[●]
<b>Total Estimated Issue Expenses</b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>

\* To be incorporated in the Prospectus after finalisation of the Issue Price.

Notes:

- Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:*
- Portion for RIIs 0.01% ^ or ₹ 100/- whichever is less ^ (exclusive of GST) Portion for NIIs 0.01% ^ or ₹ 100/- whichever is less ^ (exclusive of GST)*
- ^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price).*
- The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into*



account in order to determine the total application charges payable to the relevant RTA/CDP.

5. Registered Brokers, will be entitled to a commission of ₹10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.

6. SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs

7. Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.

8. Notwithstanding anything contained above the total processing / uploading / bidding charges under above clauses payable to Syndicate/ Sub Syndicate members, SCSBs, RTAs, CDPs, Registered Brokers, Sponsor Bank will not exceed ₹50,000/- (plus applicable taxes) and in case if the total uploading / bidding charges exceeds ₹ 25,000/- (plus applicable taxes) then uploading charges will be paid on pro-rata basis except the fee payable to respective Sponsor Bank.

### **Appraisal**

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

### **Shortfall of Funds**

Any shortfall in meeting the fund requirements will be met by way of internal accruals and or unsecured Loans.

### **Bridge Financing Facilities**

As on the date of this Red Herring Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds.

### **Monitoring Utilization of Funds**

In accordance with Regulation 262 of the SEBI ICDR Regulations, our Company will appoint a Monitoring Agency for monitoring the utilization of Gross Proceeds prior to the filing of this Red Herring Prospectus, as the Issue size exceeds ₹ 100 lakhs. Our Audit Committee and the Monitoring Agency will monitor the utilization of the Gross Proceeds till utilization of the proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose the utilization of the Gross Proceeds, including interim use under a separate head in its balance sheet for such fiscal periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which

the Gross Proceeds have been utilized. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Gross Proceeds that have not been utilized, if any, of such currently unutilized Gross Proceeds. Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a half-yearly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in this Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Gross Proceeds remain unutilized. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilized in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the Issue from the objects of the Issue as stated above; and (ii) details of category wise variations in the actual utilization of the proceeds of the Issue from the objects of the Issue as stated above. This information will also be uploaded onto our website.

### **Interim Use of Proceeds**

Pending utilization of the Issue proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act.

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets or investing in any real estate product or real estate linked products as per applicable laws.

### **Variation in Objects**

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoter or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

### **Other confirmations**

There is no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel and Group Companies, in relation to the utilization of the Net Proceeds. No part of the proceeds of the Issue will be paid by us to the Promoter and Promoter Group, Group Companies, the Directors, associates or Key Management Personnel, except in the normal course of business and in compliance with applicable law.

## BASIS FOR ISSUE PRICE

Investors should read the following summary with the section titled “Risk Factors”, the details about our Company under the section titled "Our Business" and its financial statements under the section titled "Restated Financial Statements” of the Company" beginning on page 28, 170, and 288 respectively of the Red Herring Prospectus. The trading price of the Equity Shares of our Company could decline due to these risks and the investor may lose all or part of his investment.

The Price Band/ Issue Price shall be 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 through the Book Building Process and on the basis of qualitative and quantitative factors. The face value of the Equity Shares is ₹ 2/- each and the Issue Price is ₹ [●].

### QUALITATIVE FACTORS

Some of the qualitative factors, which form the basis for computing the price, are:

1. *Leveraging the experience of our Corporate Promoter.*
2. *Experienced management team and a motivated and efficient work force.*
3. *Quality Deliverables of services.*
4. *Adaption to advanced technology.*
5. *Timely and safe deliveries*
6. *Experienced management team and a motivated and efficient work force;*
7. *Cordial relations with our clients*

For further details, refer to the heading chapter titled Our Business beginning on page 170 of this Red Herring Prospectus.

### QUANTITATIVE FACTORS

Information presented below relating to the Company is based on the “Restated Financial Statements” and “Other Financial Information” on pages 288 and 289. Some of the quantitative factors which form the basis or computing the price are as follows:

#### 1. Basic & Diluted Earnings Per Share (EPS):

Financial Year	EPS (Basic & Diluted)	Weight
2023-24	3.01	3
2022-23	0.46	2
2021-22	0.00	1
<b>Weighted Average EPS</b>		<b>1.66</b>
September 30, 2024 (Basic)*		<b>4.02</b>
September 30, 2024 (Diluted)*		<b>4.01</b>

*\*Not Annualized*

#### Note:

- a) EPS Calculations have been done in accordance with Ind As 33 - Earning per share issued by the Institute of Chartered Accountants of India.

- b) Basic earnings per share are calculated by dividing the net profit after tax by the weighted average number of Equity Shares outstanding during the period.
- c) Weighted Average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year/period adjusted by the number of Equity Shares issued during year/period multiplied by the time weighting factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.
- d) For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.

**2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. [●] /- per Equity Share of face value Rs.2/- each fully paid up.**

Particulars	P/E Ratio
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2023-2024	[●]
P/E ratio based on the Weighted Average EPS, as restated	[●]
P/E ratio based on the Basic EPS, as restated at Floor Price	34.83
P/E ratio based on the Basic EPS, as restated at Cap Price	36.57

**Industry P/E**

<b>Highest</b>	282.36
<b>Lowest</b>	282.36
<b>Average</b>	282.36

**3. Return on Net Worth (RONW)**

Financial Year	Return on Net Worth (%)	Weight
2023-24	86.51%	3
2022-23	101.70%	2
2021-22	0.00%	1
<b>Weighted Average</b>		<b>77.16%</b>
September 30, 2024*		<b>20.72%</b>

\*Not Annualized

**Note:**

- a) Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated /Net worth as restated as at year end.
- b) Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e.(RoNW x Weight) for each year/Total of weights
- c) Net worth is aggregate value of the paid-up share capital of the Company and reserves and surplus,excluding revaluation reserves and attributable to equity holders.

#### 4. Net Asset Value per Equity Share

On the basis of standalone financials:

Particulars	Net Asset Value (NAV) in Rs.
For the period ended on September 30, 2024	18.18
2023-24 (Post Split)	2442.64
2022-23 (Post Split)	318.32
2021-22 (Post Split)	(4.02)
NAV after the Issue- At Cap Price	50.34
NAV after the Issue- At Floor Price	52.86
Issue Price	[●]

Note: Net Asset Value has been calculated as per the following formula:

$NAV = \text{Net worth excluding preference share capital and revaluation reserve} / \text{Outstanding number of Equity shares outstanding during the year or period.}$

#### 5. Comparison with industry peers

S.No	Name of the company	Face Value (Per Share)	CMP	EPS (Rs)	P/E Ratio	RONW (%)	NAV (Rs. Per share)	REVENUE (Rs. In Thousand)
1	Rosmerta Digital Services Limited	2.00	[●]	4.19	[●]	20.90%	20.21	9,22,423
<b>Peer Group</b>								
2.	BLS E-services Limited*	10.00	206.12	1.03	217.53	1.85%	43.19	3,96,674

\* Sourced from Financials statements of Peer Company.

Notes:

- Considering the nature and turnover of business of the Company, the peers are not strictly comparable. However, the same have been included for broader comparison.
- The figures for Rosmerta Digital Services Limited are based on the restated results for the period ended September 30, 2024.
- The figures for the peer group are based on restated results for the period ended March 31, 2024.
- Current Market Price (CMP) is the closing price of respective scrip as on October 25, 2024.

For further details see section titled Risk Factors beginning on page 28 and the financials of the Company including profitability and return ratios, as set out in the section titled “Restated Financial Statements” of Our Company beginning on page 288 of this Red Herring Prospectus for a more informed view.

### **Key financial and operational performance indicators (“KPIs”)**

Our company considers that KPIs included herein below have a bearing for arriving at the basis for Issue Price. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated October 28, 2024. Further, the KPIs herein have been certified by M/s A Y & Co., Independent Chartered Accountants, by their certificate dated October 28, 2024 vide UDIN 24421544BKFPPN3932. Additionally, the Audit Committee on its meeting dated October 28, 2024 have confirmed that other than verified and audited KPIs set out below, our company has not disclosed to earlier investors at any point of time during the three years period prior to the date of the Red Herring Prospectus.

For further details of our key performance indicators, see “Risk Factors, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 28, 170 and 290 respectively. We have described and defined them, where applicable, in “Definitions and Abbreviations” section on page no. 2. Our Company confirms that it shall continue to disclose all the KPIs included in this section “Basis for Offer Price”, on a periodic basis, at least once in a year (or for any lesser period as determined by the Board of our Company), for a duration that is at least the later of (i) one year after the listing date or period specified by SEBI; or (ii) till the utilization of the Net Proceeds. Any change in these KPIs, during the aforementioned period, will be explained by our Company as required under the SEBI ICDR Regulations.

### **1. Key metrics like revenue growth, EBIDTA Margin, PAT Margin and few balance sheet ratio are monitored on a periodic basis for evaluating the overall performance of our Company.**

#### **Standalone KPI indicators**

*(Rupees in thousands, except EPS, % and ratios)*

<b>Particulars</b>	<b>For period ended September 30<sup>th</sup>, 2024</b>	<b>Financial Year ended March 31<sup>st</sup>, 2024</b>	<b>Financial Year ended March 31<sup>st</sup>, 2023</b>	<b>Financial Year ended March 31<sup>st</sup>, 2022</b>
Revenue from operations <sup>(1)</sup>	9,22,423	8,41,900	2,97,891	20,270
Growth in Revenue from Operations <sup>(2)</sup>	-	182.62%	1,369.62%	-
EBITDA <sup>(3)</sup>	1,99,504	1,53,627	30,466	273
EBITDA (%) Margin <sup>(4)</sup>	29.86%	18.25%	10.23%	1.35%
EBITDA Growth Period on Period <sup>(5)</sup>	-	404.26%	11,059.71%	-
ROCE <sup>(6)</sup>	0.28	1.03	0.22	0.01
Current Ratio <sup>(7)</sup>	3.47	1.49	1.08	0.92
Operating cash flow <sup>(8)</sup>	(98,584)	20,870	(64,393)	(38,804)
PAT <sup>(9)</sup>	1,48,372	1,05,652	16,187	(301)
RONW <sup>(10)</sup>	20.90%	86.51%	101.70%	0.00%
EPS <sup>(11)</sup>	4.02	3.01	0.46	0.00

Notes:

- <sup>(1)</sup> Revenue from operations is the total revenue generated by our Company.  
<sup>(2)</sup> Growth in Revenue from operations in percentage, Year on Year  
<sup>(3)</sup> EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses  
<sup>(4)</sup> EBITDA Margin’ is calculated as EBITDA divided by Revenue from Operations  
<sup>(5)</sup> EBITDA Growth Rate Year on Year in Percentage  
<sup>(6)</sup> ROCE: Return on Capital Employed is calculated as EBIT divided by capital employed, which is

defined as shareholders' equity plus long-term debt

<sup>(7)</sup> Current Ratio: Current Asset over Current Liabilities

<sup>(8)</sup> Operating Cash Flow: Net cash inflow from operating activities.

<sup>(9)</sup> PAT is mentioned as PAT for the period

<sup>(10)</sup> RoNW is calculated PAT divided by shareholders' equity

<sup>(11)</sup> EPS is mentioned as EPS for the period

KPI	Explanation
Revenue from operation	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.
Revenue Growth Rate %	Revenue Growth Rate informs the management of annual growth rate in revenue of the company on consideration to the previous period
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
EBITDA Growth Rate %	EBITDA Growth Rate inform the management of annual growth rate in EBIDTA of company on consideration to previous period
ROCE	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Current Ratio	Current ratio indicate the company's ability to bear its short term obligations.
Operating Cash Flow	Operating cash flow shows whether the company is able to generate cash from day-to-day business.
PAT	Profit after Tax is an indicator which determines the actual earning available to equity shareholders.
RoNW	RoNW is an indicator which shows how much company is generating from its available shareholders' funds

## 2. GAAP Financial Measures

GAAP Financial measures are numerical measures which are disclosed by the issuer company in accordance with the Generally Accepted Accounting Principles (GAAP) applicable for the issuer company i.e., measures disclosed in accordance with Indian Accounting Standards ("Ind AS") or Accounting Standards ("AS") notified in accordance with Section 133 of the Companies Act, 2013, as amended (the "Act"). These measures are generally disclosed in the financial statements of the issuer company.

(Rupees in Thousands)

Particulars	30-09-2024	31-03-2023	31-03-2022	31-03-2021
Revenue from operations	9,22,423	8,41,900	2,97,891	20,270
Profit after tax	148,372	1,05,652	16,187	(301)
Cash flow from operating activities	(98,584)	20,870	(64,393)	(38,804)
Cash Flow from investing activities	(215,123)	(399)	(1,162)	(4,500)
Cash Flow from financing activities	283,452	7,265	81,358	43,687
Net Change in Cash and cash equivalents	(30,255)	27,736	15,803	383

### 3. Non- GAAP Financial measures

Non-GAAP Financial measures are numerical measures of the Technical Guide on Disclosure and reporting of KPIs issuer company's historical financial performance, financial position, or cash flows that:

- i. Exclude amounts, or are subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable measures calculated and presented in accordance with GAAP in the financial statements of the issuer company; or
- ii. Include amounts or are subject to adjustments that have the effect of including amounts, that are excluded from the most directly comparable measures so calculated and presented. Such adjustment items should be based on the audited line items only, which are included in the financial statements. These Non-GAAP Financial measures are items which are not defined under Ind AS or AS, as applicable. Generally, if the issuer company takes a commonly understood or defined GAAP amount and removes or adds a component of that amount that is also presented in the financial statements, the resulting amount is considered a Non-GAAP Financial measure. As a simplified example, if the issuer company discloses net income less restructuring charges and loss on debt extinguishment (having determined all amounts in accordance with GAAP), the resulting performance amount, which may be labelled "Adjusted Net Income," is a Non-GAAP Financial measure.

*(Rupees in Thousands, except %)*

Particulars	For period ended September 30 <sup>th</sup> , 2024	Year ended March 31 <sup>st</sup> , 2024	Year ended March 31 <sup>st</sup> , 2023	Year ended March 31 <sup>st</sup> , 2022
EBITDA	1,99,504	1,53,627	30,466	273
Adjusted revenues	9,22,423	8,41,907	2,97,891	20,270
Adjusted PAT	1,48,372	1,05,652	16,187	(301)
EBITDA margin	21.62%	18.25%	10.23%	1.35%
PAT Margin	16.08%	12.55%	5.43%	(1.48)%
Working capital	701,583	1,21,696	14,034	(4,308)

Apart from the above, Ministry of Corporate Affairs (MCA), vide its notification dated March 24, 2021, has issued certain amendments to the Schedule III to the Act. Pursuant to these amendments, the below ratios are also required to be presented in the financial statements of the companies:

*On the basis of Restated standalone financial statements.*

S. No.	Particulars	For period ended September 30 <sup>th</sup> , 2024	Year ended March 31 <sup>st</sup> , 2024	Year ended March 31 <sup>st</sup> , 2023	Year ended March 31 <sup>st</sup> , 2022
a)	Current ratio	3.47	1.49	1.08	0.92
b)	Debt-equity ratio	0.00	1.23	8.28	0.00
c)	Debt service coverage ratio	1.00	0.59	0.22	0.00
d)	Inventory turnover ratio	63.49	86.12	15.28	0.93
e)	Trade receivables turnover ratio	2.85	6.84	5.95	1.04



f)	Trade payables turnover ratio	3.26	10.93	5.27	8.91
g)	Net capital turnover ratio	2.24	12.41	61.26	0.00
h)	Net profit ratio	0.16	0.13	0.05	0.00
i)	Return on equity ratio	0.36	1.53	2.06	0.00
j)	Return on capital employed	0.28	1.03	0.22	0.01

Ratio	Explanation
Current Ratio	Current Assets divided by Current Liabilities
Debt-equity ratio	Long Term Debt divided by Net Worth
Debt service coverage ratio	EBIT divided by Finance Cost
Inventory turnover ratio	Revenue from operations divided by Average Inventory
Trade receivables turnover ratio	Revenue from Operations divided by Closing Debtors
Trade payables turnover ratio	Total Operating Expenses divided by Closing Creditors
Net capital turnover ratio	Revenue from Operations divided by Working Capital
Net profit ratio	Profit after Tax divided by Revenue from Operations
Return on equity ratio	Profit after Tax divided by Net Worth
Return on capital employed	EBIT divided by Net worth Plus Long-Term Debt

#### 4. Comparison of KPI with listed industry peers

Particulars	ROSMERTA DIGITAL SERVICES LIMITED			BLS E-SERVICES LIMITED		
	Year ended March 31 <sup>st</sup> , 2024	Year ended March 31 <sup>st</sup> , 2023	Period ended March 31 <sup>st</sup> , 2022	Year ended March 31 <sup>st</sup> , 2024	Year ended March 31 <sup>st</sup> , 2023	Year ended March 31 <sup>st</sup> , 2022
Revenue from operations <sup>(1)</sup>	8,41,900	2,97,891	20,270	396,674	205,335	103,145
Growth in Revenue from Operations <sup>(2)</sup>	182.62%	1,369.62%	-	93.18%	99.07%	-
EBITDA <sup>(3)</sup>	1,53,627	30,466	273	139,999	97,467	-85707
EBITDA (%) Margin <sup>(4)</sup>	18.25%	10.23%	1.35%	35.29%	47.47%	-83.09%
EBITDA Growth Period on Period <sup>(5)</sup>	404.26%	11,059.71%	-	43.64%	-213.72%	-
ROCE (%) <sup>(6)</sup>	1.03	0.22	0.01	3.25%	7.65%	-57.74%
Current Ratio <sup>(7)</sup>	1.49	1.08	0.92	12.38	0.72	0.82
Operating cash flow <sup>(8)</sup>	20,870	(64,393)	(38,804)	39,718.00	132,591.00	89,000.00
PAT <sup>(9)</sup>	1,05,652	16,187	(301)	72,528.00	10,305.00	-65267
ROE/ RONW <sup>(10)</sup>	86.51%	101.70%	0.00%	1.85%	1.12%	-85.80%
EPS <sup>(11)</sup>	3.01	0.46	0.00	1.03	0.17	-1.1

*\*\*All the information for listed industry peers mentioned above are on a standalone basis and is sourced*

from their respective audited/ unaudited financial results and/or annual report.

Notes:

- (1) Revenue from operations is the total revenue generated by our Company.
- (2) Growth in Revenue from operations in percentage, Year on Year
- (3) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses
- (4) EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
- (5) EBITDA Growth Rate Year on Year in Percentage
- (6) ROCE: Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long-term debt
- (7) Current Ratio: Current Asset over Current Liabilities
- (8) Operating Cash Flow: Net cash inflow from operating activities.
- (9) PAT is mentioned as PAT for the period
- (10) ROE/RoNW is calculated PAT divided by shareholders' equity
- (11) EPS is mentioned as EPS for the period

## 5. Weighted average cost of acquisition.

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

The details of the Equity Shares excluding shares issued under ESOP/ESOS and issuance of bonus shares during the 18 months preceding the date of this Red-herring prospectus where such issuance is equal to or more than 5 per cent of the fully diluted paid-up share capital of the Issuer Company (calculated based on the pre-issue capital before such transaction), in a single transaction or multiple transactions combined together over a span of rolling 30 days:

Date of allotment	No of equity shares allotted	Face value	Issue price	Issue price (Adjusted for Bonus Shares)	Nature of allotment	Nature of consideration	Total consideration (In Rs.)
June 25, 2024	70,00,000	10	NA	NIL	Other than Cash	Bonus Issue	Nil
<i>The Equity share capital of the company is Sub-divided from Rs. 10/- per equity share to Rs. 2/- per equity share* Vide Adjourned Annual General Meeting dated June 25, 2024.</i>							
July 09, 2024	39,51,400	2	110	110	Cash	Private Placement	43,46,54,000
July 16, 2024	48,560	2	110	110	Cash	Private Placement	53,41,600

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

There have been 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 certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days. The details of which are given below:

S. No.	Date	Transferor	Transferee	No. of Shares Transferred	Face Value	Consideration
1.	29.03.2024	Rosmerta Technologies Limited	Shree Bankey Bihari Family Trust	1500	Rs. 10*	Rs. 1,87,18,720

\* The Equity share capital of the company is sub-divided from Rs. 10/- per equity share to Rs. 2/- per equity share by passing an Ordinary Resolution in an adjourned Annual General Meeting held on June 25, 2024

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

Type of transaction	Weighted average cost of acquisition. (₹ per equity shares)	Weighted average cost of acquisition after Bonus shares adjustment. (₹ per equity shares)	Floor Price	Cap Price
Weighted average cost of primary / new issue acquisition	11.28	11.28	12.41	13.03
Weighted average cost of secondary acquisition	12,479.14	NA	0.01	0.01

\*Calculated for last 18 months

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

**6. Explanation for Offer Price / Cap Price being [●] times and [●] times price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in (d) above) in view of the external factors which may have influenced the pricing of the Offer.**

Not Applicable.

*This space is left blank intentionally.*

## STATEMENT OF TAX BENEFITS

### Independent Auditor's Report on Statement of Special Tax Benefits

Date: October 28, 2024

To,

#### The Board of Directors

#### Rosmerta Digital Services Limited

(Formerly known as Rosmerta Digital Services Private Limited)

402, 4th Floor, World Trade Tower, Barakhamba Lane

Connaught Place, Central Delhi, New Delhi

Delhi – 110001, India

**Subject : Statement of possible special tax benefits (“the Statement”) available to Rosmerta Digital Services Limited (Formerly known as Rosmerta Digital Services Private Limited) (“the Company”) and its shareholders prepared in accordance with the requirement under Schedule VI – Part A – Clause (9) (L) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“the ICDR Regulations”) in relation to Proposed Initial Public Offering (“Offer”) of Equity Shares of Face Value of INR 2 each (“Equity Shares”) of Rosmerta Digital Services Limited (Formerly known as Rosmerta Digital Services Private Limited) (the “Company”, and such issuance, the “Issue”)**

1. This report is issued in accordance with the terms of our agreement dated June 29, 2024.
2. We hereby report that the enclosed statement of special tax benefit (**the “Statement”**) (**hereto enclosed as “Annexure I”**) prepared by the Company, initialled by us for identification purpose, states the possible special tax benefits available to the Company, and its shareholders, under Income Tax Act 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, applicable goods and services tax legislations, as promulgated by various states in India, , Customs Act, 1962, the Customs Tariff Act, 1975 and Foreign Trade Policy 2015-2020 (as extended) including the rules, regulations, circulars, orders and notifications issued thereunder (collectively the “Taxation Laws”), including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws and the Foreign Trade Policy 2023 vide Notification No. 1/2023 dated March 31, 2023 and applicable to the Assessment Year 2025-26 relevant to the Financial Year (FY) 2024-25
3. These possible special tax benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and its shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company and its shareholders may or may not choose to fulfil.
4. The benefits discussed in the enclosed **Annexure I** cover the possible special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company and its shareholders. These benefits are dependent on the Company or the shareholders of the Company fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company or the shareholders of the Company to derive the possible special tax benefits is dependent upon fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company or the shareholders of the

Company may or may not choose to fulfil. The Statement is to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offer of equity shares of the Company (**the “Proposed Offer”**) particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on the Statement.

5. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. We do not express any opinion or provide any assurance as to whether:
  - a) the Company and its shareholders will continue to obtain these possible special tax benefits in future; or
  - b) the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with.
8. The contents of the enclosed Annexures are based on the information, explanation and representations obtained from the Company, and on the basis of our understanding of the business activities and operations of the Company.
9. Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company and any other person in respect of this Statement, except as per applicable law.
10. We hereby give consent to include this Statement in the Updated Draft Red Herring Prospectus (“UDRHP”) and Red Herring Prospectus (“RHP”), and in any other material used in connection with the Proposed Offer, and it is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For S S Kothari Mehta & Co. LLP**

Chartered Accountants

Firm Registration No: 000756N/N500441

**Sunil Wahal**

Partner

Membership No: 087294

Place: New Delhi

Dated: October 28, 2024

UDIN: 24087294BKAHSZ1874

**STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS (“Annexure I”)****A. SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)**

The statement of tax benefits outlined below is as per the Act read with Income Tax Rules, circulars, notifications (“Income Tax Law”), as amended from time to time and applicable for as on date of issuance of this statement. These special tax benefits are dependent on the Company fulfilling the conditions prescribed under the Income Tax Law. Hence, the ability of the Company to derive the special tax benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfil.

**1. Lower corporate tax rate under Section 115BAA of the Act:**

A new section 115BAA has been inserted in the Act by the Taxation Laws (Amendment) Act, 2019 (“the Amendment Act, 2019”) w.e.f. from FY 2019-20 relevant to AY 2020-21. Section 115BAA grants an option to a domestic company to be governed by the section from a particular assessment year. If a company opts for section 115BAA of the Act, it can pay corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and education cess of 4%) and the option once exercised shall apply to subsequent assessment years. In such a case, the Company may not be allowed to claim any of the following deductions/exemptions.

- (i) Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone)
- (ii) Deduction under clause (iia) of sub-section (1) of section 32 (Additional depreciation)
- (iii) Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund)
- (iv) Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of section 35 (Expenditure on scientific research)
- (v) Deduction under section 35AD or section 35CCC (Deduction for specified business, agricultural extension project)
- (vi) Deduction under section 35CCD (Expenditure on skill development)
- (vii) Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA or Section 80M
- (viii) No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred from clause (i) to (vii) above,
- (ix) No set off of any loss or allowance for unabsorbed depreciation deemed so under section 72A, if such loss or depreciation is attributable to any of the deductions referred from clause (i) to (vii) above.

Further, it was clarified by CBDT vide Circular No. 29/ 2019 dated 2 October 2019 that if the Company opts for concessional income tax rate under section 115BAA, the provisions of section 115JB regarding

Minimum Alternate Tax (MAT) are not applicable. Further, such Company will not be entitled to claim tax credit relating to MAT.

## **2. Deduction in respect of certain inter-corporate dividends under Section 80M**

As per Section 80M of the Indian Income Tax Act, 1961, where domestic companies have declared dividend and are also in receipt of the dividend from another domestic company or a foreign company or a business trust, deduction is allowed with respect to the dividend received as long as the same is distributed as dividend one month prior to the due date of furnishing the return of income under sub-section (1) of Section 139.

The deduction under Section 80M is available even if domestic company opts for concessional tax rate under Section 115BAA.

## **3. Deduction in respect of employment of new employees under section 80JJAA**

The Company is entitled to claim a deduction of an amount equal to thirty per cent of additional employee cost incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided under section 80JJAA of the Act, subject to the fulfilment of prescribed conditions therein.

## **B. POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE SHREHOLDERS OF THE COMPANY UNDER ACT**

There is no special direct tax benefit available to the shareholders of Company for investing in the shares of the Company. However, such shareholders shall be liable to concessional tax rates on certain incomes under the extant provisions of the Income Tax Act, 1961. Further, it may be noted that these are general tax benefits available to equity shareholders, other shareholders holding any other type of instrument are not covered below

### **1. Dividend Taxation:**

Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. With respect to a resident corporate shareholder, deduction under section 80M of the Act is available to the extent of dividend received or distributed by the shareholder, whichever is lower from the shareholder's gross total income computed in accordance with the provisions of the Act.

With respect to non-resident shareholder, the provision of the Agreement for Avoidance of Double Taxation (tax treaty) entered by the Government of India with the country of residence of the non-resident shareholder will be applicable to the extent more beneficial to the non-resident. Accordingly, non-resident shareholder may, subject to conditions, be subject to tax at a concessional rate for divided income, if any, provided under the relevant tax treaty.

### **2. Shareholders may be subject to India taxes on the capital gains arising out of the sale of Right Shares and Right Entitlements ('REs')**

As per Section 112A of the Act, long-term capital gains arising from the transfer of an equity share on which securities transaction tax ("STT") is paid at the time of acquisition and sale, shall be taxed at the rate of 10% (without applying indexation) of such capital gains. This is subject to fulfilment of prescribed additional conditions as per Notification No. 60/2018/F. No.370142/9/2017-TPL dated 01 October 2018. It is worthwhile to note that tax shall be levied where such aggregate capital gains exceed INR 1,00,000/- in a year. The Finance (No. 2) Act 2024 has changed the rate of tax to 12.5% (without applying indexation) w.e.f. 23 July 2024 and enhance the limit to INR 1,25,000.

Further, the surcharge on long-term capital gains arising from any capital asset, is restricted to 15%.

As per Section 111A of the Act, short-term capital gains arising from transfer of equity shares on which securities transaction tax (STT) is paid at the time of acquisition and sale, shall be taxed at the rate of 15%. Further, the surcharge on short-term capital gains taxable under Section 111A, is restricted to 15%. The Finance (No. 2) Act 2024 has increased the tax rate from 15% to 20% w.e.f. 23 July 2024.

**Notes:**

1. This Annexure is as per the Income-tax Act, 1961 as amended by the Finance Act, 2024 read with relevant rules, circulars and notifications applicable for the Financial Year 2024-25 relevant to the Assessment Year 2025-26, presently in force in India.
2. The ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil.
3. The Statement has been prepared on the basis that the shares of the Company will be listed on a recognized stock exchange in India.
4. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.
5. This Statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.
6. No assurance is provided that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

**C. POSSIBLE SPECIAL TAX BENEFITS TO THE COMPANY UNDER INDIRECT TAX LAWS**

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

There are no special indirect tax benefits available to the Company.

**2. Special tax benefits available to the Shareholders of the Company**

There are no special indirect tax benefits available to the shareholders of the Company.

**Notes:**

1. The above is as per the current Tax Laws.
2. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.
3. This Statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.



**For S S Kothari Mehta & Co. LLP**

Chartered Accountants

Firm Registration No: 000756N/N500441

**Sunil Wahal**

Partner

Membership No: 087294

Place: New Delhi

Dated: October 28, 2024

## SECTION V – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. None of the Company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projection forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on information.

#### Overall Economy

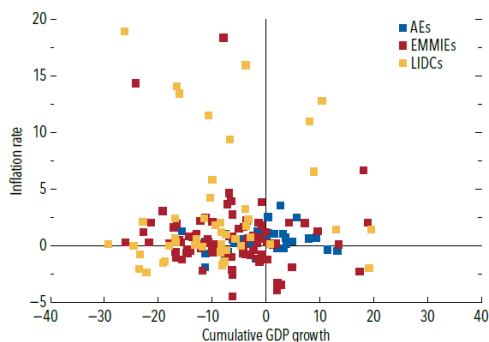
##### Global Economy

##### Steady Disinflation, yet Bumps in the Road Still Possible

In many advanced economies, disinflation has come at a relatively low cost to employment, thanks partly to offsetting supply developments. These included a faster-than-expected decline in energy prices and a surprising rebound in labor supply, bolstered by substantial immigration flows that helped cool labor markets (April 2024 *World Economic Outlook*). Moreover, temporary sectoral bottlenecks during and after the pandemic led to a steepening of the Phillips curve and implied a small sacrifice ratio (the slack required to decrease inflation).

Since the beginning of 2024, signs that cyclical imbalances are being gradually resorbed have helped bring inflation rates across countries closer together. Disinflation has continued broadly as expected but did show signs of slowing in the first half of the year, suggesting potential bumps on the road to price stability.

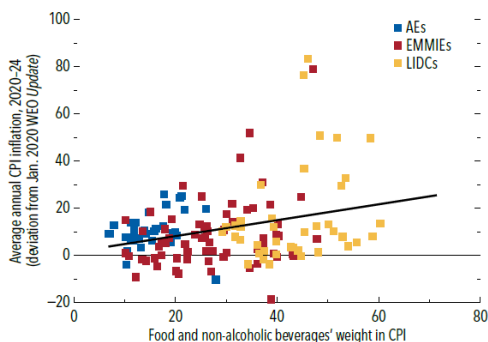
**Figure 1.1. Growth and Inflation Revisions**  
(Percentage points, relative to January 2020 WEO Update)



Source: IMF staff calculations.

Note: X-axis reports latest estimates for cumulative GDP growth from 2020 to 2024 in deviation from January 2020 WEO Update forecast. Y-axis reports latest estimates for inflation rate in 2024 in deviation from January 2020 WEO Update forecast. AEs = advanced economies; EMMIEs = emerging market and middle-income economies; LIDCs = low-income developing countries; WEO = *World Economic Outlook*.

**Figure 1.2. Inflation Surprises and Importance of Food in CPI**  
(Percent)



Source: IMF staff calculations.

Note: The solid line denotes linear regression. AEs = advanced economies; CPI = consumer price index; EMMIEs = emerging market and middle-income economies; LIDCs = low-income developing countries; WEO = *World Economic Outlook*.

## Policy Mix: Tight Monetary, Loose Fiscal Policies

Economic developments over the past four years have had a lot to do with how individual countries have deployed fiscal and monetary policies since the pandemic.

Following an initial period of easing, monetary policy has tightened significantly, with central banks in many emerging markets starting earlier than major central banks in advanced economies (Chapter 2). Most central banks stopped increasing nominal policy rates in the first half of 2023. But real rates continued to rise as inflation expectations started to decline (Figure 1.5, panel 1), tightening the monetary policy stance further.

Real policy rates are currently above estimates of the natural rates and thus are acting to cool down economic activity and bring inflation back to target.

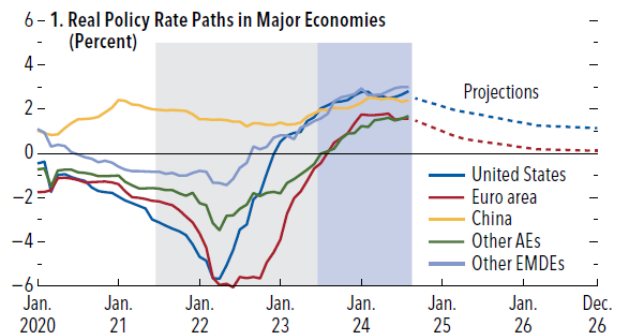
Higher policy rates have led to higher mortgage and bank lending rates, a sign that the first leg of monetary transmission has worked as expected. The pass-through to market rates has been gradual but seems to have finished. The increase in borrowing costs has in turn held back private credit growth and investment, moderating aggregate demand.

## Rising Geopolitical Tensions but Limited Impact on Global Trade So Far

Despite ongoing geopolitical tensions, global trade volume as a share of world GDP has not deteriorated. However, signs of geoeconomic fragmentation have started to emerge, with increasingly more trade occurring within geopolitical blocs rather than between them. Specifically, when the averages for the periods 2017 to 2022 and 2022 to the first quarter of 2024 are compared, goods trade growth is observed to have declined by approximately 2½ percentage points more between geopolitically distant blocs than within blocs. A more fragmented global trade landscape could emerge if geopolitical tensions continue to develop in a way similar to that during the Cold War. Although fragmentation, if it goes hand in hand with an increase in intrabloc trade, may not necessarily imply rapid deglobalization (Gopinath and others 2024), it could reduce the resilience of global supply chains, increase funding costs, disrupt cross-border capital flows and lower market efficiency, slow the transfer of knowledge between advanced and emerging market and developing economies (hampering income convergence), increase costs and risks for businesses, and induce a larger economic cost for the green transition.

*This space has been left blank intentionally.*

Figure 1.5. Monetary Transmission



### The Global Automotive Industry and the Shift to Electric Vehicles

The rising adoption of electric vehicles (EVs) represents a fundamental transformation of the global automotive industry. It will have far-reaching consequences for patterns of investment, production, international trade, and employment. This box documents some key steps in the evolution of the automotive sector and charts possible economic and regional implications.

The car industry stands out among manufacturing sectors in several ways. First, it is very capital intensive, with high investment (including for innovation), and a significant capital share is value added. The sector relies on skilled labor and pays wages that reflect the high value added per worker (Figure 1.1.1, panel 1).

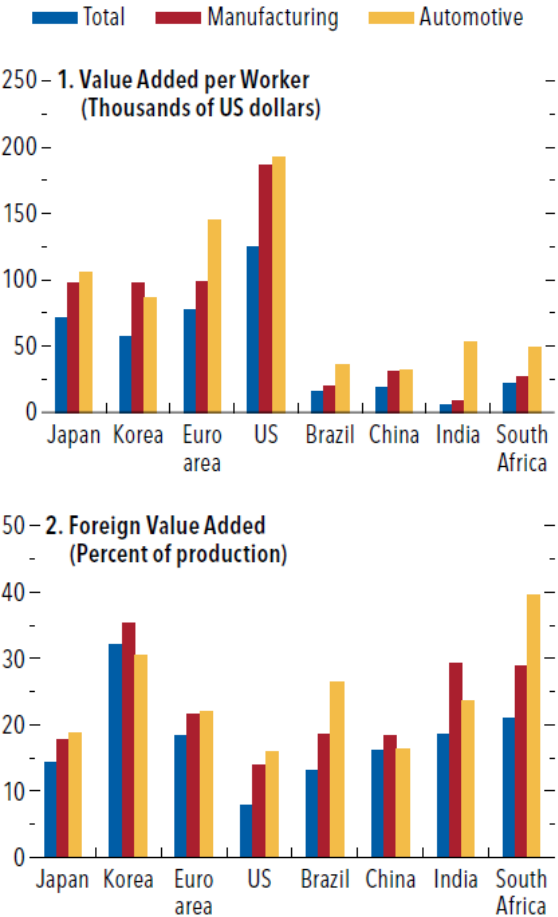
Second, multinational firms in the sector operate in many countries along deep global value chains measured by the share of foreign value added in production (Figure 1.1.1, panel 2). Finally, despite having many competitors, carmakers manage to have effective product differentiation and extract a sizable share of the consumer surplus, particularly at the top end.

With the sector having high wages, showing strong profits, using a high degree of technology, and having large export markets, many countries see it as strategic.

In 2022, the transportation sector generated 36 percent of greenhouse gas (GHG) emissions in the United States, 21 percent in the European Union, and 8 percent in China (IEA 2024b). Emissions from transportation have failed to decline at the same pace as those from electricity generation and industry in the past 15 years. Therefore, the shift to electric vehicles for personal transportation is a key part of the reduction of GHG emissions. To foster the adoption of EVs, both supply- and demand-side policies have been implemented across the world (IEA 2024a).

On the demand side, the European Union has set out an ambitious goal of reducing emissions from cars by 50 percent for 2030–35 from the 2021 levels in its “Fit for 55” package. In the United States, the Inflation Reduction Act includes subsidies for EV purchases and the deployment of charging stations. Supply-side policies aim at closing the cost and convenience gaps between EVs and conventional internal combustion engine vehicles, which is a key obstacle to a widespread adoption of EVs. Policies

**Figure 1.1.1. Productivity and Global Value Chains in the Automotive Sector**



Sources: Organisation for Economic Co-operation and Development, Trade in Employment database and Trade in Value-Added indicators; and IMF staff calculations.

are targeting the entire EV value chain: vehicles, batteries, and extraction and processing of metals. Cost reduction relies on two main pillars: innovation and increasing returns to scale. It explains the global race for innovation in EVs among large carmakers and battery manufacturers that resulted in the rise of many newcomers in the United States (Lucid, Rivian, Tesla) and even more in China (BYD, Geely, Wuling, and the like). The rise of lithium ion battery manufacturers has been even faster, as the industry started only 25 years ago.

### Risk Assessment Surrounding the World Economic Outlook’s Baseline Projections

The IMF’s Group of Twenty (G20) and Global Integrated Monetary and Fiscal (GIMF) models are used in this box to derive confidence bands around the World Economic Outlook forecast and to quantify two scenarios.

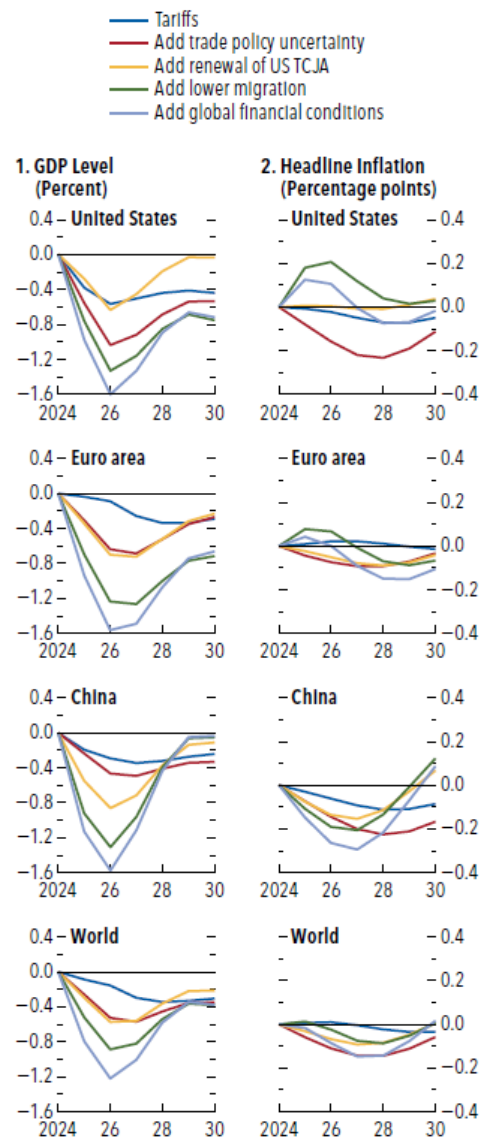
Risks to growth are currently considered moderately tilted to the downside. The risk of global growth falling below 2 percent—an outcome that has occurred only five times since 1970—in 2025 is now assessed at 17 percent, compared with 12 percent in April, in part because the risk of a recession in the United States has increased moderately. Risks for global inflation are considered broadly balanced.

#### Impact on World Output and Inflation

Figures 1.2.2 and 1.2.3 present the effects for scenarios A and B. Panel 1 in each figure shows the effects on the *level* of GDP during 2024–30 for three economies (China, United States, euro area) and for the world. Panel 2 shows the effects for inflation. Effects on GDP are presented as percent deviations from the baseline, whereas effects on headline inflation are presented as percentage point deviations from the baseline.

In scenario A, the *increase in tariffs* affects activity in all regions. Imposing tariffs on imports raises domestic input costs, and higher tariffs on exports lower external demand. The net effect on inflation depends on the relative strength of these two channels but is small. There is a small negative impact on investment; the impact on consumption is limited, because tariff revenue is transferred back to households. Across regions, the impact on the United States is larger, because US trade flows are subject in their entirety to the new tariffs: GDP falls by 0.4 percent in 2025 and by 0.6 percent in 2026. The impact on other regions and the world reaches –0.3 percent of GDP by 2026, and global imports and exports also fall by about 4 percent, relative to the baseline. The effects on GDP are permanent, however. The *trade policy uncertainty* layer has a more immediate impact on global activity.

**Figure 1.2.2. Impact of Scenario A on GDP and Headline Inflation**



Source: IMF staff calculations.  
Note: Results are shown as deviations from baseline projections.  
TCJA = Tax Cuts and Jobs Act.

Global investment (not shown) falls by close to 2 percent by 2026, lowering GDP by 0.4 percent over the same period, while global inflation falls by 10 basis points.

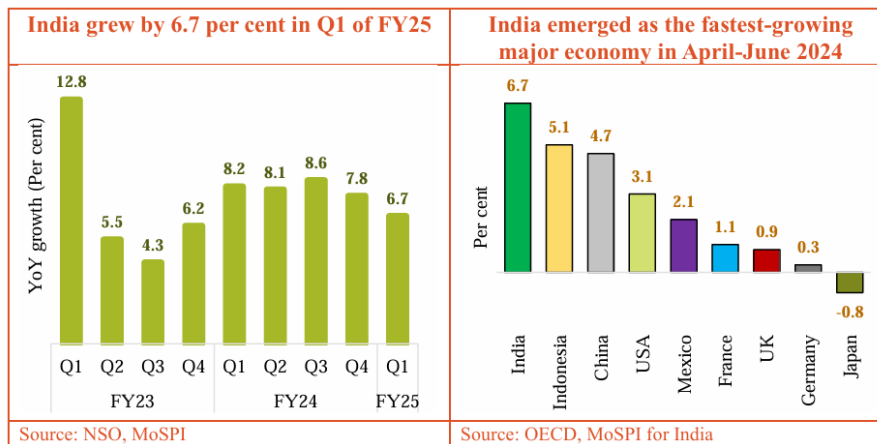
[World Economic Outlook, October 2024: Policy Pivot, Rising Threats](#)

## **Indian Economy**

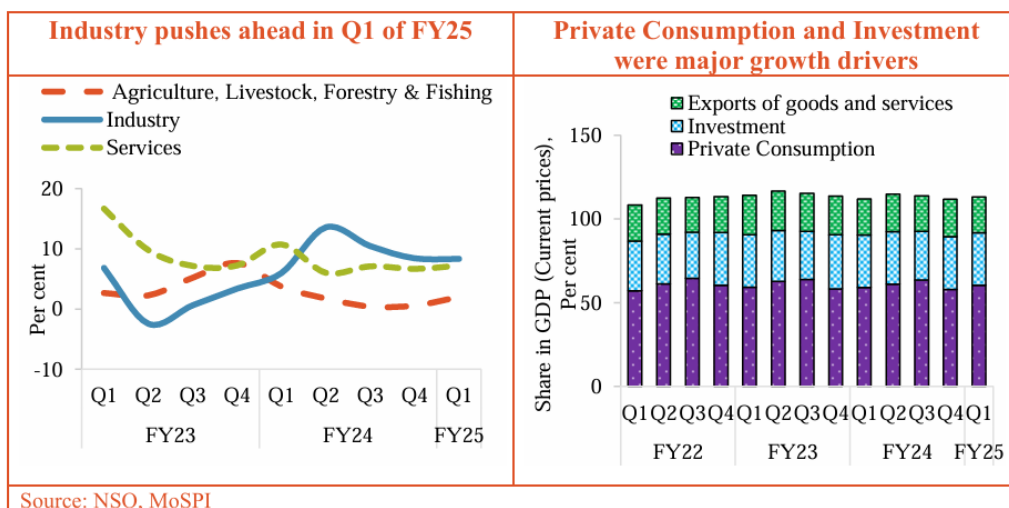
India's economic momentum was sustained in the first quarter of FY25. With a cumulative real GDP growth of around 27 per cent from FY21, the economy had not only regained the ground lost during the pandemic but also achieved transformational changes in many productive sectors by the end of FY24. Building on this base, India's GDP at constant prices grew by 6.7 per cent in Q1FY25. Growth in all major non-agricultural sectors stayed well above 5 per cent in Q1, indicating broad-based expansion. With the advancing monsoon, kharif sowing has also picked up, brightening prospects of agricultural production.

### **INDIAN ECONOMY DEMONSTRATES RESILIENCE AMID GLOBAL CHALLENGES**

1. The World Economic Outlook of the IMF released in July 2024 projected global growth to be 3.2 per cent in 2024, a shade lower than the pre-pandemic decade. Relative to the April 2024 projections of the IMF, the first quarter growth surprised many countries on the upside. Gradual cooling of labour markets, together with an expected decline in energy prices, can bring global levels of headline inflation back to the target levels by the end of 2025. Global trade moderated due to rising geopolitical tensions, cross-border restrictions, supply chain disruptions and slower growth in advanced economies. Developments in the services trade have been more upbeat, partly offsetting the decline in goods trade. Trade growth is expected to recover in FY25 and align with global GDP growth again.
2. Data released by the National Statistical Office has estimated that India's GDP grew by 6.7 per cent at constant prices in Q1 FY25. India's growth, which surpassed that of major advanced and emerging economies, remains steady in the face of ongoing global headwinds. It is important to exercise caution while interpreting economic growth rates in the post-Covid years. In India's case, after the pandemic-inflicted, short-lived downslide, pent-up consumption and investment demand gave an immediate boost to growth in FY22 and FY23, which carried forward to FY24. Growth averaged 8.3 per cent in these three years. We have analysed these patterns and concluded that the gap between the current GDP and its pre-pandemic trend has been progressively closing. The GDP level was close to the pre-pandemic trajectory in Q4FY24. Thus, the growth rate of 6.7 per cent achieved in Q1FY25 on a reasonably high base and amidst an unfavourable external demand situation is a sign of the underlying dynamism and strength of the Indian economy.
3. Robust domestic consumption and investment underpinned GDP growth in Q1. Private final consumption expenditure (PFCE) and gross fixed capital formation (GFCF) at constant prices grew by 7.4 per cent and 7.5 per cent, respectively, while exports (of goods and non factor services) increased by 8.7 per cent. The share of private final consumption in GDP (at current prices) rose to 60.4 per cent in Q1 of FY25 from 57.9 per cent in Q4 FY24, while the shares of GFCF and exports remained steady.



4. On the supply side, real gross value added (GVA) grew by 6.8 per cent in Q1FY25, with the industry and services sector displaying resilience. Agricultural GVA at constant prices grew at 2.0 per cent YoY, mostly reflecting the impact of the adverse weather conditions that prevailed during the previous year. As the effect of favourable and more even distribution of monsoon gets captured in this year’s output, the overall agricultural output in the subsequent quarters is likely to strengthen.

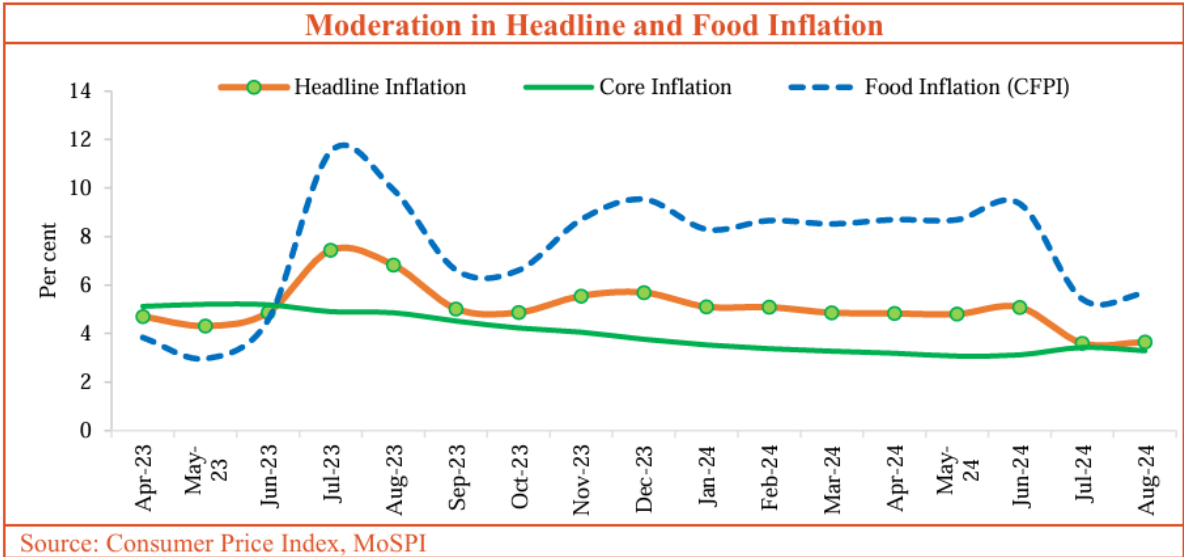


5. The industrial sector grew by 8.3 per cent at constant prices in Q1FY25. The growth in the sector is supported by manufacturing, which grew by 7 per cent in real terms. The construction sector performed well, registering a YoY growth of 10 per cent in Q1 of FY25.
6. The services sector saw continued robust growth, showcasing a real growth of 7.2 per cent in Q1 of FY25. The expansion in the services sector is evident in robust PMI readings, a surge in digital transactions, a rise in foreign tourism, and heightened cargo traffic. The real estate sector is also drawing an increasing number of participants. The JLL Global Real Estate Transparency Index 20242, highlighted that India's Tier-I markets have entered the 'transparent' zone for the first time with a composite score of 2.44. India is the top global improver in the real estate transparency index. Greater data coverage and improved quality in core and niche property sectors, more proactive financial regulators, new climate risk disclosure guidelines, streamlined building regulations and digitised land records have contributed to its leading cities entering the ‘Transparent’ tier.

7. India’s e-commerce industry has emerged as a dominant player in driving services sector growth in recent years. The box below discusses the performance of the e-commerce industry.

**INFLATION REMAINS BENIGN IN AUGUST 2024**

Retail inflation remains benign at 3.7 per cent in August 2024, driven by softer food and core inflation. Major items of food inflation, such as cereals, meat & fish, milk, sugar and spices, saw a decline in inflation. The inflation rate in vegetables increased in August due to the elevated inflation rate in potatoes and onions. Food inflation in August stood at 5.7 per cent, a modest increase from July, yet notably lower than the 8.9 per cent experienced in Q1 of FY25. Inflation in the fuel & light group continued to remain in the deflationary zone for the 12th consecutive month. The core inflation, which excludes food and fuel, remained low at 3.3 per cent in August. Overall, retail inflation in April-August 2024 has significantly declined to 4.4 per cent compared to 5.6 per cent in the corresponding period of the previous year. Core inflation eased to 3.2 per cent compared to 5.1 per cent in the corresponding period of FY23.



**CHANGING GLOBAL TRADE DYNAMICS**

The recent geopolitical events, characterised by ongoing conflicts and trade disputes, are reshaping the contours of international trade in terms of protectionist trade policies and shifting global supply chains.

Another concern for international trade trends is the impact of climate change through changing costs, comparative advantages, and global supply chains.<sup>8</sup> For example, Hurricane Ian, which hit the Caribbean and the US in September 2022, led to a 75 per cent drop in shipments and added 2.5 days to shipping times.<sup>9</sup> Weather issues cause 23 per cent of all road delays in the US, costing trucking companies between USD 2 billion and USD 3.5 billion annually due to disruptions in work shifts, holding costs, late fees, and customer retention problems.<sup>10</sup> Extreme weather also significantly impacts agriculture. Recent disruptions in the Red Sea have forced changes in trade routes, causing higher shipping costs and longer delivery times, particularly for trade between Asia and Europe.<sup>11</sup> The survey by The Economist shows that around 20 per cent of executives view global warming and extreme weather as major concerns for global trade in 2024 and 2025, with inflation and geopolitical issues being more prominent concerns.



## CONCLUSION AND OUTLOOK

The recent developments analysed above indicate strong foundations of macroeconomic stability in India with steady growth, investment, employment and inflation trends, a strong and stable financial sector, as well as, a resilient external account including comfortable foreign exchange reserve position. A challenge on the macroeconomic front is of navigating the continuing uncertainty in global economic prospects. We will likely encounter a cycle of policy rate cuts globally, amid fears of a recession in advanced economies and continuing geopolitical conflicts.

For the remaining part of the financial year, a reasonable expectation is that public expenditure will pick up, providing added growth and investment impetus. In the farm sector, higher kharif acreage is already visible. Adequately replenished reservoir levels will potentially give a fillip to the upcoming Rabi crops as well. The skewed spatial distribution of rain may have an impact on farm output in a few regions. However, in the absence of any serious adverse climate shocks, rural incomes and demand should get stronger, and food inflation will be milder. There are also incipient signs of strains in certain sectors. For instance, the automobile dealers' body, FADA, has pointed to moderating sales of passenger vehicles and a build-up of inventory. Data from Nielsen IQ indicated that the growth of fast-moving consumer goods sales in urban areas slowed in Q1 FY25. While these may turn out to be transient with the onset of the festival season, they warrant monitoring. Further, capital spending by Indian states has declined in the current financial year. Stock markets around the world are booming, reinforced by recent policy announcements in a few countries. Consequently, the risk of an eventual correction has risen. If the risk materialises, the spillover effect may be felt globally as well. Amidst these concerns, low oil prices is a bright spot for the economy.

On balance, the GDP growth of 6.7 per cent in Q1FY25 and the movements in high frequency indicators till August fit well with the real GDP growth projection of 6.5 –7 per cent for FY25 provided by the Economic Survey 2023-24.

[Monthly Economic Review August 2024.pdf](#)

## **E-SERVICES INDUSTRY**

E-services, or electronic services, involve using Information and Communication Technologies (ICTs) to perform various tasks across different domains. These services leverage the power of the internet and digital technologies to provide efficient, accessible, and convenient solutions to users. The application of e-services spans multiple areas, including banking, governance, retail, healthcare, compliance and more.

### **Global E-Services Scenario**

Governments all over the globe are making efforts towards the full digitalization of government services, giving users the ability to complete virtually all types of transactions entirely online. At global level, e-governance development has seen an uptick which is largely attributable to the progress made in strengthening telecommunications infrastructure and developing human capital. Countries in Africa have made significant improvements in their telecommunications infrastructure, building a robust foundation for accelerating the transition to digital government. Challenges remain, however, as the cost

of mobile broadband subscriptions as a percentage of per capita gross national income remains significantly higher in Africa than in other parts of the world.

While advancement in e-government development remains strongly correlated with national income, there are some notable exceptions which indicates that income level of the country matters but is not the sole factor determining the level of e-government development. High-income countries have already reached a relatively high level of services provision, whereas low-income and lower-middle-income countries lack sufficient resources for investment in the development of online services. Low-income countries struggle with investing in human capital development which restricts the overall penetration of e-governance.

Many countries have developed "one-stop-shop" portals to provide various government services online. Business-related services such as registration, licensing, and filing company taxes are among the most frequently offered. Other common online services include applying for government vacancies, obtaining business licenses, requesting birth, death, and marriage certificates, and paying utility bills. The number of countries providing information and services via smartphone applications, SMS, and mobile browsers has been rapidly increasing. (World Bank)

<https://documents1.worldbank.org/curated/en/229401604053492832/pdf/Achieving-Integrated-Government-to-Business-Service-Delivery-A-Planning-Guide-for-Reformers.pdf>

The health sector experienced the most significant increase in digital adoption, primarily due to the widespread adoption of digital solutions in response to the COVID-19 pandemic. The digital health market is expected to experience a 29.6% CAGR from 2019 to 2025 and is expected to reach approximately over USD 500 billion by 2025. (Invest India)

<https://www.investindia.gov.in/team-india-blogs/e-health-services-and-technology-interventions>

To summarize, the rapid evolution of e-services across various sectors underscores the critical role of digitization in today's world.

### **Indian Scenario E-Governance**

India stands as a testament to the transformative power of digital services, with over 900 million internet subscribers making it one of the largest and fastest-growing markets for digital consumers. The Indian government has launched numerous initiatives to promote e-services, contributing to significant advancements in various sectors. (TRAI)

[https://www.trai.gov.in/sites/default/files/PR\\_No.40of2024.pdf](https://www.trai.gov.in/sites/default/files/PR_No.40of2024.pdf)

Over the years, both State Governments and Central Ministries in India have launched numerous e-Governance initiatives to enhance public service delivery. Initially focusing on computerizing government departments, these efforts have evolved to emphasize citizen-centricity, service orientation, and transparency. (MeitY)

<https://www.meity.gov.in/divisions/national-e-governance-plan>

The National e-Governance Plan (NeGP), focused on transforming government through technology and driving electronic delivery of services, includes 31 projects consisting of education, health, banking,

jurisdiction, agriculture etc. The ultimate vision of the NeGP plan is to make public services more accessible to citizens near their locality at affordable costs. (MeitY)

<https://www.meity.gov.in/content/mission-mode-projects>

A research shows exponential growth in e-governance adoption in India, driven by digital payments and UIDAI, key elements of the Jan Dhan-Aadhaar-Mobile (JAM) trinity. Social benefit transfers via Direct Benefit Transfer (DBT) have also increased by 192% since 2015, reflecting widespread adoption across major government programs. (International Growth Centre)

<https://www.ideasforindia.in/topics/governance/analysing-e-governance-service-delivery-outcomes-insights-from-etaal.html>

### **Assisted E- Commerce**

With the rise of e-commerce in India, there is a growing need to bridge the technological accessibility and awareness gap between rural and urban areas. The assisted e-commerce industry is emerging to address the digital shopping needs of rural and semi-urban populations who lack access to or familiarity with online shopping. Assisted e-commerce bridges this gap by enabling local entrepreneurs to help customers browse, order, and receive online purchases. In February 2024, CSC and ONDC partnered to expand e-commerce to rural India. By integrating CSC's e-Grameen app with the ONDC network, it aimed to give rural citizens access to a broad e-commerce platform, promote local entrepreneurship, and support the vision of Gram Swaraj. (ONDC)

<https://ondc.org/blog/csc-and-ondc-collaborate-to-expand-e-commerce-reach-to-rural-india/>

### **E- Compliance**

In the digital age, compliance services have undergone a significant transformation, moving from traditional paper-based processes to electronic systems. These services encompass a wide range of regulatory and statutory compliance activities that are conducted electronically.

India's regulatory landscape is renowned for its complexity and frequent updates, with ever-changing laws and regulations across various sectors. Companies must navigate numerous legal requirements, including tax filing, incorporation, trademark filing, labor laws, environmental regulations, and corporate governance standards. Likewise, individuals face multiple compliance needs, such as tax filing, regulatory compliance (Aadhaar, PAN, digital signatures, etc.), and investment compliance.

To assist companies and citizens in managing these intricate processes, several companies have developed digital solutions tailored to specific regulatory requirements. While the e-compliance industry in India is still in its early stages, its adoption will become increasingly vital as the regulatory landscape continues to evolve.

### **Automotive Industry**

#### **Global Automotive Industry**

In 2023, the global light vehicle industry experienced a 6.5% growth, driven by economic recovery and resolved semiconductor chip supply chain challenges. China, the United States, India, Japan, and Germany experienced positive growth. China took the lead with 11% YoY growth in vehicles sold.

Of the 14.1 million EVs sold in 2023, 70% were BEVs. and 30% were PHEVs. As a result, EV

penetration increased from 13% in 2022 to 15.8% in 2023. BYD and Tesla remained the top participants with unit sales of 2.9 million and 1.8 million, respectively.

The growth trajectory of the automotive industry will focus on EVs, connectivity, and digitization. Vertical integration of EV-related capabilities will help OEMs mitigate against supply chain disruptions, increase efficiency, and establish competitive advantages.

The shift toward EVs, connected features, digitization, and autonomy will increase the demand for new skills in automotive manufacturing, with particular focus on software and IT professionals. Increasing connectivity and real-time data regarding vehicle operation and the health of various components are enabling the rise of prognostic and remote diagnostic solutions. EVs will require best-in-class battery management solutions that can aid in optimal battery design, health and performance monitoring, and failure prediction while deployed, and residual value prediction at the product's end of life. Significant advancements in connectivity, electrification, and sustainability will support sector growth in 2024, despite challenges related to higher incentives and increased pricing pressure.

Generative AI is transforming the automotive sector. It is impacting vehicle design, navigation, predictive maintenance, voice assistants, manufacturing, supply chain, and quality control, and enhancing the safety, efficiency, and personalization of in-car interactions. OEMs will be operating in a more challenging environment, with a focus on higher incentives and increased pricing pressure at a time when labor costs are already squeezing profit margins. Advancements in connectivity, electrification, and sustainability will bring about transformative changes in the industry.

### [Global Automotive Industry Outlook and Growth Opportunities](#)

#### **Indian Automotive Industry**

The Indian automobile industry has historically been a good indicator of how well the economy is doing, as the automobile sector plays a key role in both macroeconomic expansion and technological advancement. The two-wheelers segment dominates the market in terms of volume, owing to a growing middle class and a huge percentage of India's population being young. Moreover, the growing interest of companies in exploring the rural markets further aided the growth of the sector. The rising logistics and passenger transportation industries are driving up demand for commercial vehicles. Future market growth is anticipated to be fueled by new trends including the electrification of vehicles, particularly three-wheelers and small passenger automobiles.

India enjoys a strong position in the global heavy vehicles market as it is the largest tractor producer, second-largest bus manufacturer, and third-largest heavy truck manufacturer in the world. India's annual production of automobiles in FY23 was 25.9 million vehicles. India has a strong market in terms of domestic demand and exports. In January 2024, the total passenger vehicle sales reached 3,93,074\*. Passenger vehicles saw the highest ever sales in the month of January posting a growth of 14% compared to January 2023. In FY23, total automobile exports from India stood at 47,61,487. This sector's share of the national GDP increased from 2.77% in 1992-1993 to around 7.1% presently. It employs about 19 million people directly and indirectly.

## **Indian Automobile Sector**

India is also a prominent auto exporter and has strong export growth expectations for the near future. In addition, several initiatives by the Government of India such as the Automotive Mission Plan 2026, scrappage policy, and production-linked incentive scheme in the Indian market are expected to make India one of the global leaders in the two-wheeler and four-wheeler market by 2022.

The Indian passenger car market was valued at US\$ 32.70 billion in 2021, and it is expected to reach a value of US\$ 54.84 billion by 2027 while registering a CAGR of over 9% between 2022-27. In January 2024, the total production of passenger vehicles\*, 3W, 2W, and quadricycles was 2.32 million units. In April-January FY24, the total production of passenger vehicles, commercial vehicles, three-wheelers, two-wheelers, and quadricycles was 23.36 million units.

In the third quarter of 2023-24, total production of passenger vehicles\*, commercial vehicles\*\*, three wheelers, two wheelers, and quadricycles was 7.13 million units.

India accomplished a significant milestone, with the sale of 13,25,112 EVs in FY24 (till January 2024).

## **Number of Automobiles Manufactured in India**

Indian automotive industry is targeting to increase the export of vehicles by five times during 2016-26. In FY23, total automobile exports from India stood at 47,61,487. Indian automobile exports of two-wheelers stood at 36,52,122 in FY23.

## **Investments**

To keep up with the growing demand, several auto makers have started investing heavily in various segments of the industry during the last few months. The automobile sector received a cumulative equity FDI inflow of about US\$ 35.65 billion between April 2000 - December 2023. India is on track to become the largest EV market by 2030, with a total investment opportunity of more than US\$ 200 billion over the next 8-10 years.

Some of the recent/planned investments and developments in the automobile sector in India are as follows:

- The Renault-Nissan alliance is stepping up its investments in India plans to invest US\$ 600-700 million at its Chennai-based facility to step up platform localisation and improve sophistication levels in manufacturing.
- Mercedes Benz will make an investment of Rs 3,000 crore (US\$ 360.14 million) in Maharashtra.
- In March 2024, Tata Motors Group has signed a facilitation Memorandum of Understanding (MoU) with the Government of Tamil Nadu to explore setting-up of a vehicle manufacturing facility in the state. The MoU envisages an investment of US\$ 1,081.6 million (Rs. 9,000 crores) over 5-years.
- Tata Motors, in April 2024, announced the inauguration of a new commercial vehicle spare parts warehouse in Guwahati.
- In April 2024, Maruti Suzuki India Limited, commissioned another vehicle assembly line at its Manesar facility.
- In February 2024, Hyundai Motors has announced it will invest over US\$ 3.85 billion (Rs 32,000 crore) from 2023 to 2033 in expanding its EV range and enhancing its current car and SUV platforms.
- In January 2024, Mercedes-Benz is set to invest US\$ 24.04 million (Rs 200 crore) in India in 2024 and is gearing up to introduce more than a dozen new cars, including EVs this year.

- In February 2024, Klaus Zellmer CEO of Skoda Auto said India is the most promising growth market for Skoda Auto and Skoda Auto India is looking to increase its share in the Indian market to 5% by 2030.
- In April 2024, Hero Motocorp said it has opened an assembly facility in Nepal in partnership with its distributor CG Motors with capacity of 75,000 units per annum.
- Ola Electric IPO to be the first auto company in India to launch an IPO in over two decades (20 years). It has an expected size of US\$ 1.01 billion (Rs. 8,500 crore).
- In January 2024, BMW sold 1,340 luxury cars, the highest in the segment, which gave it a market share of 0.34%. Mercedes-Benz sold 1,333 cars in January 2024.
- In January 2024, Hyundai Motor India Limited announced US\$ 743.8 million (Rs. 6,180 crore) investment plans in the state of Tamil Nadu including US\$ 21.7 million (Rs. 180 crore) towards a dedicated 'Hydrogen Valley Innovation Hub,' in association with IIT- Madras.
- In January 2024, Hyundai Motor India Ltd. finalized the acquisition and transfer of specified assets at General Motors India's Talegaon Plant in Maharashtra and inked an MoU with the Government of Maharashtra committing to an investment of US\$ 722 million (Rs. 6,000 crore) in the state.
- In January 2024, Mahindra & Mahindra Ltd. and the India-Japan Fund ("IJF"), managed by the National Investment and Infrastructure Fund Limited ("NIIF"), entered into a binding agreement, with IJF committing to invest US\$ 48.1 million (Rs. 400 crore) in Mahindra Last Mile Mobility Limited (MLMML).
- In January 2024, at the Vibrant Gujarat Global Summit, Maruti Suzuki announced the investment plans in Gujarat with a New Greenfield plant and a fourth line in SMG.
- In December 2023, Tata Passenger Electric Mobility Ltd. (TPEM) and Bharat Petroleum Corporation Limited (BPCL) signed an MoU to jointly establish 7,000 public charging stations nationwide to enhance customer satisfaction.
- In December 2023, Maruti Suzuki India Limited entered into an agreement with the Government of Haryana to establish the second Japan-India Institute for Manufacturing (JIM) as part of its corporate social responsibility (CSR) initiative. The company will invest US\$ 698 thousand (Rs. 5.8 crore) to upgrade the existing ITI Kansala into a JIM.
- Two-wheeler EV maker HOP Electric Mobility, a diversified business venture of Rays Power Infra, is looking at investing US\$ 13.24 million (Rs. 100 crore) over the next two years to expand manufacturing capacity for its EVs.
- A cumulative investment of US\$ 180 billion (Rs. 12.5 trillion) in vehicle production and charging infrastructure would be required until 2030 to meet India's EV ambitions.

## **GOVERNMENT INITIATIVES**

The Government of India encourages foreign investment in the automobile sector and has allowed 100% FDI under the automatic route. Some of the recent initiatives taken by the Government of India are:

- Under Electric Mobility Promotion Scheme 2024 government aims to support 3,72,215 EVs including e-2W (3,33,387) and e-3W (38,828 including 13,590 rickshaws & e-carts and 25,238 e-3W in L5 category).
- Ministry of Heavy Industries, Government of India with the approval of Department of Expenditure has launched Electric Mobility Promotion Scheme 2024 to further accelerate the adoption of EVs in the country which is a fund limited scheme with a total outlay of Rs. 500 crore for the period of 4 months, from 1st April 2024 to 31st July 2024.

- In January 2024, the Ministry of Heavy Industries extended the tenure of the Production Linked Incentive (PLI) Scheme for Automobile and Auto Components by one year. The incentive will now be applicable for a total of five consecutive financial years, until March 31, 2028.
- Ministry of Heavy Industries (MHI) officials revealed that India plans to launch a new scheme to incentivise electric vehicle purchases and improve charging infrastructure, aligning with the interim budget's focus on eco-friendly transportation. Also, the allocation of US\$ 321.5 million (Rs. 2,671.33 crore) for 2024-25 is expected to be utilized by March 31, 2024.
- Under phase-II of FAME India Scheme, subsidy amounting to US\$ 696.8 million (Rs. 5790 crores) has been awarded to EV manufacturers on sale of 13,41,459 number of electric vehicles till January 31, 2024.
- The FAME Scheme was extended for a further period of 2 years up to 31st March, 2024

## **ROAD AHEAD**

The automobile industry is dependent on various factors such as the availability of skilled labour at low cost, robust R&D centres, and low-cost steel production. The industry also provides great investment opportunities and direct and indirect employment to skilled and unskilled labour. The electric vehicles industry is likely to create five crore jobs by 2030.

Addressing the automotive industry's needs, MHI has extended the tenure of the Production Linked Incentive (PLI) Scheme for Automobile and Auto Components by one year, offering incentives for determined sales over five consecutive financial years from 2023-24 to 2027-28, with disbursement occurring in the subsequent financial year. The scheme has proven successful, attracting proposed investments of US\$ 8.1 billion (Rs. 67,690 crore) against the target estimate of US\$ 5.1 billion (Rs. 42,500 crore) over five years, with US\$ 1.6 billion (Rs. 13,037 crore) already invested by December 31, 2023.

### **Indian automobile companies**

In August 2022, the Indian government launched India's first double-decker electric bus in Mumbai. Looking long term, the government feels it is necessary to overhaul the country's transportation system. It is working to create an integrated electric vehicle (EV) mobility ecosystem with a low carbon footprint and high passenger density with an emphasis on urban transportation reform. The government's strategy and policies are intended to promote greater adoption of electric vehicles in response to growing customer demand for cleaner transportation options.

In CY 23, the Indian Automobile Sector recovered from the effects of the COVID-19 pandemic, posting single-digit growth across Passenger Vehicles, Commercial Vehicles, and Two Wheelers, along with a notable recovery in Three Wheelers, aided by supportive government schemes. The Indian auto industry anticipates continued growth in FY24 as well.

<https://www.ibef.org/industry/india-automobiles>

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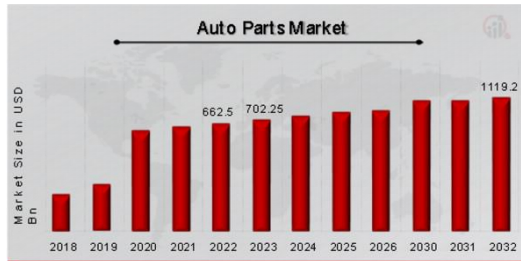
## Automotive Components Industry

### Global Automotive components Industry

<https://www.marketresearchfuture.com/reports/auto-parts-market-11564>

Dated June 2024

#### Auto Parts Market Overview:



Global Auto Parts Market Size was valued at USD 662.5 Billion in 2022. The Auto Parts Market industry is projected to grow from USD 702.25 Billion in 2023 to USD 1119.2 Billion by 2032, exhibiting a compound annual growth rate (CAGR) of 6.00% during the forecast period (2023 - 2032). Governments worldwide have implemented stringent regulations on vehicle emissions,

compelling manufacturers to produce environmentally sustainable and highly efficient automobile products for both domestic and international markets. This regulatory environment is expected to drive increased demand within the market. The automotive industry has witnessed significant developments in recent years, with emerging markets such as China, India, and Brazil expected to be significant market drivers for the Advance Auto Parts.

#### Advance Auto Parts Market Trends

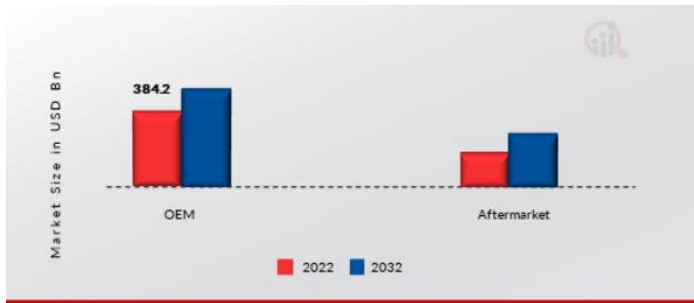
Growing popularity of electric vehicles and the emergence of 3D printing in the automotive industry are driving market growth

Market CAGR for auto parts is being driven by the growing popularity of electric vehicles and the emergence of 3D printing in the automotive industry. The surging popularity of electric vehicles has led to an increased demand for specialized auto parts tailored for EVs, including electric drivetrains, batteries, and charging infrastructure. The global electric car stock reached 10 million units in 2020, experiencing a notable 43% growth from the previous year, with battery electric vehicles (BEVs) dominating new registrations and overall stock. China holds the largest electric car fleet with 4.5 million units, while Europe witnessed the largest annual increase, reaching 3.2 million units in 2020. The global shift toward electrification, coupled with advancements in autonomous vehicle technology, has intensified the demand for components like sensors, radar systems, and LIDAR technology.

The integration of cutting-edge technology in the auto parts market is a key driver of its growth. Ongoing technological innovations, particularly in braking components and headlamps, propel the global Car Spare Parts market forward. High-performance braking systems now incorporate electronic features such as regenerative braking, brake-by-wire, and advanced control systems. Furthermore, the adoption of 3D printing technology is revolutionizing auto part production, allowing for the fabrication of intricate components and a variety of additive-manufactured parts. As a result, it is anticipated that throughout the projection period, demand for the Auto Parts Market will increase due to the growing popularity of electric vehicles and the emergence of 3D printing in the automotive industry. Thus, driving the Auto Parts Market revenue.



### Auto Parts Market Segment Insights:



### Automotive Parts Market End-User Insights

The global Auto Parts Market segmentation, based on End-User includes OEM and aftermarket. The OEM segment dominated the market, accounting for 58% of market revenue (384.2 Billion).

**Figure 1: Global Automotive Parts Market, by End-User, 2022 & 2032 (USD Billion)**

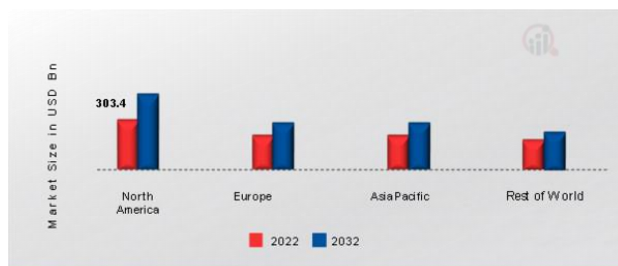
OEM parts are meticulously crafted by a specific manufacturer to precisely match the specifications of a vehicle, ensuring a seamless fit into designated spaces. This meticulous alignment makes OEM parts the preferred choice for automobile manufacturers worldwide. Buyers opt for OEM parts due to their identical composition to the components originally installed during the manufacturing process, ensuring consistency and quality in the replacement or maintenance of vehicles.

### Auto Parts Market Distribution Channel Insights

The global Auto Parts Market segmentation, based on Distribution Channels includes offline and online. The offline segment dominated the market, accounting for 58% of market revenue (384.2 Billion). Brick-and-mortar stores provide hands-on experiences, contributing to advancements in the industry. Nevertheless, the offline sector faces a potential decline amid the ascent of e-commerce. Key automotive markets such as the US, Canada, UK, Germany, and China house numerous auto part stores, garages, and dealerships. Franchise repair enterprises are gaining momentum, driven by profitability considerations. Consumers continue to make offline purchases for components such as vehicle lighting, brakes, and filters. Leading industry players like Toyota and Bosch are expanding their presence to encompass online channels while maintaining their offline footprint. Consumers exhibit a preference for physical stores for intricate installations, particularly as vehicles and components become more sophisticated.

### Auto Parts Market Regional Insights

The anticipated expansion of the Car Spare market in North America can be attributed to several key factors. The ongoing expansion and renewal of the vehicle fleet in North America are key drivers of heightened demand for auto parts. Notably, the United States recorded a total of 282 million registered vehicles in 2021, encompassing various categories such as passenger cars, motorcycles, trucks, buses,



and other vehicles. Specifically, the sales of light trucks in the U.S. reached 11.6 million units in 2021. This continuous cycle of consumers acquiring new vehicles or enhancing existing ones directly contributes to an increased requirement for replacement and aftermarket auto parts.

**Figure 2: Global Automotive Parts Market Share By Region 2022 (USD Billion)**

Europe Auto Parts Market accounts for the second-largest market share as the consistent increase in vehicle ownership across European nations is a driving force behind the escalating demand for auto parts. Notably, in 2020, the EU passenger car fleet expanded by 1.2% in comparison to the previous year, reaching a total of 246.3 million cars on the road. Notable growth was observed in Romania (+5.4%) and Slovakia (+5.1%), while the French car fleet experienced a slight contraction (-0.3%). Within the European Union, a fleet of 684,285 buses is operational, with nearly half concentrated in three prominent countries: Poland (124,526), Italy (99,883), and France (93,506). The continual ownership and maintenance of vehicles by consumers underscore a persistent demand for replacement parts, maintenance components, and aftermarket accessories within the auto parts market. Further, the German Auto Parts Market held the largest market share, and the UK automobile spare parts Market was the fastest-growing market in the European region

The Asia-Pacific automobile spare parts Market is expected to grow at the fastest CAGR from 2023 to 2032. The automotive industry in the Asia-Pacific region is experiencing a noteworthy increase in overall vehicle penetration. In India, the sector demonstrated robust production, manufacturing a total of 22.93 million vehicles, encompassing Passenger Vehicles, Commercial Vehicles, Three-wheelers, Two-wheelers, and Quadricycles, from April 2021 to March 2022. Additionally, there was a substantial growth in the export of automobiles, rising from 4,134,047 in 2020-21 to 5,617,246 in 2021-22, indicating a significant positive growth of 35.9%. This expansion extends beyond passenger cars to include commercial vehicles, contributing to a heightened vehicle population and subsequently driving demand for replacement parts and maintenance components within the market. Moreover, China's automobile spare parts Market held the largest market share, and the Indian Auto Parts Market was the fastest-growing market in the Asia-Pacific region.

### **Auto Parts Market Key Market Players & Competitive Insights**

Leading market players are investing heavily in research and development to expand their product lines, which will help the Advance Auto Parts market, grow even more. Market participants are also undertaking a variety of strategic activities to expand their global footprint, with important market developments including new product launches, contractual agreements, mergers and acquisitions, higher investments, and collaboration with other organizations. To expand and survive in a more competitive and rising market climate, the Auto Parts industry must offer cost-effective items.

Manufacturing locally to minimize operational costs is one of the key business tactics used by manufacturers in the global Auto Parts industry to benefit clients and increase the market sector. In recent years, the Auto Parts industry has offered some of the most significant advantages to the automotive sector, contributing to enhanced vehicle performance, maintenance efficiency, and overall industry innovation.

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## **Indian Automotive Components Industry**

<https://www.ibef.org/industry/autocomponents-india>

Dated May 2024

### **INTRODUCTION**

India has become the fastest-growing economy in the world in recent years. This fast growth, coupled with rising incomes, a boost in infrastructure spending and increased manufacturing incentives, has accelerated the automobile industry. The two-wheeler segment dominated the automobile industry because of the Indian middle class.

Significant demand for automobiles also led to the emergence of more original equipment and auto components manufacturers. As a result, India developed expertise in automobiles and auto components, which helped boost international demand for Indian automobiles and auto components. Hence, the Indian automobile industry has a considerable impact on the auto component industry.

India's auto component industry is an important sector driving macroeconomic growth and employment. The industry comprises players of all sizes, from large corporations to micro entities, spread across clusters throughout the country. The auto components industry accounted for 2.3% of India's GDP and provided direct employment to more than 1.5 million people. By 2026, the automobile component sector will contribute 5-7% of India's GDP. The Automotive Mission Plan (2016-26) projects to provide direct incremental employment to 3.2 million by 2026.

The industry is a leader in exports and provides jobs to over 3.7 crore people. From FY16-FY22, the industry registered a CAGR of 6.35% and was valued at US\$ 56.50 billion in FY22. In 2023-24 (April-September), the export value of auto components/parts was estimated at US\$ 10.4 billion. North America, which accounts for 33% of total exports, increased by 2%, while Europe and Asia, which account for 33% and 24% of total exports, increased by 12% and declined by 4%, respectively. The key export items included drive transmission and steering, engine components, body/chassis, suspension and braking etc.

Due to the high development prospects in all vehicle industry segments, the auto component sector is expected to see double-digit growth in FY22. The industry is expected to stand at US\$ 200 billion by FY26.

### **MARKET SIZE**

India's auto components industry's market share has significantly expanded, led by increasing demand for automobiles by the growing middle class and exports globally. Due to the growth in demand for Indian auto components, several Indian and international players have entered the industry. India's auto component industry is broadly classified into organised and unorganised sectors. While the unorganised sector consists of low-valued items and mostly serves the aftermarket category, the organised sector serves OEMs and includes high-value precision instruments.

The automobile component industry turnover stood at Rs. 2.9 lakh crore (US\$ 36.1 billion) in H1 2023-24 the industry had revenue growth of 12.6% as compared to H1 2022-23. Domestic OEM supplies contributed ~66% to the industry's turnover, followed by domestic aftermarket (~12%) and exports

(~22.3%), in FY23. The component sales to OEMs in the domestic market grew by 13.9% to US\$ 30.57 billion (Rs. 2.54 lakh crore). In H1 2023-24, exports of auto components grew by 2.7% to Rs. 85,870 crore (US\$ 10.4 billion). The aftermarket for auto components grew by 7.5% in H1 2023-24 reaching Rs. 45,158 crore (US\$ 5.5 billion).

As per the Automobile Component Manufacturers Association (ACMA) forecast, auto component exports from India are expected to reach US\$ 30 billion by 2026. The auto component industry is projected to record US\$ 200 billion in revenue by 2026.

In fiscal year 2023-24 (April-January), the total number of automobiles sold was 19.72 million units. In (April-January) 2023-24, the total production of passenger vehicles, commercial vehicles, three-wheelers, two-wheelers, and quadricycles was 23.36 million units.

## INVESTMENTS

The Indian automobile sector recorded an inflow of huge investments from domestic and foreign manufacturers. FDI inflow in the sector stood at US\$ 35.65 billion between April 2000-December 2023 which is around 5.35% of the total FDI inflows in India during the same period. Some of the recent investments made/planned for the auto component sector are as follows:

- Honda R&D (India) Private Limited, has inaugurated its new Solution R&D Center in Bengaluru, Karnataka. The company has established a global objective to attain carbon neutrality across all its products and corporate activities by the year 2050.
- Apollo tires, which holds a 25% share of India's passenger-car radial segment in the aftermarket, aims to enhance its presence in rural areas across the country.
- Bharat Forge will invest Rs. 1,000 crore (US\$ 119 million) over a period of five years in Tamil Nadu to enhance production capacity for the long term.
- In October 2023, Tata Motors signed a definitive agreement to acquire a 27% stake in Freight Tiger, a software-as-a-service (SaaS) company, for Rs. 150 crore (US\$ 17.99 million).
- Auto components maker Happy Forgings launched IPO on December 19th, 2023. It comprises a fresh equity issue of Rs. 400 crore (US\$ 47.99 million) and an offer for sale (OFS) of 71.59 lakh shares.
- In August 2023, Bosch earmarks US\$ 58.11 million (Rs. 480 crore) for R&D and an additional capex of US\$ 58.11 million (Rs. 480 crore).
- In June 2023, Tata Motors will invest US\$ 2 billion towards developing new products and platforms over the next four years.
- In May 2023, Apollo tyres would be making an investment around US\$ 133.17 million (Rs. 1,100 crore) in the FY24.
- In May 2023, Gabriel India inks a pact with Inalfa, to invest US\$ 20.58 million (Rs. 170 crore) to set up a new manufacturing facility. Inalfa Gabriel Sunroof Systems (IGSS), in Chennai which will become operational in the first quarter of 2024.
- In May 2023, With Tesla proposing a manufacturing plant in India, the government plans to come out with a modified production-linked incentive scheme (PLI 2.0) for electric vehicles and advanced chemistry cell batteries to invite fresh investments.
- In May 2023, Bridgestone looks to expand its retail footprint in India by 20-25%.
- In May 2023, Tata Technologies on Monday announced a partnership with TiHAN IIT Hyderabad, to collaborate in the areas of Software Defined Vehicles (SDV) and Advanced Driver Assistance Systems (ADAS) that incorporate the latest technologies.

- In April 2023, GreenCell Mobility invested US\$ 181.59 million (Rs. 1,500 crore) to double EV buses supply in India.
- By 2030, Chinese EV manufacturer BYD hopes to control 40% of the Indian EV market. It already has a manufacturing setup in India, and the current plant's capacity may be increased by another 10,000–15000 units.
- In 2022-23, Tamil Nadu attracted investment proposals worth US\$ 2.20 billion (Rs. 18,063 crore) Tamil Nadu is capitalizing on its previous automotive expertise to enter the EV industry.
- In February 2023, Bridgestone India, a global leader in tyres and sustainable mobility solutions, announced that it would be investing over US\$ 73.39 million (Rs. 600 crore) to meet the increasing demand for quality passenger tyres in the country.

## **GOVERNMENT INITIATIVES**

The Bharat New Car Assessment Program (BNCAP) will not only strengthen the value chain of the auto component sector, but it will also drive the manufacturing of cutting-edge components, encourage innovation, and foster global excellence.

The Government of India's Automotive Mission Plan (AMP) 2006-26 has been instrumental in ensuring growth for the sector. The Indian automobile industry is expected to achieve a turnover of US\$ 300 billion by 2026 by expanding at a CAGR of 15% from its current revenue of US\$ 74 billion.

In November 2020, the Union Cabinet approved a PLI scheme in automobile and auto components with an approved financial outlay over a five-year period of Rs. 57,042 crore (US\$ 8.1 billion). In September 2021, the Indian government issued notification regarding a PLI scheme for automobile and auto components worth Rs. 25,938 crore (US\$ 3.49 billion). In February 2022, the government received an investment proposal worth Rs. 45,016 crore (US\$ 6.04 billion) from 20 automotive companies under the PLI Auto scheme. This scheme is expected to create an incremental output of Rs. 2,31,500 crore (US\$ 31.08 billion).

The government's AMP 2016-26 will help the automotive industry grow and will benefit the economy in the following ways:

- The auto industry's GDP contribution will rise to over 12%.
- Additional ~65 million direct and indirect jobs will be created.
- End-of-life policy will be implemented for old vehicles.

## **ROAD AHEAD**

The rapidly globalising world is creating newer opportunities for the transportation industry, especially while shifting towards electric, electronic and hybrid cars, which are deemed more efficient, safe and reliable modes of transportation. Over the next decade, this will lead to newer verticals and opportunities for auto component manufacturers. To help them adjust to the shifting dynamics of the sector, the Indian government has already offered various production incentives. India is also investing heavily in electric car infrastructure.

Manufacturers in this industry are focusing on developing sustainable solutions, lightweight materials, and efficient production processes to meet the evolving needs of the automotive sector. Additionally,

there is a growing emphasis on digitalization and data analytics to optimize operations and enhance product performance.

As the automotive industry continues to evolve, the auto components sector will play a crucial role in shaping the future of mobility. Collaboration with automakers, investment in research and development, and adaptation to changing regulations will be key factors for success in this dynamic and competitive market.

According to ICRA, the domestic passenger vehicle (PV) market is expected to expand by six to nine percent in the current fiscal year compared to the previous year. In concrete numbers, the PV sector is projected to achieve sales of 4.2 million units in the ongoing financial year.

The Indian government is exempting imports of capital goods and machinery essential to produce lithium-ion cells used in EV batteries from customs duty. This, coupled with the shift in global supply chains, will help the Indian global automotive component trade to expand 4-5% yearly to US\$ 80 billion by 2026. Moreover, the Indian auto component industry is the third largest in the world.

## **Electric Vehicles Industry**

### **Global EV Industry**

<https://www.imarcgroup.com/electric-vehicles-market>

### **Global Electric Vehicle (EV) Market Statistics:**

The global electric vehicle market size reached US\$ 618.9 Billion in 2023. Looking forward, the market is expected to reach US\$ 4,918.7 Billion by 2032, exhibiting a growth rate (CAGR) of 22.1% during 2024-2032. The increasing concerns over environmental sustainability, the need to reduce emissions, advancements in battery technology, supportive government policies and incentives, growing public awareness, and investments in renewable energy sources are few of the factors accelerating the market growth.

Electric vehicles (EVs) are revolutionary automobiles designed to transport goods and passengers with self-propelling capabilities. They encompass plug-in hybrid electric vehicles (PHEVs), battery electric vehicles (BEVs), and hybrid electric vehicles (HEVs) as standard types. EVs operate on stored energy from batteries, which can be conveniently charged using self-charging mechanisms like turbochargers and regenerative braking systems, converting kinetic energy into electrical power. A significant advantage of EVs is their zero tailpipe emissions, contributing to a cleaner environment and reduced reliance on conventional fossil fuels. Furthermore, their operational cost-effectiveness compared to traditional automobiles makes them an increasingly attractive choice for consumers worldwide, driving their widespread adoption and fostering a sustainable future for transportation.

The increasing concern about environmental sustainability and the need to reduce greenhouse gas emissions are pushing governments and consumers to embrace electric vehicles as a cleaner alternative to traditional internal combustion engine vehicles, which is one of the key factors boosting the market growth. Moreover, advancements in battery technology and the subsequent improvement in electric vehicle range and charging infrastructure are bolstering the market growth. In line with this, governments across the world are implementing supportive policies and incentives, such as tax credits,

subsidies, and regulatory mandates, to encourage the adoption of electric vehicles, which, in turn, is supporting the market growth. Additionally, the automotive industry's focus on research and development (R&D) to enhance EV performance, safety, and affordability is propelling market expansion.

### **Electric Vehicle Market Trends/Drivers:**

#### **Environmental sustainability and emission reduction**

The global electric vehicle market is being driven by a pressing concern for environmental sustainability and the urgent need to mitigate climate change. As conventional fossil fuel-powered vehicles contribute significantly to greenhouse gas emissions and air pollution, governments, environmental organizations, and individuals are increasingly advocating for cleaner transportation alternatives. Electric vehicles offer a promising solution, as they produce zero tailpipe emissions, reducing harmful pollutants and their impact on air quality. The rising awareness of the environmental consequences of traditional vehicles has sparked a growing demand for EVs as a cleaner and more sustainable mode of transportation.

#### **Advancements in battery technology and improved range**

The progress in battery technology is a pivotal driver of the global electric vehicle market. One of the primary concerns with EVs has been limited driving range and the availability of charging infrastructure. However, significant strides in battery research and development have led to improved energy storage capacity and efficiency. Modern lithium-ion batteries, coupled with innovative battery management systems, have extended the driving range of electric vehicles. These advancements have bolstered consumer confidence in EVs as practical daily-use vehicles, making them a viable option for a broader audience. As battery technology continues to evolve, it is expected to further enhance the performance and affordability of electric vehicles, thereby fueling market growth.

#### **Supportive government policies and incentives**

Government support through favorable policies and incentives has been instrumental in driving the adoption of electric vehicles worldwide. Many governments have introduced a range of incentives, such as tax credits, subsidies, reduced registration fees, and access to carpool lanes, to encourage consumers to switch to electric vehicles. Additionally, several regions have imposed strict emissions regulations and set ambitious targets for the adoption of EVs, compelling automakers to invest heavily in electric vehicle production. Governments are also collaborating with private stakeholders to develop and expand charging infrastructure, further incentivizing consumers to embrace electric mobility. These supportive measures have created a conducive environment for the growth of the electric vehicle market, stimulating both manufacturers and consumers to transition to greener transportation alternatives.

### **Electric Vehicle Industry Segmentation:**

#### **Breakup by Component:**

- Battery Cells & Packs
- On-Board Charger
- Fuel Stack

The key drivers for the battery cells & packs segment in the electric vehicle market include advancements in battery technology, leading to improved energy density and range, and increased investments in research and development. Additionally, supportive government policies and growing demand for electric vehicles are stimulating the demand for efficient battery solutions. The on-board charger segment is driven by the expanding electric vehicle infrastructure, with governments and private companies investing in charging networks. Moreover, technological innovations are enhancing charging efficiency and reducing charging times, while automakers' focus on seamless integration of chargers in EVs is boosting the segment's growth. The fuel stack segment is primarily driven by the development of hydrogen fuel cell technology and its potential as a clean energy source for electric vehicles. Investments in fuel cell research and government initiatives promoting fuel cell vehicles are key factors propelling the growth of this segment in the electric vehicle market.

### **Breakup by Charging Type:**

- Slow Charging
- Fast Charging

Slow charging holds the largest share in the market

The slow charging segment in the global electric vehicle market is driven by various factors. Slow charging systems are typically more cost-effective and easier to install, making them attractive for home users and small-scale charging stations. The lower power demand reduces strain on the existing electrical grid, facilitating integration without significant infrastructure upgrades. Additionally, slow charging is generally considered to be gentler on EV batteries, potentially extending their lifespan and efficiency. This type of charging can be more suitable for overnight charging or when vehicles are parked for extended periods, such as at workplaces or residential areas. Public policies and incentives that encourage energy conservation may also promote the use of slow charging. Overall, factors like affordability, ease of installation, compatibility with existing infrastructure, battery health considerations, and alignment with energy conservation goals collectively contribute to driving the slow charging segment in the global EV market.

### **Breakup by Propulsion Type:**

- Battery Electric Vehicle (BEV)
- Fuel Cell Electric Vehicle (FCEV)
- Plug-In Hybrid Electric Vehicle (PHEV)
- Hybrid Electric Vehicle (HEV)

Hybrid electric vehicle (HEV) dominates the market

The hybrid electric vehicles (HEVs) segment is witnessing significant growth, driven by the stringent emissions regulations and environmental concerns. HEVs offer a bridge between traditional internal combustion engines and fully electric vehicles, providing lower emissions and improved fuel efficiency, making them an attractive choice for environmentally conscious consumers. Additionally, advancements in hybrid technology have resulted in more sophisticated and efficient powertrain systems, enhancing the overall performance and driving experience of HEVs. Furthermore, rising fuel prices have motivated consumers to seek fuel-efficient alternatives, and HEVs fit the bill by combining an internal combustion engine with electric propulsion. In line with this, governments worldwide are offering incentives and subsidies to promote HEV adoption, further stimulating the market growth. Moreover, the growing



awareness of sustainable mobility solutions and the increasing demand for green transportation options contribute to the expansion of the HEV segment.

**Breakup by Vehicle Type:**

- Passenger Vehicles
- Commercial Vehicles
- Others

Passenger vehicles hold the largest share in the market

The passenger vehicles segment is witnessing significant growth, primarily driven by the evolving consumer preferences and lifestyle changes. Moreover, rapid urbanization and increasing disposable incomes in emerging economies are fueling the desire for personal mobility, leading to higher car ownership rates. In line with this, technological advancements in the automotive industry, such as autonomous driving capabilities, connected car features, and electric mobility solutions, are attracting consumers and driving innovation in passenger vehicles. Additionally, stringent emission regulations and sustainability concerns are encouraging automakers to invest in electric and hybrid passenger cars, contributing to market expansion. Furthermore, favorable financing options and low-interest rates are making car ownership more accessible to a broader population. Besides this, the growing popularity of ride-sharing and car-sharing services is transforming the way consumers perceive car ownership, influencing their decisions in the passenger vehicles segment.

**Breakup by Region:**

Asia Pacific exhibits a clear dominance, accounting for the largest electric vehicle market share

The Asia Pacific region is witnessing a surge in electric vehicle adoption, fueled by the region's strong commitment to environmental sustainability and reducing air pollution, which has led governments to implement stringent emissions regulations and ambitious targets for electric vehicle penetration. In line with this, rapid urbanization and population growth in many Asian countries have heightened concerns over congestion and air quality, prompting a shift towards electric mobility as a viable solution. Besides this, advancements in battery technology, coupled with increasing investments in research and development, have bolstered the performance and affordability of electric vehicles, making them a more attractive option for consumers. Moreover, supportive government policies and incentives, including tax incentives, subsidies, and infrastructure development, are accelerating EV adoption across the region. Additionally, a burgeoning middle class with increasing disposable income is driving demand for personal transportation, and electric vehicles offer an environmentally friendly choice. Furthermore, strategic partnerships and collaborations between automakers, technology firms, and governments are facilitating the growth of charging infrastructure, addressing range anxiety concerns and promoting electric vehicle accessibility.

**Leading Key Players in the EV Industry:**

The competitive landscape of the global electric vehicle market is characterized by intense rivalry and dynamic players vying for market share. Established automotive giants, emerging startups, and technology companies are all entering the market, each striving to position themselves as leaders in the electric vehicle space. In this highly competitive environment, factors such as product innovation, range, performance, charging infrastructure, and pricing play pivotal roles in determining a company's competitiveness. Additionally, partnerships and collaborations are becoming increasingly prevalent as players seek to leverage each other's strengths and accelerate market penetration. Governments' policies

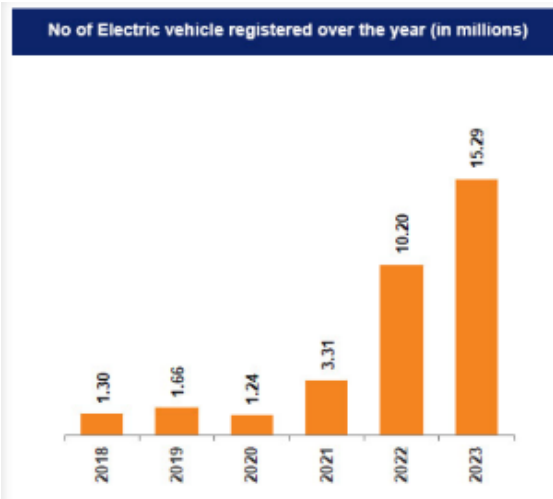
and regulatory frameworks also impact the competitive landscape, as supportive measures and incentives can influence consumer preferences and industry growth. Moreover, advancements in battery technology and autonomous driving capabilities are further driving competition, as companies seek to offer cutting-edge solutions to meet evolving consumer demands. The competitive landscape is continuously evolving, with new entrants and disruptive technologies reshaping the market, creating both challenges and opportunities for industry players seeking to establish themselves as frontrunners in the electric vehicles domain.

### Indian EV Industry

<https://www.ibef.org/industry/electric-vehicle>

Dated October, 2024

### INTRODUCTION



India's electric vehicle (EV) sector is experiencing rapid growth, fuelled by government incentives, rising environmental concerns, and technological advancements. With initiatives like the Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME) scheme, India aims to significantly increase EV adoption, revolutionizing its transportation landscape towards sustainability and innovation.

India has established an objective to elevate the proportion of electric vehicle (EV) sales to 30% in private cars, 70% in commercial vehicles, 40% in buses, and 80% in two-wheelers and three-

wheelers by the year 2030. This equates to an ambitious objective of 80 million EVs on Indian roads by 2030. Additionally, India strives for complete domestic EV production through the 'Make in India' initiative.

In 2023, electric vehicle sales in India saw a significant increase of 49.25%, reaching 1.52 million units. Although the sector is still in its early stages, it is steadily gaining traction. According to Fortune Business Insights, the Indian EV market is forecasted to expand from US\$ 3.21 billion in 2022 to US\$ 113.99 billion by 2029, with a 66.52% CAGR.

The shift towards electric vehicles on a global scale will create fresh opportunities for automotive suppliers. The Indian EV battery market is projected to surge from US\$ 16.77 billion in 2023 to a remarkable US\$ 27.70 billion by 2028.

On the infrastructure side, as of February 2024, there are 12,146 operational public EV charging stations nationwide, Maharashtra has the highest number of EV charging stations, followed by Delhi and other states. A recent Confederation of Indian Industry (CII) report emphasized the necessity of establishing at least 1.32 million charging stations in India by 2030 to facilitate the rapid growth of electric vehicles, requiring over 4,00,000 installations annually.

Major industry players are striving to improve electric vehicle charging infrastructure, Hyundai Motor India is enhancing accessibility to electric vehicles nationwide, expanding its ultra-fast EV charging network with 11 new stations strategically located in cities including Mumbai, Pune, Ahmedabad,

Hyderabad, Gurugram, and Bangalore, as well as along major highways.

Maharashtra targets 10% share of EVs in all new vehicle registrations by Dec 2025.

Karnataka has set a goal to electrify 100% of three and four-wheeler cargo vehicles by December 2030.

## INVESTMENT

- Tata Motors aims to achieve 30-40% of its sales from electric vehicles (EVs) by FY30 and plans to invest approximately Rs. 18,000 crore (US\$ 2.16 billion) to create an ecosystem for its electric vehicle business. Over the next two years, the company has scheduled the launch of new models.
- Ather Energy has secured Rs 600 crore (US\$ 71 million) from the National Investment and Infrastructure Fund, increasing its valuation to US\$ 1.3 billion. This investment positions Ather as India's fourth unicorn of 2023.
- YULU has successfully raised US\$ 19.25 million (Rs. 160 crore) into its operations in February 2024. The capital was secured through additional share issuance to Yulu's current strategic backers, Magna and Bajaj Auto Ltd.
- In June 2024, BM Electric Vehicles Private Limited, a subsidiary of JBM Auto Limited, has signed an agreement with MUON India Private Limited, a Macquarie Group company. Macquarie Group has launched 'Vertelo,' an EV financing platform in India that will provide financing, fleet management, and charging infrastructure solutions.
- In April 2024, Uno Minda, an auto components manufacturer, announced on Wednesday that it has partnered with Suzhou Inovance Automotive Co. from China to produce electric vehicle components.
- In March 2024, Ola Electric, poised for an IPO, has emerged as India's top patent publisher for 2022-23, with 205 patents in EV and related technologies, surpassing rivals.
- In March 2024, Ola Electric has announced to introduce a consumer-focused electric autorickshaw named Raahi.
- In March 2024, BYD India, a subsidiary of the world's leading New Energy Vehicles (NEV) manufacturer, announced its entry into the luxury electric sedan segment with the launch of the BYD SEAL. BYD India currently has two products in its portfolio - the BYD ATTO 3 and the All-New e6, both of which have been very well received by Indian consumers.
- In December 2023, Indian Oil Corporation (IOC) inaugurated its inaugural battery-swapping station in Kolkata for electric vehicles (EV). The oil marketing PSU collaborated with Sun Mobility, affirming its commitment to advancing sustainable electric mobility solutions.
- In November 2023, SAIC Motor and JSW Group announced a strategic joint venture to accelerate growth with focus on green mobility.
- In August 2023, Adani TotalEnergies E-Mobility Limited (ATEL) disclosed a collaboration with all-electric cab aggregator, Prakriti E-Mobility (Evera), to deploy EV charging infrastructure, starting with a 200-point super hub in Delhi.
- Fuelled by robust demand and governmental backing, Gujarat's Electric Vehicle (EV) landscape is experiencing rapid expansion. In 2023, EV sales surged by 28% compared to the prior year, totalling 88,619 vehicles, showcasing remarkable growth from 2021's 10,885 units, reflecting a 714% increase over three years.
- In August 2023, Mahindra & Mahindra anticipates that its forthcoming plant in Chakan, Maharashtra, will reach a peak production capacity of 200,000 electric vehicles annually from 2027 to 2029. They project EVs to constitute 30% of total volumes by 2030.
- According to a UK-based breakdown and recovery service provider, electric vehicles (EVs) exhibit a 59% lower likelihood of breakdown compared to traditional internal combustion engine (ICE) vehicles. Start Rescue's Managing Director, Lee Puffett, emphasized the remarkable reliability of

EVs, spanning from new to a decade old, on the road. With over a million EVs currently in operation in the UK, this data underscores the practical advantage of choosing an EV, reducing the risk of unexpected roadside issues.

- In February 2024, the Indian Army has proposed a gradual introduction of a select number of Electric Vehicles (EVs) at 'Peace Stations' nationwide. This initiative aims to embrace technological advancements, promote green energy, and diminish reliance on fossil fuels.
- In October 2023, Mr. R. K. Singh, Union Minister for Power and New & Renewable Energy, unveiled the new EV-Ready India Dashboard ([evreadyindia.org](http://evreadyindia.org)) in New Delhi, facilitating access to pertinent information.

## **GOVERNMENT INITIATIVES**

The Government has reaffirmed its commitment towards EVs and its mission for 30% electric mobility by 2030. Budget announced customs duty exemption on the import of capital goods and machinery required for the manufacture of lithium-ion batteries that typically power EVs.

FAME II for EV Scheme was Commenced on 1st April 2019 with a total budgetary support of US\$ 1.43 billion (Rs. 10,000 crore), 30% procurement of manufactured or processed products must be from SMEs. This phase primarily targets the electrification of public and shared transportation. It aims to provide demand incentives for 7,090 e-buses, 5 lakh e-3 Wheelers, 55,000 e-4 Wheeler Passenger Cars, and 10 lakh e-2 Wheelers. Additionally, the scheme supports the development of charging infrastructure. As of December 2023, electric vehicle manufacturers received a subsidy of US\$ 637 million (Rs. 5294.00 crore) for selling 11,79,669 electric vehicles under Phase-II of the FAME India Scheme.

The government has outlined a scheme to transition 800,000 diesel buses to environmentally friendly alternatives, possibly supplanting FAME III. The strategy involves substituting 800,000 diesel buses, comprising over a third of all vehicles on roads, with electric ones within seven years.

This endeavour seeks to diminish vehicular emissions and stimulate investments in the national electric vehicle (EV) infrastructure. Electric Mobility Promotion scheme with a US\$ 60.18 million (Rs. 500 crore) budget will be operational from April 1 to July 31, 2024, aiming for effective implementation within this period, to enhance green mobility and stimulate electric vehicle manufacturing in the country, further measures will be taken to promote this sector. It will be applicable on electric two-wheeler (e-2W) and three-wheeler (e-3W). The Scheme supports 3,72,215 EVs, comprising 3,33,387 e-2Ws, and 38,828 e-3Ws (including 13,590 rickshaws & e-carts and 25,238 e-3Ws in L5 category), offering incentives exclusively for advanced battery-equipped vehicles

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## OUR BUSINESS

*Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Investors should read this Red Herring Prospectus. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read “Risk Factors” on page 28 for a discussion of the risks and uncertainties related to those statements, as well as “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 288 and 290 respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Statements.*

Unless otherwise stated, all references in this section to “Rosmerta” or “the Company” or “our Company” or “we” or “our” or “us” are to Rosmerta Digital Services Limited’.

### **BUSINESS OVERVIEW**

Our Company, Rosmerta Digital Services Limited (hereinafter referred to as “RDSL” or “Our Company”) was incorporated as a private limited company with the name of “Rosmerta Digital Service Private Limited” under the Companies Act, 2013 vide certificate of incorporation dated September 14, 2021, issued by Registrar of Companies, Delhi, bearing CIN U74999DL2021PTC386542. Further, our company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra- Ordinary General Meeting held on April 30, 2024 & name of our Company changed from “Rosmerta Digital Services Private Limited” to “Rosmerta Digital Services Limited” & Registrar of Companies, CPC has issued a new certificate of incorporation consequent upon conversion dated June 03, 2024, bearing CIN: U74999DL2021PLC386542.

Rosmerta Digital Services Limited, a subsidiary of Rosmerta Technologies Limited (“RTL”), has been engaged in providing digitally enabled services and digitally enabled channel sales of automotive component & accessories. Our company initially offered vehicle registration services to Original Equipment Manufacturers (OEMs) and has since diversified into a comprehensive range of services, including garage services, last-mile delivery service, selling of automotive components and accessories, etc. Our Company benefits from the extensive expertise of its Corporate Promoter, the details of which can be referred to the chapter “Our Promoters” beginning on page no. 258 of this Red Herring Prospectus, which was founded in 2006 in transport services and road safety in India, we leverage a robust infrastructure in the automobile industry.

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**Rosmerta Digital Services Limited operates in two main segments:**

- **Digitally Enabled Services:** We provide digitally enabled vehicle registration services, last-mile delivery and garage services to the customers. Our company operates on a business model that emphasizes eliminating manual interventions through technology-driven solutions to become the provider of tech-driven services across the automobile sector. We provide Vehicle Ownership Experience which includes services such as vehicle registration services, transfer of ownership, State Transport Authority approvals, Fame and State subsidy assistance, and other Regional Transport Office-related support. For all these services, we help our customers understand the correct mandated government process and ensure all documentation follows the regulation. The services are offered to OEMs or companies dealing in the sale of vehicles like Cars24. Our company’s in-house platform, **URJA**, is pivotal in optimizing these complex workflows, providing seamless integration and efficient management of services nationwide. This segment caters to our B2B customers. Further, we also provide **Last Mile Service Delivery** which includes offerings like HSRP Last Mile Enablement (Delivery of HSRPs to dealerships or customer's home).
- **Digital Enabled Channel Sales:** We have entered into the **automotive component** and **accessories** market, bolstered by a robust network of over 150 active channel partners, in 2023. This segment focuses on the sale of automotive components and accessories to retailers and garages. We have established a network of approximately 150 active channel partners to support this distribution. Our extensive network of channel partners positions us advantageously, ensuring seamless coordination and timely supply of ordered materials. Additionally, our wide-reaching network of delivery agents ensures prompt and reliable delivery of orders, enhancing our overall efficiency and customer satisfaction.

Our company has a team of over 505 feet (as on September 30, 2024) with pan-India presence and domain expertise. Rosmerta Digital holds a significant share of Indian Electric Two Wheeler vehicle registrations, including with OLA Electric, and has recently partnered with Royal Enfield for their direct-to-consumer vehicle sales registrations. Additionally, it commands a significant market share in HSRP last-mile enablement. Our company’s technology platforms further enhance its service delivery. We have an in house patented software namely, URJA platform, which streamlines complex workflow management across vehicle ownership experiences and internal order management for channel sales. Further, our inhouse app namely, **MyRaasta** app supports garage partners by increasing footfall, facilitating the sale of spare parts and accessories. Through these technological advancements, Rosmerta

Digital continues to set new standards in the automobile industry, driving efficiency and customer satisfaction.

## **OUR PROMOTER**

Rosmerta Technologies Limited (RTL) and its wholly owned subsidiaries boast over 3,254 employees across pan India. RTL operates across diverse domains: Identification, Sustainability, Connected Electronics, Safety & Compliance, and Digital Services. It has been consistently amongst the first entrants in its domains of operation, with a proven track record of scaling businesses. It has developed strong relationships over almost two decades, across a diverse array of stakeholders in automotive and non-automotive spaces – from Government entities to industry bodies to leading private sector players. Rosmerta Safety Systems, a subsidiary of RTL, holds the distinction of being India's #1 manufacturer of High Security Registration Plates. RTL introduced the technology of smart cards in the driver's license and vehicle registration certificate market, and has one of India's largest smart card manufacturing facilities. The products of Rosmerta Autotech, one of the subsidiaries of RTL are AIS-140 certified<sup>^</sup> for the vehicle telematics market. It also operates Automatic Testing Stations, Registered Vehicle Scrapping Facilities, Automated Driving Test Tracks, and a VDA (German Association of Automotive Industry) certified diesel exhaust fluid manufacturing facility.

Source - #<https://vahan.parivahan.gov.in/makemodel/vahan/dashboard.xhtml>

<sup>^</sup>[List of Approved Vehicle Location Tracking Device Manufacturers | Ministry of Road Transport & Highways, Government of India \(morth.nic.in\)](#)

## **SERVICES OFFERED:**

### **1. DIGITALLY ENABLED SERVICES:**

We operate on a business model emphasizing eliminating manual interventions through technology-driven solutions across the automobile industry. Traditionally, the vehicle registration process required OEMs to establish extensive dealership networks responsible for vehicle sales and registrations. This conventional method involved vehicle owners making multiple visits to dealerships to submit documents and signatures, resulting in a turnaround time (TAT) of multiple days. We have revolutionized this industry by streamlining the entire registration process through advanced technology and our on-ground field team, reducing the TAT by 1-2 days (in most cases). This technological transformation allows OEMs to rely on a single vendor for consistent and efficient service, enhancing convenience for vehicle owners. This approach has made Rosmerta Digital an indispensable partner for OEMs, especially those selling directly to consumers (D-2-C) without traditional dealerships.

- i. **Vehicle Ownership Experience:** We provide uniquely customized solutions in the domain of vehicle registrations and other compliance related to RTOs and seamlessly integrate with our customers process and ensure a smooth post-purchase experience for vehicle owners. Rosmerta Digital delivers vehicle registration solutions along with other compliance solutions to OEMs and other companies who need registration services for vehicle sales (like Cars24), fleet owners and B2B2C customers. We also offer the same services to individual vehicle owners through our mobile application MyRaasta\_
- a. **Vehicle Registration:** We are engaged in the vehicle registration industry through our efficient & tech-driven approach. We are offering comprehensive services for OEMs, including vehicle

registration, ownership transfer, hypothecation terminal and addition, and state transport approvals, we streamline the entire process, reducing turnaround times (TAT) to just one day. The details of TAT reduction are given in below table.

With a dedicated team of over 505 professionals (as on September 30, 2024) pan India, Rosmerta Digital leverages its manpower prowess to ensure attention to each registration task, enhancing both accuracy and efficiency. By minimizing manual intervention and utilizing our advanced URJA platform, Rosmerta Digital provides a seamless, uniform experience for both OEMs and vehicle owners. This approach not only makes Rosmerta Digital the preferred choice for efficient, reliable vehicle registration services but also offers significant convenience to individual vehicle owners, allowing them to complete the entire registration process from the comfort of their homes.

*(Figures in Days)*

State	Vehicle Registration Contractual TAT	Vehicle Registration Current TAT (Average of last 6 months)
Daman and DIU	7	6
Uttarakhand	6	5
Kerala	6	4
West Bengal	6	4
Delhi	3	2
Karnataka	3	1
Goa	3	1
Madhya Pradesh	3	1
Bihar	3	1
Punjab	3	1
Chandigarh	3	1
Jammu and Kashmir	3	1
Maharashtra	3	1
Andhra Pradesh	2	1
Uttar Pradesh	2	1
Haryana	2	1
Telangana	2	1
Jharkhand	2	1
Himachal Pradesh	2	1

#### b. Other Allied Services

- **FAME and State Subsidy Processing:** We at Rosmerta Digital assist Electric Vehicle (EV) OEMs by preparing the necessary documentation and uploading claims for the FAME (Faster Adoption and Manufacturing of Hybrid and Electric Vehicles) subsidy with the Department of Heavy Industry (DHI) on behalf of the OEMs. We also do the same process in states that have individual State level subsidies being offered for Electric Vehicles.
- **State Transport Approval:** As per the requirement of laws of different states, whenever a new vehicle model or variant is launched by the OEMs, the OEMs are required to take various approvals from the state transport authority to sell it within that jurisdiction. At Rosmerta Digital, we provide assistance to our OEMs in navigating these approval processes.



- **Trade Certificate / Trade License:** Rosmerta Digital helps OEMs with the documentation and application process required to obtain trade certificates or trade licenses, which are necessary for conducting business.

Leveraging our extensive nationwide presence and expertise in optimizing services through technology, we have diversified our offerings beyond vehicle registrations. Since all new vehicles require HSRP, these services allow us to tap into the ICE segment. For HSRP Last Mile Enablement, our company has a presence across 20+ states, with a team of 524 people delivering HSRPs from 105 embossing centers to automotive dealerships across the country.

## ii. **LAST MILE DELIVERY SERVICE**

**HSRP last Mile Enablement:** Under HSRP last mile enablement, we deliver the registration plates across 20+ states with the help of team strength of 524 people engaged in delivering HSRP plates from embossing centers to dealerships or customer homes. We at RDSL streamline order routing, tracking, and inventory management, providing a seamless and reliable service. This technology-driven approach ensures compliance with regulatory standards and enhances customer convenience. In a short span of time we have made a presence across 20+ states, with a team strength of 524 people (as on May 31, 2024) delivering HSRPs from 105 embossing centers to automotive dealerships across the country.

## iii. **GARAGE SERVICES**

We provide garage services through MyRaasta app, recently piloted B2C platform designed to vehicle owners with easy access to a wide range of services. This innovative app facilitates service bookings, driving footfall to partnered garages and benefiting garage owners through increased customer visits. Vehicle owners can book a garage service with any partner garage in their locality, and the payment for the service is made on the app to Rosmerta Digital by the customer. Our company then deducts a certain commission from the payments and transfers the rest to the garage owners for their service.

The consumers can prebook various garage services with Rosmerta Digital's partner garages through this app. This helps build connects into the garage network and enables Rosmerta Digital to sell spare parts and accessories to the garages. Some of our services include the following:

- a) **Regular Maintenance Services** - MyRaasta ensures that vehicle stays in optimal condition year-round. MyRaasta Provides Periodic services (Engine Oil, Air Filter and oil Filter replacement) and all the general repair as well i.e, Clutch replacement, Brake Pads replacement etc.
- b) **AI based Vehicle Inspection** - MyRaasta's AI-powered vehicle inspection enables the vehicle owners to assess your car's damage instantly within seconds. Our app provides 100% transparent repair cost estimates using just a few photos of car. This efficient and user-friendly solution ensures a hassle-free experience, allowing to make informed decisions about your vehicle's condition with confidence.
- c) **Door Step Services (at Home or office)** - We're innovating the auto maintenance industry by delivering expert car services right at vehicle owner's home with our MyRaasta Fully Equipped and Branded Vans. We understand the value of time, which is why we've designed our services around convenience. Our comprehensive service packages are tailored specifically for your vehicle's make, model, and fuel type, and are executed by our skilled mechanics. By incorporating technology into our business model, we provide you real-time updates directly on your phone with MyRaasta.

- d) BodyShop (Denting and Painting) – MyRaasta excels in denting and painting jobs, where craftsmanship meets precision to restore vehicles to their former glory. With a commitment to quality and customer satisfaction, we use advanced techniques and high-quality materials to ensure durable and flawless finishes. Whether its minor touch-ups or complete transformations, trust us to deliver excellence in every detail. At MyRaasta, we redefine automotive care with expertise and a passion for perfection, ensuring your vehicle shines on every journey.
- e) Detailing Services – Transforming car into a showroom masterpiece with meticulous detailing services from MyRaasta, ensuring a pristine and polished finish.
- f) Tyre Replacement - We provide Tyre replacement services as well. In addition to this optimize your vehicle's performance and extend tire life with precision wheel balancing, alignment, and rotation services from MyRaasta.

## 2. **DIGITALLY ENABLED CHANNEL SALES:**

Our company has widened the scope of our business by entering into the distribution of automotive components and accessories.

For B2B segment, we have established an automotive components business that significantly contributes to its overall revenue by leveraging an efficient distribution model. Our company procures OEM-branded spare parts from authorized OEM distributors, who have direct contracts with various automobile manufacturers. Our company operates on a “Make To Order” model, sourcing automotive components from OEM-authorized distributors and supplying them to retailers and garages on demand. Unlike traditional models, we do not hold inventory or operate warehouses; instead, we facilitate direct shipments from the distributor's’ premises. This approach enables us to significantly reduce inventory costs by minimizing the need for large stockpiles. We distribute around 25 key aftermarket categories (as listed below) and more than 5,000 SKUs across India. Our company's customer base includes retailers, wholesalers, exporters, and garages, with a strong market presence particularly in the North and West of India with 65% of our sales coming from these regions. Additionally, our company is growing its footprint in Tier-1 and Tier-2 cities and has initiated export operations as well, further enhancing its market reach and profitability. This strategic model not only ensures the availability of genuine OEM parts but also supports Rosmerta’s vision of delivering high-quality, tech-driven solutions across the automobile sector.

We also sell products directly to individual vehicle owners (D2C segment) through the MyRaasta app, which is a D2C platform designed to enhance the automotive ownership experience by providing vehicle owners with easy access to a wide range of products. This innovative app supports the sales of accessories, ensuring that vehicle owners can conveniently procure the products they need. The customers can navigate on the mobile app, place order of automobile accessories and get it delivered at their doorstep.

**i. The details of various automotive component categories along with their brands are given below:**

S. No.	Particulars	S. No.	Particulars
1.	Filters	15.	Clutch System
2.	Lubrication & Hydraulics	16.	Electrical
3.	Air Conditioning	17.	Gasket & Seals
4.	Brake System	18.	Windscreen System
5.	Safety & Ergonomics	19.	Drivetrain

6.	Engine Parts	20.	Steering
7.	Body Parts	21.	Fuel System
8.	Cooling System	22.	Trims
9.	Suspension	23.	Steering
10.	Lighting	24.	Fuel System
11.	Fasteners	25.	Chain
12.	Fan Assy	26.	Wheels
13.	Car Accessories	27.	Exhaust System
14.	Speedometer		

**ii. The details of accessories are given below:**

Rosmerta Digital also sells vehicle registration plate frames and sells FASTags to automotive dealers and retailers. Utilizing an extensive network of automotive dealers, our company employs a offline sales strategy to efficiently distribute frames, ensuring widespread availability and fostering strong dealer relationships.

In addition to the above, Rosmerta Digital also does operational management of OEM owned vehicle service centers. Rosmerta Digital offers end-to-end management of OEM-owned garages to service their customers’ vehicles. Scope of work includes technical services, automotive component management, upkeep and maintenance and garages, including but not limited to security and housekeeping.

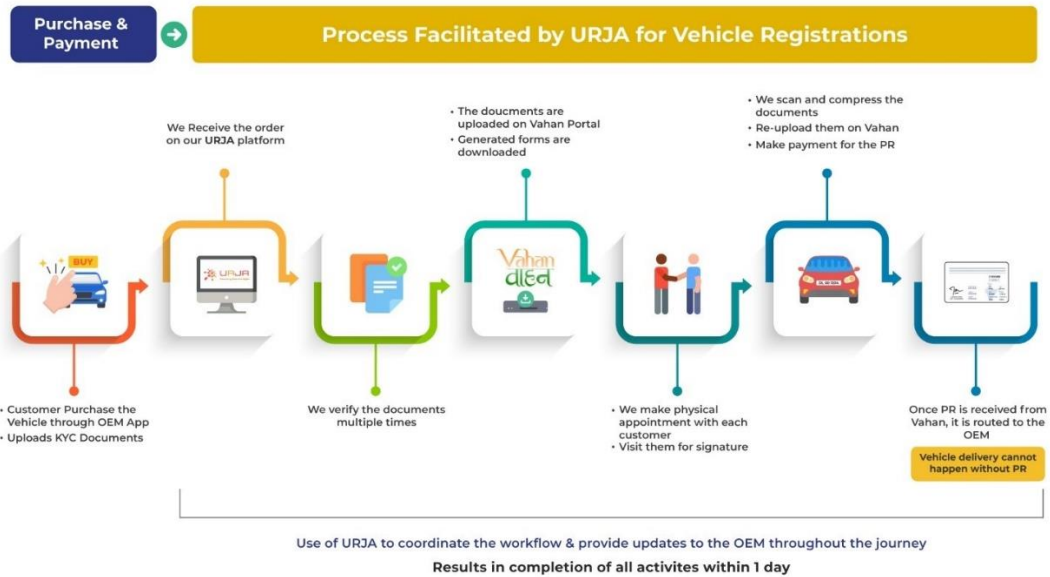
1. **FASTags** – we buy and sell FASTags to our network of customers
2. **Frames for Vehicle Registration Plates** - Through our digitally enables services segment, we deliver High Security Registration plates across India. Thus, it made sense for us to also sell registration plate frames to safeguard the registration plate safe from damage and also elongates life expectancy of Number Plate.
3. **Utility Items** like Tyre Inflator, USB car chargers, Mobile Vacuum cleaners, Floor Mats, and other Car Care products like Microfiber cloth and glass cleaners etc.

**PROCESS FLOW**

**1. Digitally Enabled Services – Vehicle Ownership Experience**

We have modernised the traditionally manual vehicle registration process through innovative technology intervention, significantly enhancing efficiency and customer satisfaction. Utilizing the advanced **URJA** platform, we have streamlined the entire registration workflow, from the point of vehicle purchase to the generation of the permanent registration (PR). Through digitization in document verification, interaction with the Vahan portal (Central government portal that automates and records data for various automobile related procedures such as vehicle fitness, tax payment, registration, permits, and enforcement), and customer appointments, we aim to minimize manual errors and reduce turnaround time. This technological integration not only ensures a seamless and uniform experience for OEMs and vehicle owners but also sets a new method in the industry for speed and reliability.

The vehicle registration process is facilitated by the Urja platform used by Rosmerta Digital Services Limited.



### 1. **Purchase of Vehicle:**

The customer purchases the vehicle through the OEM app and uploads KYC documents.

### 2. **Receiving of order:**

Once the OEM has received sufficient information about their customer and the customer has made the initial payment for the vehicle, the OEM shares the order details with us. The order details are sent through an API integration between the two platforms: The OEM's platform and our in-house platform Urja.

### 3. **Automatic Document:**

Once an order is received, our platform verifies and cross-checks the customer information against the uploaded documents through AI enabled Optical Character Recognition technology. This process sifts out any discrepancy between the two data sets without any manual intervention.

### 4. **Compliance Verification:**

After the initial system checks, a dedicated team of resources verifies the compliance of the documents against state RTO and national Vahan portal mandates to get the vehicle registered in a particular state

### 5. **Data Entry on Vahan:**

Customer-related data entry and upload of KYC documents on the Vahan portal is done. Depending on individual state requirements and the customer's preferences, our team interacts with the individual customer to update necessary details and input the One-Time-Passwords on the portal. This confirms the genuineness of the application process and the purchase of the vehicle. Once complete, Vahan generates standard forms that need to be filled out with customer information along with the customer's original signature

### 6. **Engagement with Vehicle Owner:**

Once these forms are filled, physical appointments are made with each customer to obtain their signatures. The appointments are made at the convenience of the customer as per their preferred time

slot and location, and our on-ground team visits customers accordingly for obtaining their original signatures on the forms.

**7. Fee Payment:**

The signed forms are scanned, compressed as per the requirement of the Vahan portal, and re-uploaded portal. After this process, the payment of fee for the permanent registration (PR) application is made and payment receipt is generated.

**8. Completion and Delivery:**

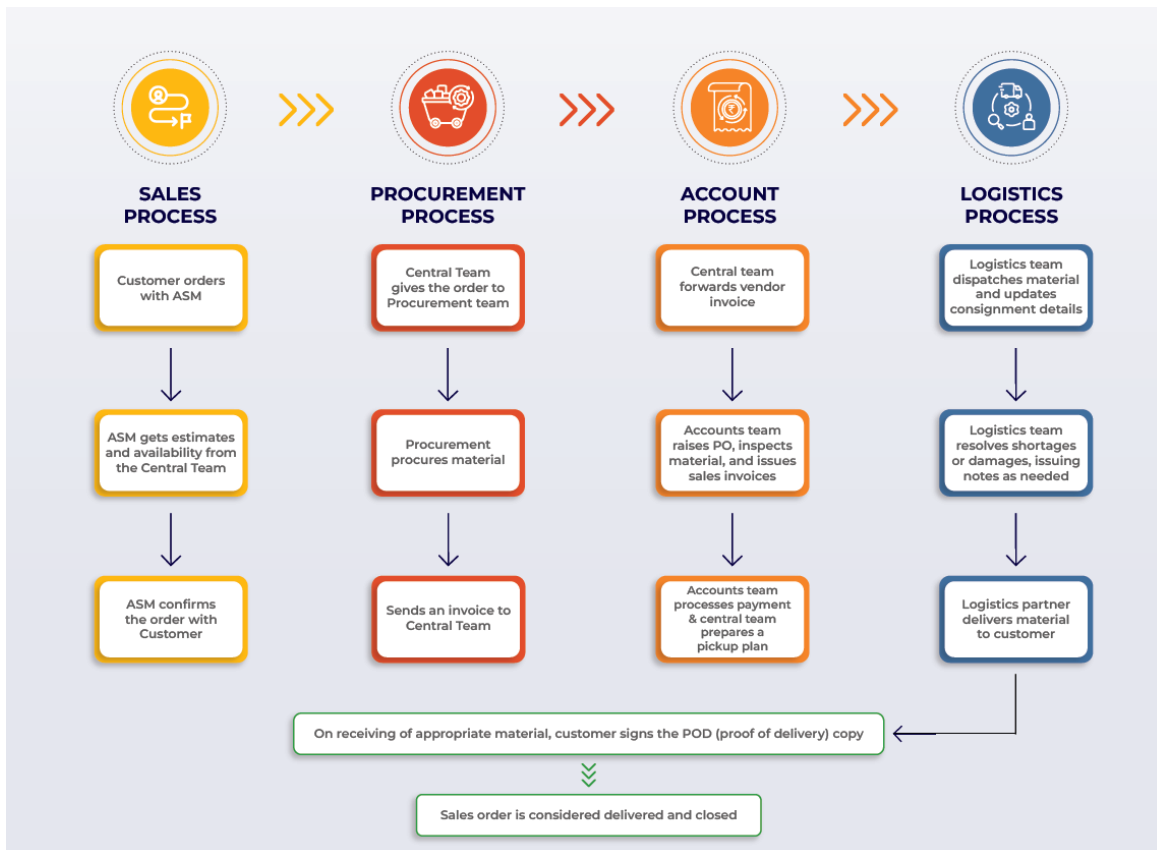
Post fee payment and internal verification by Vahan, the Permanent Registration Number (PR) is received. It is then routed back to the OEM for vehicle delivery to the customer. The vehicle cannot be delivered to the customer without this PR.

The Urja platform coordinates the workflow and provides updates to the OEM throughout the journey, ensuring all activities are completed within the prescribed timeline. This process significantly enhances efficiency and customer experience by reducing manual intervention and streamlining the vehicle registration process.

**2. DIGITAL ENABLED CHANNEL SALES**

We have been engaged in sales of automotive components and accessories. Utilizing our in-house **URJA** platform, we have streamlined the entire channel sales process, from the point of taking orders to the actual delivery of the products.

The digitally enabled channel sales process is facilitated by the Urja platform used by Rosmerta Digital Services Limited:



## 1. Sales Process

- a. Area Sales Manager take orders from retailer/wholesalers for various OEM brands and send the order to central team for estimations and availability of the products.
- b. Area Sales Manager confirms the availability of products and gets confirmation from the clients for delivery.

## 2. Procurement Process

- a. The procurement team then places order with respective vendors for placing order.
- b. The vendor thereafter raises the invoice to us, and procurement team shared the vendor invoice with central team. Further sales team raises request to accounts team.

## 3. Accounting Process

- a. Central team sends the vendor invoice to account teams and they raise Purchase order in ERP software
- b. Then we confirm the Quality of the products and gives our approval.
- c. After payments confirmation, the runner is allocated for final delivery of the products.

## 4. Delivery Stage

- a. Central Team dispatches the order through our dedicated logistic team.
- b. The order details are given to customers and the order is finally delivered.

## **COMPETITIVE STRENGTH:**

### 1. *Early entrant in Digital Registration services*

Rosmerta Digital Services Limited has established itself as service provider in the vehicle registration services sector by being an early entrant and building capabilities rapidly. By leveraging advanced technology to streamline the traditionally cumbersome vehicle registration process, and inculcating learnings from the experience of working with OEMs who were early entrants into the D2C sales channel, Rosmerta Digital has set new industry standards. Our company's innovative approach has significantly reduced turnaround times from days to just 1 day (in most cases), offering unparalleled convenience and efficiency. This pioneering effort has not only positioned Rosmerta Digital at the forefront of the market but has also made it the preferred partner for major OEMs, particularly those in the rapidly growing electric vehicle sector.

### 2. *Our Technology:*

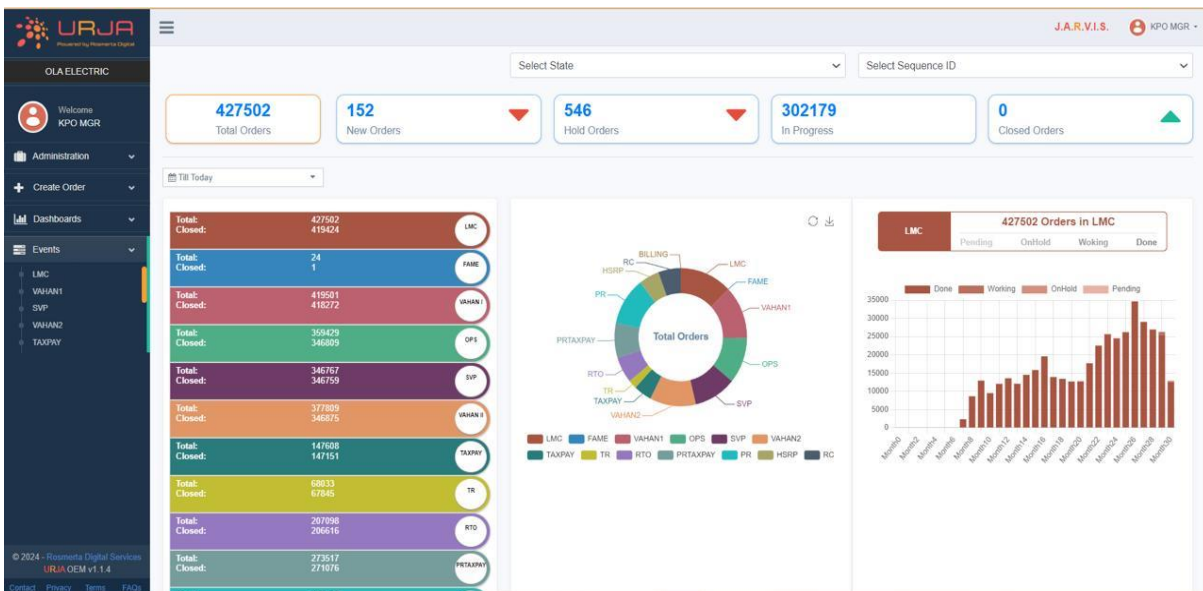
1. **URJA Software:** "Urja" is an in-house platform of Rosmerta Digital to increase efficiency of Vehicle Ownership Experience and channel sales business. The platform is a workflow management tool which helps the Rosmerta Digital team address multiple orders within a short period of time (TAT of 1 day for registration).

#### a. Urja for **Vehicle Ownership Experience**

- i. Urja be integrated with OEMs' internal systems such that orders flow in automatically once vehicle purchases occur.
- ii. Once an order is received, it passes through a structured set of stages as per the state's registration process, with involvement from the field team / back-office team as required
- iii. Multiple check and balances installed in the process for smooth process flow
- iv. Upon completion of each stage, a live status update is sent to the OEM automatically including the current status
- v. Modules / stages are customizable as per states/OEM requirements for the specific use case, thus avoiding confusion and enabling an efficient workflow
- vi. It utilises new age technology like AI-enabled Optical Character Recognition (OCR)

**b. Urja in Channel sales**

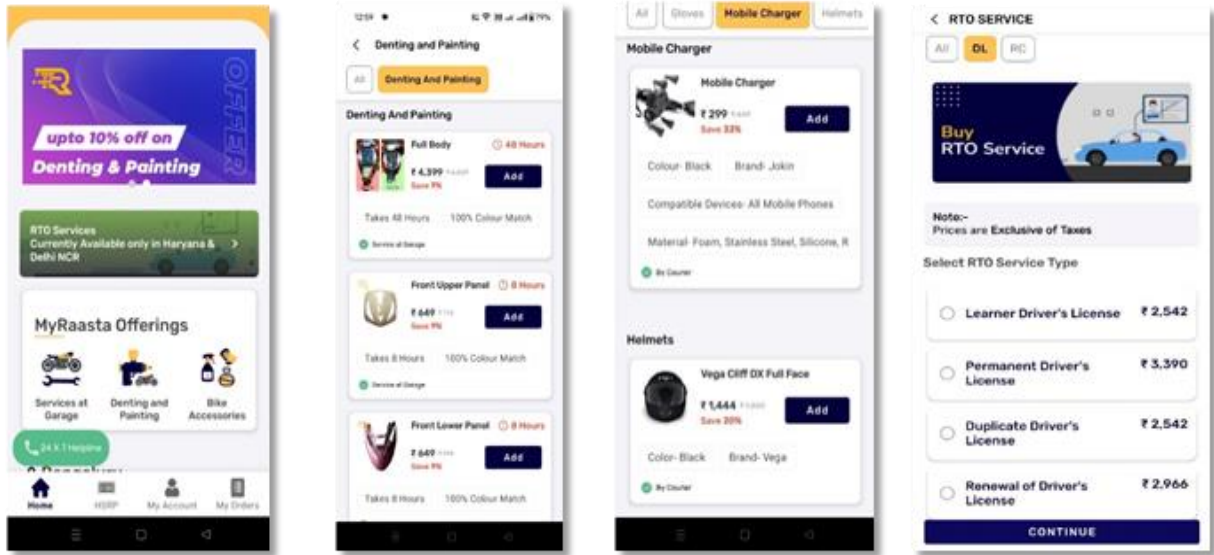
- i. Used as an order management tool
- ii. Helps in transparency across teams
- iii. Provides real-time notifications on task completion to eliminate delays
- iv. Reduces TAT for order delivery



**c. My Raasta Software and Mobile Application:** MyRaasta is a D2C app that offers various automobile related services to individual vehicle owners. The app primarily has 3 main offerings:

- i. Garage services – The vehicle owners can prebook various garage services with Rosmerta Digital’s partner garages through this app. This helps build connects into the garage network and enables Rosmerta Digital to sell spare parts and accessories to the garages

- ii. Sale of Accessories – vehicle owners can also purchase automobile accessories through this app and get it home delivered.
- iii. D2C RTO services –vehicle owners can raise requests for DL/RC related services through the app (list of services include Learner’s DL, Duplicate DL, DL renewal, Change of address on RC, duplicate RC, addition / removal of hypothecation, transfer of ownership, NOC for re-registration in Delhi and Haryana currently)



### 3. *Agreements with OEMs*

We have a wide network of OEMs to whom we are providing Digitally enabled services, i.e., Vehicle Ownership Experience which offers vehicle registration services, transfer of ownership, state transport approvals, state subsidy processing assistance, and Fame subsidy processing assistance. The services are offerings to OEMs like, or companies dealing in sale of vehicles like Cars24, OLA, Okinawa, Royal Enfield and many other. Our company’s in-house platform, URJA, is pivotal in optimizing these complex workflows, providing seamless integration and efficient management of services nationwide. It enhances our value proposition as our integrated services support business operations OEMs and vehicle sellers.

### 4. *Pan India Presence*

We have a very qualified and experienced management team in all the segments and has been responsible for the growth of our business and operation. Our Corporate promoter is in the automotive industry since 2006. We believe that our motivated team of management and key managerial personnel along with our internal systems and processes complement each other to enable us deliver high levels of client satisfaction. For details on the qualifications and experience of our senior management team, please refer to section titled “Our Management” beginning on page 233 of this Red Herring Prospectus.

### 5. *Domain Knowledge*

As a subsidiary of Rosmerta Technologies Limited, Rosmerta Digital Services Limited benefits significantly from the support and expertise of its parent company. Founded in 2006, Rosmerta Technologies is present in e-governance, transport, and road safety in India. This relationship provides Rosmerta Digital with substantial resources, including access to cutting-edge technology, a vast network of over 3,254 employees, and extensive industry experience. The parent company's established reputation and infrastructure have been instrumental in accelerating Rosmerta Digital’s growth and enabling it to deliver high-quality, reliable services to its clients.



## **UTILITIES & INFRASTRUCTURE FACILITIES**

### **Power**

Our Company requires power for the normal requirement of the Registered Office and Corporate office for lighting, Computer systems etc. Adequate power is available which is met through the electric supply by the government.

### **Water**

Water required for human consumption and other purposes is fully met at the existing premises by internal supply & also with private supply.

## **GROWTH STRATEGIES:**

### **1. *Expansion of Vehicle Ownership Experience target segments:***

Expansion of Vehicle Ownership Experience business by expanding the fleet customers and B2B2C segments:

Fleet customers:

- i. Registration service for vehicles sold by OEMs to corporates / fleet owners. This will ensure cost savings for OEMs for institutional sales compared to dealer registration model.
- ii. Significant projected growth in the target markets – road freight, gig economy
- iii. **B2B2C registrations** RTO Registration for OEMs selling through dealers`- registration is outsourced
- iv. Would improve the customer experience, while still allowing dealers to play a role in the value chain.
- v. Our Company has already started work with Royal Enfield in this regard, doing registrations for vehicles sold through Royal Enfield's dealerships.

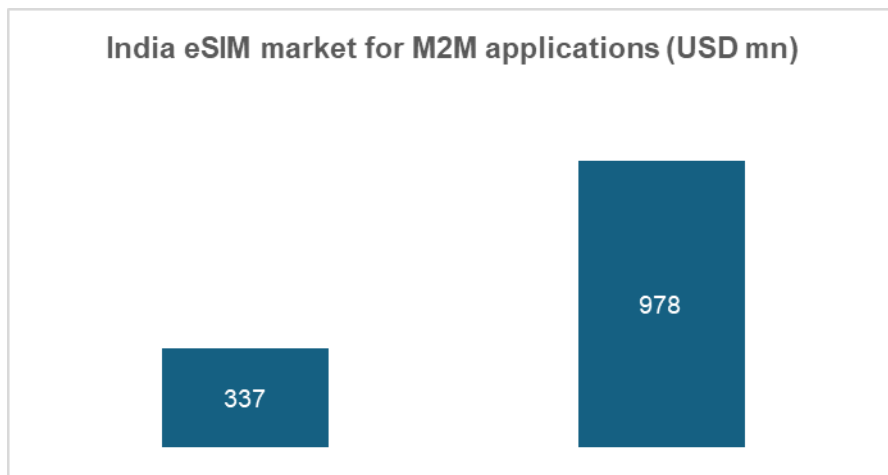
### **2. *Expansion of M2M KYC:***

The Telecom Regulatory Authority of India (TRAI) has released recommendations on the usage of Embedded SIM (eSIM) for Machine-to-Machine (M2M) communications to ensure security through proper Know Your Customer (KYC) for network security, fraud risk mitigation, and overall integrity of the M2M eSIM ecosystem. We are working to create a platform to automobiles dealers that will provide M2M kyc.

All connected vehicles or AIS-140 compliant vehicles have eSIMs embedded within them. These eSIMs ensure data transfer of the data collected by the various sensors onboard the vehicle to cloud servers where further analysis / storage can happen.

We are planning to expand in eSIM activation service for M&HCV vehicles for smooth functioning for connected vehicles, AIS-140 and other telematics related solutions. The activation done at the POS by the dealer - eSIM is registered under the vehicle buyer's name - data is shared with Department of

Telecommunications. Current being offered to a leading medium and heavy commercial vehicle OEM in the country.



The eSIM market for M2M applications in India is poised for substantial growth, reflecting the global trend towards digital transformation and connectivity and is projected to reach USD 978 million by 2032. The adoption of eSIM technology in various M2M applications (telematics, smart meters, smart cities, industrial IOT etc) is on the rise, driven by the benefits of easy network switching and enhanced connectivity without the need for physical SIM card replacements. As the demand for miniaturization and IoT technology grows, the eSIM market in India is likely to witness a surge in demand, especially in sectors like consumer electronics, transportation, and logistics. The integration of eSIM technology with 5G devices is expected to further boost market growth in India, offering improved connectivity and innovative solutions across industries. Rosmerta Digital with its pan-India presence and M2M KYC capabilities is uniquely suited to leverage this growth prospect.

**Sources:**

“Global eSIM Market Report: Study, Opportunities and Forecast” by Intellectual Market Insights Research (IMIR)

**3. *Auto aftermarket retail network expansion***

Rosmerta Digital will continue its expansion of auto aftermarket retail network to expand its reach and boost spares sales. This will also be supported by an expansion in the sales team to support the larger network.

**4. *Entering OES parts distribution for retail aftermarket***

Rosmerta Digital will expand its operations to become authorized distributors of Automotive Original Equipment Suppliers (OES) spare parts in the retail aftermarket. OES players are suppliers to Automotive OEMs for vehicle parts and they also sell spare parts in the aftermarket under their own brand. With this expansion, Rosmerta Digital will see a boost in its profitability since the profit margins in distribution of OES spare parts in aftermarket will be higher. Rosmerta Digital is currently engaged with multiple OES players.

To support the entry into OES parts distribution, we are planning to open warehouses and model workshops. The warehouses will help in storage of spare parts, and timely delivery of spare parts to customers, which are critical success factors to expand in the spares distribution business. The model workshops will serve as exemplars of high-quality service, setting industry standards for efficiency, reliability, and customer satisfaction. The model workshops will create a trusted network of service

centres that vehicle owners can rely on for top-notch maintenance and repairs, and will also enhance trust in the MyRaasta app for garage services and other offerings. We are planning to open warehouses and model workshops in the north, west and south regions of the country to support its expansion plans. Part of the capital expenditure for the expansion will be paid for by internal accruals and the remaining part through the IPO proceeds.

#### 5. *Growth in accessories distribution*

We are planning to expand our existing accessories distribution business by partnering with large manufacturers and enhancing global sourcing capabilities. The focus will be on high-demand, scarce, and customized parts, unlocking the potential to become an original equipment (OE) approved supplier, this expansion will not only increase the range of products offered but also open opportunities to distribute these OE-approved accessories to a wider customer base. To support the expansion in accessories, we are planning to build Experience Centres where customers will be able to come and try out and purchase various automotive accessories, as mentioned in the Objects of the Issue on page no. 91. This will help in increasing end customer touchpoints, brand awareness of MyRaasta and sale of accessories. Similar to warehouses and model workshops, the Experience Centres will be built in different parts of the country. The warehouses and model workshops will also support the accessories supply chain and sales along with spares.

Building on the established distribution network, Rosmerta Digital will diversify into private labelling of spares and accessories. This strategic move is anticipated to improve profit margins. The private labelled products will be marketed through existing retail channels and directly to consumers (D2C) via the Rosmerta app, leveraging our company's growing brand recognition and customer base.

#### **AWARDS & RECOGNITIONS:**

Our company has been awarded following certifications:

S.N.	Description	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Valid upto
01.	Automotive Startup of the Year	Economic Times (21 <sup>st</sup> Global Edition & 6 <sup>th</sup> Indian Edition)	N.A.	17.02.2023	N.A.
02.	Emerging Automotive Startup of the Year	Times Group	N.A.	2022	N.A.
03.	ISO 9001:2015	United Registrar Systems	136629/A/0001/UK /En	01.06.2024	31.05.2027
04.	ISO 9001:2015	United Registrar Systems	136630/A/0001/UK /En	01.06.2024	31.05.2027
05.	ISO 14001:2015	United Registrar Systems	136629/B/0001/UK /En	01.06.2024	31.05.2027
06.	ISO 14001:2015	United Registrar Systems	136630/B/0001/UK /En	05.06.2024	04.06.2027
07.	ISO 20000-1:2018	United Registrar Systems	136629/E/0001/UK /En	06.07.2024	05.07.2027
08.	ISO 20000-1:2018	United Registrar Systems	136630/E/0001/UK /En	08.07.2024	07.07.2027

09.	ISO 27001:2022	United Registrar Systems	136629/D/0001/UK /En	19.06.2024	18.06.2024
10.	ISO 27001:2022	United Registrar Systems	136630/D/0001/UK /En	01.06.2024	31.05.2027
11.	ISO 45001:2018	United Registrar Systems	136629/C/0001/UK /En	01.06.2024	31.05.2027
12.	ISO 45001:2018	United Registrar Systems	136630/C/0001/UK /En	05.06.2024	04.06.2027
13.	Green Certificate (Level I)	Green Standard Certification Program	UAB/MSC108208	14.06.2024	13.06.2027
14.	Green Certificate (Level I)	Green Standard Certification Program	UAB/MSC108207	14.06.2024	13.06.2027
15.	Great Place to Work	Great Workplace	N.A.	Aug 2024	Aug 2025

### **MARKETING INITIATIVES:**

Our Company’s marketing strategy seamlessly integrates both offline and online marketing channels. This comprehensive approach ensures that we effectively reach our target audience through multiple touchpoints, enhancing our brand presence and engagement across various platforms.

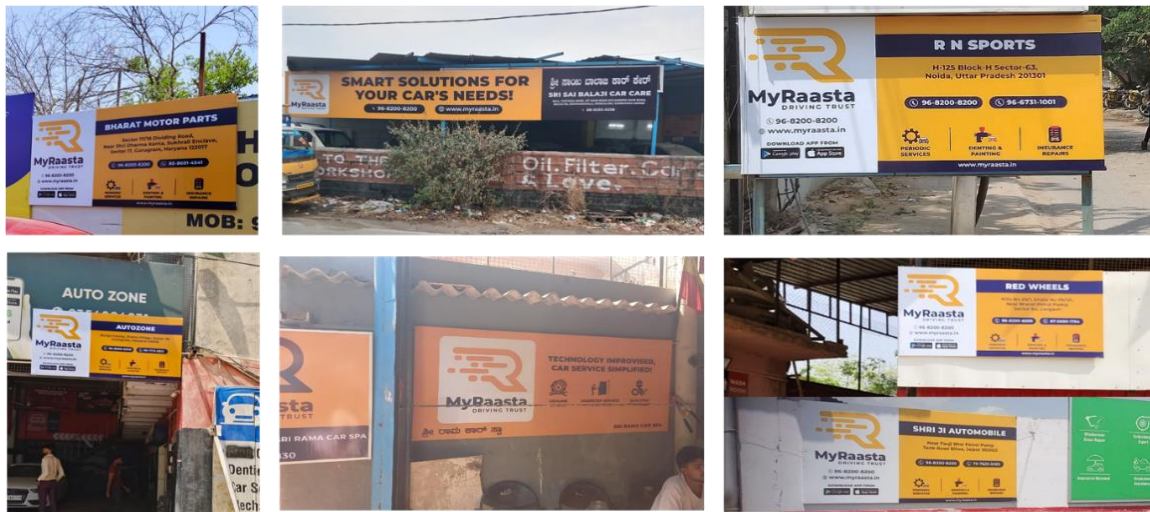
By combining traditional offline methods with modern online tactics, businesses can effectively capture attention, build trust, and drive customer actions.

- **Exhibition & Auto Shows:** Our company makes a concerted effort to participate in nearly all auto shows and exhibitions. This strategy allows us to connect with key market stakeholders, engage directly with our target audience, and gain valuable media exposure. By being present at these events, we aim to strengthen our market presence, build relationships with industry peers, and showcase our innovations to a wider audience.



- **Garage Branding:** To kickstart our offline marketing efforts, it’s crucial to capture attention and make the brand name highly visible. Therefore, MyRaasta has invested in comprehensive branding for all partner garages. This includes prominent signage, branded decor, and uniformed staff, all designed to create a cohesive and professional look. This strategic branding not only catches the eyes of passers-by

but also instils trust and confidence in walk-in customers, reinforcing MyRaasta's reputation for quality and reliability from the moment they enter the garage.



- Outdoor Branding:** To enhance brand validation and recognition, we have also utilized radio ads, newspaper advertisements, and outdoor advertising. These efforts complement our garage branding by reaching a broader audience, reinforcing the MyRaasta name, and building trust through consistent and widespread visibility.

- RWA Camps:** Alongside our branding efforts, human interactions play a crucial role. We have organized RWA (Resident Welfare Association) camps to engage directly with people, educate them about our services, and demonstrate how easily they can schedule car servicing using MyRaasta from their fingertips. These personal interactions help build trust and familiarity with our brand.



- Online Marketing:** When it comes to online marketing, which plays a major role, we have leveraged almost every platform available. This includes social media channels, search engines, our website, and cross-promotions. By tapping into these diverse online mediums, we ensure widespread visibility and engagement with our target audience.

- **Social Media:** We engage with our audience daily through posts and interactive videos on social media. This consistent activity helps us reach a wider audience and fosters meaningful interactions, ensuring that MyRaasta remains top-of-mind for our customers.
- **Awareness Campaign:** In a market flooded with counterfeit and non-genuine parts, our commitment extends beyond simply selling authentic products. We actively work to educate people on the importance of purchasing genuine spare parts. To support this effort, we run the "BUY GENUINE" campaign, specifically targeting retailers and shopkeepers who play a pivotal role in influencing consumer choices.
- **Search Engine Optimization (SEO):** Instrumental in improving visibility and ranking in top search engine results. By optimizing our website content, utilizing relevant keywords, enhancing user experience, and adhering to search engine algorithms, we ensure that MyRaasta is easily discoverable by potential customers searching for car services online.
- **Affiliate Marketing:** a dynamic strategy that integrates WhatsApp, email, and regular notifications, serves as a pivotal tool in maintaining consistent communication with our valued customers. Through personalized interactions and timely updates, we foster a sense of engagement and loyalty among our existing user base.
- **Live Chat & Support:** Implementing live chat and support features on our website enables us to swiftly address customer queries and concerns in real-time. This proactive approach to customer service enhances user experience and fosters trust and satisfaction. By providing instant assistance and guidance, we ensure that customers receive the support they need promptly, leading to increased engagement, loyalty, and ultimately, business success.
- **Collaborations:** Collaborating with influencers and popular pages in our industry enables us to rapidly expand our brand's reach and visibility. By leveraging their established audience and credibility, we can effectively tap into new markets and demographics, reaching a larger audience in a shorter timeframe.

### **HUMAN RESOURCES:**

Our employees are the key to the success of our business. As on September 30, 2024, we have the total strength of 505 in various department as per the below details:

Sr. No	Department	Total No. of Employees
1	Management	1
2	Accounts	13
3	Admin	1
4	Information Technology	8
5	Business Development	9
6	Customer Care	82
7	Human Resource	1
7	Maintenance	1
8	Marketing	2
9	Operations	378
10	Sales	7
11	Store	2
	<b>Total</b>	<b>505</b>

*\*Our company's Whole Time Director & CEO, Mr. Akhil Gupta and Company Secretary, Mr. Kuntal Kar have been deputed by our Corporate Promoter/ Holding company, hence registered in the payroll of Rosmerta Technologies Limited.*

**SWOT ANALYSIS**

**Strengths**

- More than 500 Feet on ground and network of 150 active channel partners across India
- Technology-driven in non-tech fragmented Automotive Industry
- Strong industry relationships of our Corporate Promoter for more than a decade
- Operational Excellence – Reducing turnaround time of digitally enabled service

**Weakness**

- Dependency on few customers in Digital Enabled Services business
- Thin margins in OEM parts business model
- High Dependence on partner garages for garage services

**Opportunity**

- Adding more products and services in D2C brand on MyRaasta app
- Expanding into other customer segments for vehicle registrations
- Enter Original Equipment Suppliers (OES) automotive parts distribution
- Sell company-branded parts and accessories (Buy and repackage to our own brand)
- Export opportunity for automotive components
- Diversify into other digital services like M2M activation and KYC services & citizen e-services

**Threat**

- Slowdown in the Automotive Market
- Vehicle Registrations as a service is a new business model
- OEMs moving away from outsourcing non-core activities like Registration Services and doing it themselves
- Could have to pass on cost benefit of economies of scale to OEMs in the Digital Services business
- Price wars among automotive parts distributors in the market

**COLLABORATIONS:**

Rosmerta Digital has entered the following collaborations:

- Collaboration with FCA Automobile Private Limited for sale and distribution of Fiat branded automotive components in India vide agreement dated June 11, 2024.

**CLIENTELE**



### STATEWISE REVENUE BIFURCATION

(Rupees in Thousand)

Name of State	HY1 FY 2024-25		FY 2023-24		FY 2022-23		FY 2021-22	
	Amount	% of Total Sales	Amount	% of Total Sales	Amount	% of Total Sales	Amount	% of Total Sales
Karnataka	278,780	30.22%	3,74,778	44.52%	1,78,640	59.97%	20,207	99.68%
Maharashtra	388,275	42.09%	3,02,617	35.94%	1,613	0.54%	-	0.00%
Uttar Pradesh	49,883	5.41%	24,697	2.93%	30,974	10.40%	4	0.02%
Haryana	36,600	3.97%	27,984	3.32%	8,032	2.70%	35	0.17%
Rajasthan	27,138	2.94%	9,937	1.18%	13,334	4.48%	-	0.00%
Tamil Nadu	20,676	2.24%	24,501	2.91%	6,726	2.26%	-	0.00%
Punjab	13,896	1.51%	6,938	0.82%	16	0.01%	3	0.01%
Delhi	21,445	2.32%	16,341	1.94%	27,606	9.27%	-	0.00%
Madhya Pradesh	21,855	2.37%	1,182	0.14%	649	0.22%	-	0.00%
Telangana	11,044	1.20%	741	0.09%	991	0.33%	-	0.00%
Bihar	8,723	0.95%	1,318	0.16%	2,417	0.81%	4	0.02%
Andhra Pradesh	8,006	0.87%	6,104	0.73%	5,889	1.98%	-	0.00%
Kerala	6,373	0.69%	10,324	1.23%	8,536	2.87%	-	0.00%
Gujarat	5,150	0.56%	13,037	1.55%	3,360	1.13%	-	0.00%
West Bengal	4,335	0.47%	5,341	0.63%	1,363	0.46%	5	0.02%
Odisha	3,130	0.34%	4,434	0.53%	5,297	1.78%	-	0.00%
Chandigarh	3,464	0.38%	8,623	1.02%	-	0.00%	-	0.00%
Jharkhand	2,501	0.27%	133	0.02%	260	0.09%	-	0.00%
Assam	1,259	0.14%	2,080	0.25%	106	0.04%	-	0.00%
Chhattisgarh	6,673	0.72%	533	0.06%	1,649	0.55%	-	0.00%
Himachal Pradesh	1,619	0.18%	8	0.00%	24	0.01%	-	0.00%
Uttarakhand	863	0.09%	109	0.01%	75	0.03%	7	0.03%
Goa	159	0.02%	4	0.00%	62	0.02%	3	0.01%
Pondicherry	111	0.01%	99	0.01%	67	0.02%	-	0.00%
Jammu & Kashmir	165	0.02%	-	0.00%	205	0.07%	3	0.01%



Daman & Diu	190	0.02%	-	-	-	-	-	-
Lakshadweep	100	0.01%	-	-	-	-	-	-
Manipur	1	0.00%	-	-	-	-	-	-
<b>TOTAL</b>	<b>9,22,422</b>	<b>100.00%</b>	<b>8,41,863</b>	<b>100.00%</b>	<b>2,97,891</b>	<b>100.00%</b>	<b>20,271</b>	<b>100.00%</b>

### **SEGMENTWISE REVENUE BIFURCATION**

*(Rupees in Thousand)*

Sr. No.	Particular	For the period ended on September 30, 2024		For the year ended March 31,2024		For the year ended March 31,2023		For the period ended March 31,2022	
		Revenue	% Age	Revenue	% Age	Revenue	% Age	Revenue	%Age
1.	Digitally Enabled Services	3,85,566	41.80%	416,278	49.45%	239,751	80.48%	20,207	99.69%
2.	Digitally Enabled Channel Sales	5,36,857	58.20%	425,622	50.55%	58,140	19.52%	63	0.31%
	<b>Total Revenue</b>	<b>922,422</b>	<b>100.00%</b>	<b>841,900</b>	<b>100.00%</b>	<b>297,891</b>	<b>100.00%</b>	<b>20,270</b>	<b>100.00%</b>

### **FINANCIAL SNAPSHOT:**

Financial Snapshot of our Company as per Restated Financial Information is as under:

*(Rupees in Thousand)*

Particulars	For the period ended 30 <sup>th</sup> September 2024	For the year ended 31 <sup>st</sup> March 2024	For the year ended 31 <sup>st</sup> March 2023	For the period ended 31 <sup>st</sup> March 2022
Share Capital	78,100	100	100	100
Net Worth	709,934	1,22,132	15,916	(201)
Revenue from operation	9,22,423	8,41,900	2,97,891	20,270
Profit after Tax	1,48,372	1,05,652	16,187	(301)
EPS Basic	4.02	3.01	0.46	(0.00)
EPS Diluted	4.01	3.01	0.46	(0.00)
<b>Total borrowings</b>				
- Long Term	-	-	-	-
- Short Term	-	1,49,901	1,31,828	43,921

### **INSURANCE**

S. No	Insurer	Description of Property Insured	Policy No.	Expiry date	Insured Amount (Rs. In Thousands)
1.	Cholamandalam Ms General Insurance company Ltd.	Automobile parts and spares (Number plates and RTO chip)	2457/00101232/000/00	02/06/2025	15,00,000.00
2.	Cholamandalam Ms General	Engineering Workshop-Motor	2948/01429377/000/00	04/06/2025	29,462.88

	Insurance company Ltd.	Vehicle Garages			
3.	Bajaj Allianz General Insurance Company Ltd	Directors And Officers Liability	OG-25-1908-3315-00000011	17/06/2025	10,000.00
4.	The New India Assurance Co. Ltd.	Fidelity Insurance	21280046209000000003	28/06/2025	5,500.00
5.	Cholamandalam Ms General Insurance company Ltd.	Engineering Workshop-Motor Vehicle Garages	2162/01562296/000/0	04/06/2025	29,462.88
6.	The New India Assurance Co. Ltd.	Money Insurance	21280048240300000025	28/06/2025	6,000.00
7.	ICICI Lombard	Public & Products Liability	4008/352237840/00/000	04/07/2025	2,000.00
8.	Cholamandalam Ms General Insurance company Ltd.	Business Interruption Insurance	2134/00101649/000/00	16/07/2025	15,807.00
9.	Magma HDI	Group Health Insurance and Group Accidental Insurance	MHDI/HCL/17/24-25/642	16/07/2025	26,400.00
10	Aviva Life Insurance	Group Term Life Insurance	ANCL000135	16/07/2025	40,435.00

## LEASED PROPERTIES

S.no	Description of the Lease Deed/s	Details of the Lease Deed	Purpose
1.	Agreement for Lease of Business Centre dated July 12, 2024  (Location leased since 1 <sup>st</sup> Jul'23)	<u>Lessor:</u> M/s Touchpoint Tele Services Private Limited.  <u>Lessee:</u> Rosmerta Digital Services Limited.  <u>Leased Premise:</u> Area admeasuring 1350 sq. ft (Second Floor) in the building located at #177, 69 <sup>th</sup> Cross, Rajajinagar, 5 <sup>th</sup> Block, Bangalore – 560010.  <u>Place of Execution:</u> Bengaluru, Karnataka.  <u>Monthly Lease Rent:</u> INR 70,000/- (Indian Rupees Seventy Thousand Only).  <u>Term / Lease Tenure:</u> 11 (eleven) months commencing from July 12, 2024 to June 11, 2025.	Digital Services Back Office
2.	Sub-lease Agreement dated July 13, 2024	<u>Sub- Lessor:</u> Rosmerta Safety Systems Limited.	Digital Services Regional Office

	(This is 1 <sup>st</sup> lease)	<p><u>Sub-Lessee:</u> Rosmerta Digital Services Limited.</p> <p><u>Leased Premise:</u> Area admeasuring 118 sq. ft at 76-10-20, Ground Floor, Gandhi Bomma Road, Bhavanipuram, Vidyadarapuram, Vijayawada-520012, Krishna Dist. Andhra Pradesh.</p> <p><u>Place of Execution:</u> Vijayawada, Andhra Pradesh.</p> <p><u>Monthly Lease Rent:</u> INR 2,600/- (Indian Rupees Two Thousand Six Hundred Only).</p> <p><u>Term / Lease Tenure:</u> 11 months commencing from July 13, 2024 to June 12, 2025.</p>	
3.	<p>Sub-lease Agreement dated November 03, 2023</p> <p>(This is 1<sup>st</sup> lease)</p>	<p><u>Sub- Lessor(s):</u> Sunil Jawa, Shashi Jawa, Kavita Jaisinghani, Mahendar Kumar Jaisinghani, Manan Jaisinghani.</p> <p><u>Sub-Lessee(s):</u> Rosmerta Technologies Limited, Rosmerta Safety Systems Private Limited, Sensorise Smart Solutions Private Limited, Rosmerta Autotech Private Limited, and Rosmerta Digital Services Private Limited.</p> <p><u>Leased Premise:</u> Office premises bearing commercial space/Flat No. 402 having total super area of 1593 square feet on the 4<sup>th</sup> floor of the commercial office tower structure known as the “World Trade Tower” adjacent to Bharat Hotel Limited (Hotel Lalit), Barakhamba Lane, New Delhi-110 001.</p> <p><u>Place of Execution:</u> New Delhi.</p> <p><u>Monthly Lease Rent:</u> INR 3,18,600/- (Indian Rupees Three Lakhs Eighteen Thousand Six Hundred Only).</p> <p><u>Term / Lease Tenure:</u> 6 (six) years commencing from November 16, 2023, to November 15, 2029.</p>	Registered Office
4.	<p>Sub-lease Agreement dated July 16, 2024</p> <p>(Location leased since 12<sup>th</sup> Jan’24)</p>	<p><u>Sub- Lessor:</u> Rosmerta Safety Systems Limited.</p> <p><u>Sub-Lessee:</u> Rosmerta Digital Services Limited.</p> <p><u>Leased Premise:</u> Area admeasuring 122 sq. ft at House No-340/13 Opposite RTO Office Sauli Khad Mandi- Himachal Pradesh- 175001.</p> <p><u>Place of Execution:</u> Mandi, Himachal Pradesh.</p> <p><u>Monthly Lease Rent:</u> INR 1,500/- (Indian Rupees One Thousand Five Hundred Only).</p>	Digital Services Regional Office

		<u>Term / Lease Tenure:</u> 11 (eleven) months commencing from July 16, 2024 to June 15, 2025.	
5.	Sub-lease Agreement dated July 15, 2024  (Location leased since 1 <sup>st</sup> Sep'23)	<u>Sub-Lessor:</u> Rosmerta Safety Systems Limited.  <u>Sub-Lessee:</u> Rosmerta Digital Services Limited.  <u>Leased Premise:</u> Area admeasuring 207 sq. ft at Village Dumardagga, PS-Sadar, PS No-181, Khata No-70 Plot No-39 Beside Sudha Motor NH-33 Ranchi-835217, Jharkhand.  <u>Place of Execution:</u> Ranchi, Jharkhand.  <u>Monthly Lease Rent:</u> INR 3,700/- (Indian Rupees Three Thousand Seven Hundred Only).  <u>Term / Lease Tenure:</u> 11 (eleven) months commencing from July 15, 2024 to June 14, 2025.	Digital Services Regional Office
6.	Lease Deed dated July 17, 2024.  (Location leased since 1 <sup>st</sup> Nov'23)	<u>Lessor:</u> Mr. Jitendra Srichand Jain s/o Mr. Srichand Jain.  <u>Lessee:</u> Rosmerta Digital Services Private Limited.  <u>Leased Premise:</u> Area admeasuring 290 sq. ft at Plot No. 626, Sector 18, Chikhali, Spine Road, Shivatej Nagar, Pimpri – Chinchwad PCMC-411019 (Maharashtra).  <u>Place of Execution:</u> Pune, Maharashtra.  <u>Monthly Lease Rent:</u> (i) Lease Rent for the 1 <sup>st</sup> 11 months - INR 15,225/- + applicable GST; (ii) Lease Rent for the next 11 months - INR 15,986/- + applicable GST; (iii) Lease Rent for the next 11 months - INR 16,785/- + applicable GST.  <u>Term / Lease Tenure:</u> July 15, 2024 to April 14, 2027	Digital Services Regional Office
7.	Leave and License Agreement dated April 12, 2024  (This is 1 <sup>st</sup> lease)	<u>Lessor:</u> Parambir Singh Kochhar.  <u>Lessee:</u> Rosmerta Digital Services Private Limited.  <u>Leased Premise:</u> Shop no. 11 admeasuring about 612 Sq. Ft. built up area, on the ground floor in	Channel Sales Automotive Components

		<p>the society known as ‘Kalindi Premises Co-operative Societies Limited, located at Plot no. 3, 3A &amp; 4, Sector 19 C, Vashi, Navi Mumbai, Tehsil and Dist. Thane.</p> <p><u>Place of Execution:</u> Mumbai, Maharashtra</p> <p><u>Monthly Lease Rent:</u></p> <ul style="list-style-type: none"> <li>(iv) Lease Rent for the 1<sup>st</sup> year- INR 30,000/- + applicable GST;</li> <li>(v) Lease Rent for the 2<sup>nd</sup> Year- INR 31,500/- + applicable GST;</li> <li>(vi) Lease Rent for the 3<sup>rd</sup> Year- INR 33,075/- + applicable GST.</li> </ul> <p><u>Term/Lease Tenure:</u> April 1, 2024 to March 31, 2027 for a period of 36 (thirty six) months.</p>	
8.	<p>Sub-lease Agreement dated July 12, 2024</p> <p>(Location leased since 1<sup>st</sup> Nov’23)</p>	<p><u>Sub- Lessor:</u> Rosmerta Safety Systems Limited.</p> <p><u>Sub-Lessee:</u> Rosmerta Digital Services Limited.</p> <p><u>Leased Premise:</u> Area admeasuring 173 sq. ft at Shop No. G-80, Maharajpur Transport Nagar, Jabalpur- 482002, Madhya Pradesh.</p> <p><u>Place of Execution:</u> Jabalpur, Madhya Pradesh.</p> <p><u>Monthly Lease Rent:</u> INR 2,100/- (Indian Rupees Twenty One Hundred Only).</p> <p><u>Term / Lease Tenure:</u> 11 (eleven) months commencing from July 12, 2024 to June 11, 2025.</p>	Digital Services Regional Office
9.	<p>Sub-lease Agreement dated July 16, 2024</p> <p>(Location leased since 8<sup>th</sup> Apr’23)</p>	<p><u>Sub- Lessor:</u> Rosmerta Technologies Limited.</p> <p><u>Sub-Lessee:</u> Rosmerta Digital Services Limited.</p> <p><u>Leased Premise:</u> Area admeasuring approximately 4,167 sq. ft. the Building situated at Plot No. 66-P, 1<sup>st</sup> Floor, in Urban Estate, Sector-44, Gurugram, Haryana.</p> <p><u>Place of Execution:</u> Gurugram, Haryana.</p> <p><u>Monthly Lease Rent:</u> INR 3,00,000/- (Indian Rupees Three Lakhs Only)/ per month.</p> <p><u>Term / Lease Tenure:</u> July 16, 2024 to June 22, 2027.</p>	Corporate Office
10.	Facility Management	<u>Lessor:</u> M/s SpazeClub Private Limited.	Digital Services

	<p>Agreement dated July 16, 2024</p> <p>(Location leased since 1<sup>st</sup> Feb'24)</p>	<p><u>Lessee:</u> Rosmerta Digital Services Limited.</p> <p><u>Leased Premise:</u> 180 work stations with area admeasuring approx. 9,000 sq. ft at 530, 1<sup>st</sup> Floor and 3<sup>rd</sup> Floor, Udyog Vihar, Phase 5, Gurgaon, Haryana, 122016,</p> <p><u>Place of Execution:</u> Gurugram, Haryana.</p> <p><u>Monthly Lease Rent:</u> INR 4,60,000/- (Indian Rupees Four Lakhs Sixty Thousand Only).</p> <p><u>Term / Lease Tenure:</u> July 16, 2024 to December 31, 2025.</p>	Back Office
11.	<p>Lease Agreement dated July 15, 2024</p> <p>(Location leased since 1<sup>st</sup> Aug'23)</p>	<p><u>Lessor:</u> Mudda Gowned Shivani Goud.</p> <p><u>Lessee:</u> Rosmerta Digital Services Limited.</p> <p><u>Leased Premise:</u> Municipal No 6-3-354/1/2, in survey No. 129, admeasuring 1600 square feet including common area with parking lot with undivided share of land admeasuring 71 square yard, situated at Khairatabad Village, Punjagutta, Hyderabad.</p> <p><u>Place of Execution:</u> Hyderabad.</p> <p><u>Monthly Lease Rent:</u> INR 52,500/- (Indian Rupees Fifty Two Thousand Five Hundred Only).</p> <p><u>Term / Lease Tenure:</u> 11 months commencing from July 15, 2024 to June 14, 2025.</p>	Digital Services Back Office
12.	<p>Sub-lease agreement dated July 15, 2024</p> <p>(Location leased since 31<sup>st</sup> Oct'23)</p>	<p><u>Sub-Lessor:</u> Rosmerta Safety Systems Limited.</p> <p><u>Sub-Lessee:</u> Rosmerta Digital Services Limited.</p> <p><u>Leased Premise:</u> Area admeasuring 263 sq. ft at RG No. 27 Shukla Ji Ki Bagiya Jhalwa Prayagraj Pincode- 211012 Uttar Pradesh.</p> <p><u>Place of Execution:</u> Prayagraj, Uttar Pradesh.</p> <p><u>Monthly Lease Rent:</u> INR 2,600 (Indian Rupees Two Thousand Six hundred Only).</p> <p><u>Term / Lease Tenure:</u> 11 (eleven) months commencing from July 15, 2024 to June 14, 2025.</p>	Digital Services Regional Office
13.	<p>Lease Agreement dated</p>	<p><u>Lessor:</u> Mutyala Vijay Kumar and Muthyala</p>	Vehicle Servicing

	<p>September 24, 2022</p> <p>(This is 1<sup>st</sup> lease)</p>	<p>Chandra Sekhar.</p> <p><u>Lessee:</u> Rosmerta Digital Services Private Limited.</p> <p><u>Leased Premise:</u> Ground Floor admeasuring 2,500 sq. ft. built upon land admeasuring 433.33 sq. yards approximately located at D.No. 81-51-10, Venkateshwara Nagar, Revenue ward no. 30, Rajahmundry- 533105.</p> <p><u>Place of Execution:</u> Rajamahendravaram, Andhra Pradesh.</p> <p><u>Monthly Lease Rent:</u> INR 80,000 (Indian Rupees Eighty Thousand Only).</p> <p><u>Term / Lease Tenure:</u> October 10, 2022 to, October 09, 2025, for a period of 36 (thirty six) months.</p>	Garage
14.	<p>Lease Agreement dated July 15, 2024</p> <p>(Location leased since 16<sup>th</sup> Aug'22)</p>	<p><u>Lessor:</u> Mohiyoddin Mehaboobsaheb Patel.</p> <p><u>Lessee:</u> Rosmerta Digital Services Limited.</p> <p><u>Leased Premise:</u> Land and premises consisting of an area of 3000 sq. ft. and located at CTS No. 1496, Rs No. 41/2B/1B, Vidhya Giri, Boxite Road, Belgaum- 590010.</p> <p><u>Place of Execution:</u> Belgaum, Karnataka</p> <p><u>Monthly Lease Rent:</u> INR 1,05,000/- (Indian Rupees one lakhs five thousand Only).</p> <p><u>Term / Lease Tenure:</u> July 15, 2024 to August 14, 2025.</p>	Vehicle Servicing Garage
15.	<p>Lease Agreement dated July 16, 2024</p> <p>(Location leased since 8<sup>th</sup> Aug'22)</p>	<p><u>Lessor:</u> Devananda Shetty</p> <p><u>Lessee:</u> Rosmerta Digital Services Limited</p> <p><u>Leased Premise:</u> Land and premises consisting of an area of 360 sq. ft. and located at Door no. 1/31/8 Div Dev, opposite Karavali College, NH/66, 4<sup>th</sup> Mile Bangra Kulur, Mangalore- 575013.</p> <p><u>Place of Execution:</u> Mangalore, Karnataka</p> <p><u>Monthly Lease Rent:</u> INR 35,000/- (Indian Rupees Thirty Five Thousand Only).</p> <p><u>Term / Lease Tenure:</u> July 16, 2024 to August 15, 2025.</p>	Vehicle Servicing Garage


16.	<p>Lease Deed dated July 15, 2024</p> <p>(Location leased since 11<sup>th</sup> Aug'22)</p>	<p><u>Lessor:</u> Sajith KM</p> <p><u>Lessee:</u> Rosmerta Digital Services Limited</p> <p><u>Leased Premise:</u> Land and premises consisting of an area of 4700 sq. ft. and located at 61/13463, S K Arcade, SK Temple Road, Near Coronation theatre, Calicut- 673001.</p> <p><u>Place of Execution:</u> Kozhikode, Kerala.</p> <p><u>Monthly Lease Rent:</u> INR 1,62,750/- (Indian Rupees One Lakh sixty two thousand seven hundred and fifty Only).</p> <p><u>Term / Lease Tenure:</u> July 15, 2024 to August 10, 2025.</p>	Vehicle Servicing Garage
17.	<p>Lease Deed dated July 15, 2024</p> <p>(Location leased since 9<sup>th</sup> Aug'22)</p>	<p><u>Lessor:</u> Nafina Jasmine</p> <p><u>Lessee:</u> Rosmerta Digital Services Private Limited</p> <p><u>Leased Premise:</u> Land and premises consisting of an area of 2150 sq. ft. and located at TC-68/1138(8), TC-68/1138(10), Balavan Nagar Road, Kallumoodu Junction, Thiruvananthapuram.</p> <p><u>Place of Execution:</u> Thiruvananthapuram, Kerala</p> <p><u>Monthly Lease Rent:</u> INR 84,000/- (Indian Rupees Eighty Four Thousand Only).</p> <p><u>Term / Lease Tenure:</u> July 15, 2024 to August 08, 2025.</p>	Vehicle Servicing Garage
18.	<p>Lease Deed dated July 15, 2024</p> <p>(1<sup>st</sup> lease commenced from 17<sup>th</sup> Aug'22)</p>	<p><u>Lessor:</u> Jobi Mathew Thadizaran</p> <p><u>Lessee:</u> Rosmerta Digital Services Limited</p> <p><u>Leased Premise:</u> Land and premises consisting of an area of 2200 sq. ft. in the ground and first floor and 800 sq. ft parking area in the building named 'KM Tower' and located at Paramagalam Village, Kaiparamba, Gram Panchayat.</p> <p><u>Place of Execution:</u> Thrissur, Kerala</p> <p><u>Monthly Lease Rent:</u> INR 84,000/- (Indian Rupees Eighty Four Thousand Only).</p>	Vehicle Servicing Garage






		<u>Term / Lease Tenure:</u> July 15, 2024 to August 16, 2025.	
19.	<p>Lease Deed dated July 19, 2024</p> <p>(Location leased since 5<sup>th</sup> Mar'23)</p>	<p><u>Lessor:</u> Dinesh Kumar Shaw.</p> <p><u>Lessee:</u> Rosmerta Digital Services Limited.</p> <p><u>Leased Premise:</u> Land and premises consisting of an area of 5400 sq. ft. of immovable property located at No. D-223, Trenching Ground Road, T.S Rabindranagar, Kolkata-700024.</p> <p><u>Place of Execution:</u> Kolkata, West Bengal.</p> <p><u>Monthly Lease Rent:</u> INR 2,88,750/- (Indian Rupees Two Lakhs Eighty Eight Thousand Seven Hundred and Fifty Only).</p> <p><u>Term / Lease Tenure:</u> July 19, 2024 to March 04, 2026.</p>	Vehicle Servicing Garage
20.	<p>Sub-lease Agreement dated July 16, 2024</p> <p>(Location leased since 26<sup>th</sup> Jun'23)</p>	<p><u>Lessor:</u> Suresh Joshi, Manu Joshi and Ravi Joshi.</p> <p><u>Lessee:</u> Rosmerta Digital Services Limited.</p> <p><u>Leased Premise:</u> Land and built-up area admeasuring 5500 sq. ft. (Ground Floor, Basement and Open Area) located at A-11, Vidyut Nagar-B, Purani Chungi, Ajmeri Road, Jaipur, Rajasthan.</p> <p><u>Place of Execution:</u> Jaipur, Rajasthan.</p> <p><u>Monthly Lease Rent:</u> INR 2,78,250/- (Indian Rupees Two Lakhs Seventy Eight Thousand Two Hundred Fifty Only).</p> <p><u>Term / Lease Tenure:</u> July 16, 2024 to April 25, 2025.</p>	Vehicle Servicing Garage
21.	<p>Lease Deed dated July 20, 2024</p> <p>(Location leased since 26<sup>th</sup> Aug'22)</p>	<p><u>Lessor:</u> Neerja Singh.</p> <p><u>Lessee:</u> Rosmerta Digital Services Limited.</p> <p><u>Leased Premise:</u> Land and Premises admeasuring 7,308 sq. ft. (Basement and Ground Floor) located at Plot no. 3A Khasra no. 414, Ring Road, Kalyanpur, Lucknow, Uttar Pradesh.</p> <p><u>Place of Execution:</u> Lucknow, Uttar Pradesh.</p> <p><u>Monthly Lease Rent:</u> INR 2,10,000/- (Indian</p>	Vehicle Servicing Garage



		Rupees Two Lakhs and Ten Thousand Only).  <u>Term / Lease Tenure:</u> July 20, 2024 to August 25, 2025, for a period of 13 (thirteen) months.	
22.	Sub-lease Deed dated July 15, 2024  (This is 1 <sup>st</sup> lease)	<u>Sub-lessor:</u> Rosmerta Safety Systems Limited  <u>Sub-lessee:</u> Rosmerta Digital Services Limited  <u>Leased Premise:</u> Area admeasuring 100 sq. ft at Premises no. 5, Mosque Street, Easwaran Nagar, Pammal, Chennai, Tamil Nadu-600075.  <u>Please of Execution:</u> Chennai, Tamil Nadu  <u>Monthly Lease Rent:</u> INR 2,650/- (Indian Rupees Two Thousand Six Hundred Fifty Only).  <u>Term / Lease Tenure:</u> 11 months commencing from July 15, 2024 to June 14, 2025.	Digital Services Regional Office

## INTELLECTUAL PROPERTY

Description	Date of Application	Application Number	Class	Authority	Remarks
<b>Category: Logo</b> 	29.5.2024	(i) 6454721 (ii) 6454729 (iii) 6454722 (iv) 6454723	9, 35, 37 & 42	Registrar of Trademark, Delhi	<p>Currently pending issuance.</p> <p>Basis our public search conducted <a href="http://www.ipindia.gov.in">www.ipindia.gov.in</a>, a government portal provided by the Trademark Registry, the Trademark has been sent to Vienna Codification Branch of the Indian Trademarks Registry for the purpose of classifying the logo under the categories provided for under the said codification.</p> <p>Once the classification of the logo is completed, the application is forwarded for examination ('Formality Chk Pass')</p>

					and for further actions.
<b>Category: Wordmark</b>  <b>MYRAASTA DRIVING TRUST</b>	29/5/2024	(i) 6454724 (ii) 6454725 (iii) 6454726 (iv) 6454728	9, 35, 37 & 42	Registrar of Trademark, Delhi	<p>Currently pending issuance.</p> <p>Basis our public search conducted <a href="http://www.ipindia.gov.in">www.ipindia.gov.in</a>, a government portal provided by the Trademark Registry, we note that the status of the marks is “Formalities Chk Pass” i.e., the application and the related documents have been authenticated by the Trademark Registry.</p>
<b>Category: Logo</b>  	07/06/2024	(i) 6469118 (ii) 6469119 (iii) 6469120 (iv) 6469121	9, 35, 37 & 42	Registrar of Trademark, Delhi	<p>Currently pending issuance.</p> <p>Basis our public search conducted <a href="http://www.ipindia.gov.in">www.ipindia.gov.in</a>, a government portal provided by the Trademark Registry, we note that the status of the marks is “Formalities Chk Pass” i.e., the application and the related documents have been authenticated by the Trademark Registry.</p>
<b>Category: Wordmark</b>  <b>URJA</b>	07/06/2024	(i) 6469122 (ii) 6469123 (iii) 6469124 (iv) 6469125	9, 35, 37 & 42	Registrar of Trademark, Delhi	<p>Currently pending issuance.</p> <p>Basis our public search conducted <a href="http://www.ipindia.gov.in">www.ipindia.gov.in</a>, a government portal provided by the Trademark Registry, we note that the status of the marks is “Formalities Chk Pass” i.e., the application and the related documents have been authenticated by the</p>

					Trademark Registry.
<b>Category: Logo</b> 	Application Nos. (i) – (iii) were filed on 31/05/2024.  Application Nos. (iv) was filed on 01/06/2024.	<b>(i)</b> 6460197 <b>(ii)</b> 6460198 <b>(iii)</b> 6460222 <b>(iv)</b> 6460532	9, 35, 37 & 42	Registrar of Trademark, Delhi	Currently pending issuance.  Basis our public search conducted <a href="http://www.ipindia.gov.in">www.ipindia.gov.in</a> , a government portal provided by the Trademark Registry, the Trademark has been sent to Vienna Codification Branch of the Indian Trademarks Registry for the purpose of classifying the logo under the categories provided for under the said codification.  Once the classification of the logo is completed, the application is forwarded for examination ('Formality Chk Pass') and for further actions.
<b>Category: Workmark</b>  <b>ROSMERTA DIGITAL SERVICES</b>	31/05/2024	<b>(i)</b> 6460211 <b>(ii)</b> 6460212 <b>(iii)</b> 6460219 <b>(iv)</b> 6460220	9, 35, 37 & 42	Registrar of Trademark, Delhi	Currently pending issuance.  Basis our public search conducted <a href="http://www.ipindia.gov.in">www.ipindia.gov.in</a> , a government portal provided by the Trademark Registry, we note that the status of the marks is "Formalities Chk Pass" i.e., the application and the related documents have been authenticated by the Trademark Registry.
<b>Category: Logo</b> 	07/06/2024	<b>(i)</b> 6469126 <b>(ii)</b> 6469127	9 & 35	Registrar of Trademark, Delhi	Currently pending issuance.  Basis our public search conducted

					<p><a href="http://www.ipindia.gov.in">www.ipindia.gov.in</a>, a government portal provided by the Trademark Registry, we note that the status of the marks is “Formalities Chk Pass” i.e., the application and the related documents have been authenticated by the Trademark Registry.</p>
<p><b>Category: Logo</b></p> 	07/06/2024	(i) 6469156 (ii) 6469155	37 & 42	Registrar of Trademark, Delhi	<p>Currently pending issuance.</p> <p>Basis our public search conducted <a href="http://www.ipindia.gov.in">www.ipindia.gov.in</a>, a government portal provided by the Trademark Registry, the Trademark has been sent to Vienna Codification Branch of the Indian Trademarks Registry for the purpose of classifying the logo under the categories provided for under the said codification.</p> <p>Once the classification of the logo is completed, the application is forwarded for examination (<i>Formality Chk Pass</i>) and for further actions.</p>
<p><b>Category: Logo</b></p> 	07/06/2024	(i) 6469157 (ii) 6469158 (iii) 6469159 (iv) 6469160	9, 35, 37 & 42	Registrar of Trademark, Delhi	<p>Currently pending issuance.</p> <p>Basis our public search conducted <a href="http://www.ipindia.gov.in">www.ipindia.gov.in</a>, a government portal provided by the Trademark Registry, the Trademark has been sent to Vienna Codification Branch of the Indian Trademarks Registry for the purpose of classifying the logo under the</p>

					<p>categories provided for under the said codification.</p> <p>Once the classification of the logo is completed, the application is forwarded for examination ('Formality Chk Pass') and for further actions.</p>
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The Details of Domain Names Registered in the Name of the Company:

S. No	Domain Name	Registrant Name / Organisation	Sponsor / Registry Domain ID	Expiry Date
1.	rosmertadigital.com	XSINFOSOL	644319295_DOMAIN_COM-VRSN	28 <sup>th</sup> September 2025

#### PATENT

Title of the Invention	Indian Patent Application Number	Date of Application	Publication Date	Remarks
AN OPTIMIZED USER VEHICLE REGISTRATION DATA MANAGEMENT SYSTEM AND METHOD	202311040858 A	15.06.2023	21.06.2024	<p>The registered Patent is 'AN OPTIMIZED USER VEHICLE REGISTRATION DATA MANAGEMENT SYSTEM AND METHOD' under the International Classification:</p> <p>G06F0016951000, B60L0053680000, G06Q0030060000, G06F0016248000, B60R0013100000</p>

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## KEY REGULATIONS AND POLICIES

*The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local laws. The following description is an overview of certain laws and regulations in India, which are relevant to our Company. Certain information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below are not exhaustive and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.*

*The statements below are based on current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.*

### **A. CORE BUSINESS LAWS THAT APPLY TO OUR BUSINESS/COMPANY**

1. **THE BUREAU OF INDIAN STANDARDS ACT, 1986** - The Bureau of Indian Standards Act, 1986, as amended from time to time (“**1986 Act**”), stipulates formulation of a Bureau for quality certification of goods. The 1986 Act sets forth the functions of the Bureau which shall recognise an Indian standard established for any article or process by any other institution in India or elsewhere and in line thereof, recognise a standard mark to be called the Bureau of Indian Standards Certification Mark. Such certifications duly testify goods by undertaking a quality assessment of the same. The quality assessment with respect to the Indian Standards Certification Marks shall be based on due inspection and shall analyse if the specific goods conform to the Indian Standards.
2. **THE BUREAU OF INDIAN STANDARDS RULES, 2018** - The Bureau of India Standards Rules, 2018 (“**2018 Rules**”) have been notified, in supersession of the Bureau of Indian Standards Rules, 1987 (“**1987 Rules**”). Under the 2018 Rules, the Bureau is required to establish Indian standards in relation to any goods, article, process, system or service and shall reaffirm, amend, revise or withdraw Indian Standards so established as may be necessary.
3. **THE MOTOR VEHICLES ACT, 1988** - The Motor Vehicles Act, 1988 (“**MV Act**”) was enacted to regulate motor vehicles in India. It sets forth the guidelines in relation to detailed provision on registration and licensing of the drivers and conductors, registration of motor vehicles, the provision on controlling their permits, traffic regulation, related insurance, liabilities, and penalties.
4. **CENTRAL MOTOR VEHICLE RULES, 1989** - The Central Motor Vehicle Rules of 1989 (“**CMVR**”) serves as a comprehensive framework governing the administration, registration, licensing, and operation of motor vehicles in India. Enacted under the Motor Vehicles Act of 1988, these rules are crucial for ensuring road safety and maintaining traffic discipline across the country. CMVR governs vehicle registration and standards for production and design of vehicles. These guidelines additionally cover perspectives, for example, protection necessities, roadworthiness tests, and the utilization of security gear like caps and safety belts. Moreover, the CMVR frames conventions for discharges guidelines to control contamination levels from vehicles, guaranteeing natural manageability. It commands the utilization of normalized number plates for simple recognizable proof and following of vehicles by policing. By upholding these

guidelines, the public authority means to advance more secure streets, decrease traffic-related fatalities and wounds, and improve the general productivity of transportation frameworks.

5. **AUTOMOTIVE INDUSTRY STANDARDS (AIS)** - The Ministry of Road Transport and Highways (“**MoRTH**”) in India plays a crucial role in setting and updating automotive industry standards to ensure safety, efficiency, and environmental sustainability. These standards are essential guidelines that govern various aspects of vehicle manufacturing, operation, and maintenance across the country.

MoRTH releases standards covering a wide range of aspects such as vehicle design, construction materials, emissions, safety features, and performance criteria. These standards are periodically updated to incorporate advancements in technology, address emerging safety concerns, and align with international best practices. In India, the automotive industry standards mandated by the Ministry of Road Transport and Highways include regulations on speed limiting devices (SLD) and diesel particulate filters (DPF) to enhance road safety and reduce vehicular emissions. Speed limiting devices are devices that restrict the maximum speed at which a vehicle can operate. MoRTH has mandated the installation of SLDs in certain categories of vehicles like buses, trucks, and school vans to prevent over-speeding, which is a leading cause of accidents on Indian roads. These devices help enforce speed limits set by regulatory authorities, thereby improving overall road safety.

## **B. CORPORATE LAWS**

1. **THE COMPANIES ACT, 2013** - The Companies Act primarily regulates the formation, financing, functioning and restructuring of companies. 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 Issuer Co., the relation and action of the management and that of the shareholders. The law lays 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.
2. **INSOLVENCY AND BANKRUPTCY CODE, 2016** - The Insolvency and Bankruptcy Code, 2016 (the “**Code**”) cover Insolvency of individuals, unlimited liability partnerships, Limited Liability partnerships (LLPs) and companies. The IBC 2016 has laid down a collective mechanism for resolution of insolvencies in the country by maintaining a delicate balance for all stakeholders to preserve the economic value of the process in a time bound manner.

## **C. INTELLECTUAL PROPERTY LAWS**

1. **THE TRADEMARKS ACT, 1999** - The Trademark Act, 1999 (“**The Trademarks Act**”) governs the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. It provides for the process of application and registration of trademarks in India. The Trademarks Act also sets forth the rules and criteria governing the approval of a trademark application. An application for trademark registration may be made by any person claiming to be the proprietor of a trademark used or proposed to be used by him, who is desirous of registering it. Applications for a trademark registration may be made for in one or more classes.

The Trademark (Amendment) Act, 2010 has been enacted by the Government of India to amend



the Trademark Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries.

2. **COPYRIGHT ACT, 1957** - The Copyright Act, 1957, along with the Copyright Rules, 1958, (collectively, “**Copyright Laws**”) governs copyright protection in India. Under the Copyright Laws, copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. While copyright registration is not a prerequisite for acquiring or enforcing a copyright, registration creates a presumption favouring ownership of the copyright by the registered owner. Copyright registration may expedite infringement proceedings and reduce delay caused due to evidentiary considerations.

The remedies available in the event of infringement of a copyright under the Copyright Act, 1957 include civil proceedings for damages, account of profits, injunction and the delivery of the infringing copies to the copyright owner. The Copyright Act, 1957 also provides for criminal remedies including imprisonment of the accused and the imposition of fines and seizure of infringing copies.

3. **THE PATENTS ACT, 1970** - The patent regime in India is governed by the Patents Act, 1970 (“**The Patents Act**”) and rules and regulations made thereunder. Pursuant to the TRIPS Agreement, product patent regime with a protection period of 20 years became applicable in India. The patent regime protects inventions through patents. The amended Patents Act defines “inventive step” to mean a feature of an invention that involves a technical advance as compared to the existing knowledge or having economic significance or both and that makes an invention not obvious to a person skilled in the art. Any person claiming to be the true and first inventor of the invention or the assignee of the true and first inventor or the legal representative of any deceased person who was entitled to make an application immediately before death may apply for a patent for an invention.
4. **THE DESIGNS ACT, 2000** - The Designs Act, 2000 (“**The Designs Act**”) prescribes for the registration of designs. The Designs Act specifically lays down the essentials of a design to be registered and *inter alia*, provides for application for registration of designs, copyright in registered designs, etc. A ‘Design’ means only the features of shape, configuration, pattern, ornament or composition of lines or combination thereof applied to any article whether two dimensional or three dimensional or in both forms, by any industrial process or means, whether manual, mechanical or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye, but does not include any mode or principle or construction or anything which is in substance a mere mechanical device, and expressly excludes works accorded other kinds of protection like property marks, trademarks and copyrights. Any person claiming to be the proprietor of a new or original design may apply for registration of the same before the Controller- General of Patents, Designs and Trademarks. On registration, the proprietor of the design attains a right over the same.

#### **D. TAXATION LAWS**

1. **THE INCOME TAX ACT, 1961** - The Income-Tax Act, 1961 (“**IT Act**”) is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules. As per the provisions of Income Tax Act, the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the

deductions and concessions accorded under the Income Tax Act. Filing of returns of income is compulsory for all assesses. Furthermore, it requires every taxpayer to apply to the assessing officer for a permanent account number.

2. **THE GOODS AND SERVICES TAX (“GST”)** - The GST is applicable on the supply of goods or services as against the present concept of tax on the manufacture and sale of goods or provision of services. It is a destination-based consumption tax. It is dual GST with the Central and State Governments simultaneously levying it on a common tax base. The GST to be levied by the Centre on intra-State supply of goods and / or services is called the Central GST (CGST) as provided by the CGST Act and that to be levied by the States is called the State GST (SGST) as given under the SGST Acts. An Integrated GST (IGST) under the IGST Act is to be levied and collected by the Centre on inter-State supply of goods and services. The CGST and SGST is to be levied at rates to be jointly decided by the Centre and States.

Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen-digit registration numbers known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple locations in a state, a separate application will be made for registration of each and every location. The registered assessee is then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon. There are indirect taxes that are levied and collected by the Central and State Government which are now subsumed under GST.

3. **THE 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 importing or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administrated by Central Board of Excise and Customs under the Ministry of Finance.

## **E. LABOUR AND EMPLOYMENT LAWS**

1. **THE FACTORIES ACT, 1948** - The Factories Act, 1948 (“**The Factories Act**”) defines a “factory” to cover any premises which employs 10 or more workers and in which manufacturing process is carried on with the aid of power and any premises where there are at least 20 workers, where a manufacturing process is being carried on without the aid of power. State Governments have the authority to formulate rules in respect of matters such as prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act provides that the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors, must ensure the health, safety and welfare of all workers. It provides such safeguards of workers in the factories as well as offers protection to the exploited workers and improve their working conditions. The penalties for contravention of the Factories Act include fine and imprisonment for the ‘occupier’ or ‘manager’ as defined under the Factories Act, and enhanced penalties for repeat offences and contravention of certain provisions relating to use of the hazardous materials.

2. **CHILD LABOUR (PROHIBITION AND REGULATION) ACT, 1986** – The Child Labour (Prohibition and Regulation Act, 1986 (“**The Child Labour Act**”) prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under the Child Labour Act, the employment of child labour in the building and construction industry is prohibited.
3. **THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013** - The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“**SHWW Act**”) provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favours or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to Rs. 50,000/- (Rupees Fifty Thousand Only).
4. **THE EMPLOYEES PROVIDENT FUND AND MISCELLANEOUS PROVISIONS ACT, 1952 AND THE SCHEMES FORMULATED THERE UNDER (“SCHEMES”)** - The Employees Provident Fund and Miscellaneous Provisions Act, 1952 (“**EPF Act**”) was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPF Act provides for the institution of provident funds and pension funds for employees in establishments where more than 20 (twenty) persons are employed and factories specified in Schedule I of the EPF Act. Under the EPF Act, the Central Government has framed the "Employees Provident Fund Scheme", "Employees Deposit-linked Insurance Scheme" and the "Employees Family Pension Scheme". Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. 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.
5. **THE EMPLOYEES STATE INSURANCE ACT, 1948** - All the establishments to which the Employees State Insurance Act, (“**ESI Act**”) applies are required to be registered under the Act with the Employees State Insurance Corporation. The ESI Act applies to those establishments where 20 or more persons are employed. The Act requires all the employees of the factories and establishments to which the Act applies to be insured in the manner provided under the Act. Further, employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the ESI department. The Employees' State Insurance Rules, 1950 ensure implementation of the provisions of the Employees' State Insurance Act, 1948.

6. **PAYMENT OF GRATUITY ACT, 1972** - The Payment of Gratuity Act is applicable to every factory, mine, oilfield, plantation, port, railway companies and to every shop and establishment in which 10 or more persons are employed or were employed at any time during the preceding twelve months. This Act applies to all employees irrespective of their salary. The Payment of Gratuity Act, as amended, provides for a scheme for payment of gratuity to an employee on the termination of his employment after he has rendered continuous service for not less than 5 years:

- On his/her superannuation;
- On his/her retirement or resignation; and,
- On his/her death or disablement due to accident or disease (in this case the minimum requirement of five years does not apply)

A shop or establishment to which this Act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day.

7. **PAYMENT OF BONUS ACT, 1965** - The Payment of Bonus Act, 1965 is applicable to every factory and every other establishment employing twenty (20) or more persons. Every employee shall be entitled to be paid by his employer in an accounting year, bonus, in accordance with the provisions of this Act, provided he has worked in the establishment for not less than thirty working days in that year.

8. **THE MATERNITY BENEFIT ACT, 1961** - The purpose of the Maternity Benefit Act, 1961 is to regulate the employment of pregnant women in certain establishments for certain periods and to ensure that they get paid leave for a specified period before and after childbirth, or miscarriage or medical termination of pregnancy. It provides, inter alia, for payment of maternity benefits, medical bonus and prohibits the dismissal of and reduction of wages paid to pregnant women, etc. Government, further amended the Act which is known as The Maternity Benefit (Amendment) Act, 2016, effective from March 28, 2017 introducing more benefits for pregnant women in certain establishments.

9. **THE EQUAL REMUNERATION ACT, 1976** – The Equal Remuneration Act, 1976 was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution. The Act provides for payment of equal remuneration to men and women workers and for prevention of discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith.

10. **EMPLOYEES' COMPENSATION ACT, 1923, AS AMENDED** - The Employee's Compensation Act, 1923 ("**EC Act**") came into force on July 1, 1924. The EC Act has been enacted with the objective to provide for the payment of compensation by certain classes of employers to their workmen or their survivors for industrial accidents and occupational diseases resulting in the death or disablement of such workmen. The Indian Parliament approved certain amendments to the EC Act, as amended, to substitute, inter-alia, references to "workmen" with "employees" including in the name of the statute. The amendment came into force on January 18, 2010. Under the EC Act, if personal injury is caused to an employee by accident arising out of and in the course of employment, the employer would be liable to pay such employee compensation in accordance with the provisions of the EC Act. However, no compensation is required to be paid (i) if the injury does not disable the employee for a period exceeding three

days, (ii) where the employee, at the time of injury, was under the influence of drugs or alcohol, or (iii) where the employee wilfully disobeyed safety rules or wilfully removed or disregarded safety devices.

11. **CONTRACT LABOUR (REGULATION AND ABOLITION) ACT, 1970** – The Contract Labour (Regulation and Abolition) Act, 1970 (“**CLRA**”) has been enacted to regulate the employment of contract labour in certain establishments, the regulation of their conditions and terms of service and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 or more workmen are employed or were employed on any day of the preceding 12 months as contract labour. The CLRA vests the responsibility on the principal employer of an establishment to which the Act applies to make an application to the registered officer in the prescribed manner for registration of the establishment. In the absence of registration, a contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued.

**The other labour laws applicable to the Issuer Co. are:**

- Minimum Wages Act, 1948;
- Payment Of Wages Act, 1936;
- Apprentices Act, 1961

**It may also be noted that the Government of India has consolidated 29 central Labour laws into four Codes namely Code of Wages 2019, The Code on Social Security, 2020, The Industrial Relations Code, 2020 and Occupational Safety, Health and Working Conditions Code, 2020. All these codes have received the assent of President of India but none of them has been made effective till date. Brief descriptions of each of the codes are given below:**

- (1) **CODE OF WAGES, 2019** - This Code aims to consolidate the laws relating to wages, bonus and matters connected therewith or incidental thereto. It received the assent of President of India on August 08, 2019. The Code contains procedure for fixing minimum wage, limit for fines and deductions in wages, minimum and maximum bonus, calculation of allocable and available surplus, as well as gender neutral consideration in fixing wages. The Code has given the power to Central Government to fix a “floor wage” and the State governments cannot fix any minimum wage less than the “floor wage”. It amalgamates and subsumes four imperative labour laws - the Payment of Wages Act, 1936; the Minimum Wages Act, 1948; the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The date of implementation of the Code is yet to be notified.
- (2) **THE CODE ON SOCIAL SECURITY, 2020** - This Code received the assent of President of India on September 28, 2020 though the implementation of the same is yet to be notified. The Code aims to provide better social security benefits such as provident fund, insurance and gratuity to workers. It extends the reach of the Employees' State Insurance Corporation and the Employees' Provident Fund Organization (which regulate benefits such as provident fund, insurance, pension, etc.) to the workers in the unorganized sector and the platform and gig workers. The Code further stipulates gratuity benefit for fixed term employees without any condition for minimum service period as envisaged under the current regime. The Code subsumes nine (9) labour laws relating to social security, namely, the Employees' Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Cine Workers Welfare Fund Act, 1981,

the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers Social Security Act, 2008.

- (3) **THE INDUSTRIAL RELATIONS CODE, 2020** - This Code received the assent of President of India on September 29, 2020 though the implementation of the same is yet to be notified. The Code aims to streamline the laws regulating industrial disputes and trade unions in India. For the benefit of the employers, the Code has introduced various aspects such as increasing the threshold of workers to three hundred (300) for obtaining the consent of the concerned government in case of lay off, retrenchment or closure of the establishment, notice of change not required to be given subject to the conditions stipulated in the Code, increasing the wage threshold to INR 18,000 (Indian Rupees Eighteen Thousand) for exclusion from the definition of worker, etc. The Industrial Relations Code also introduces the concept of deemed certification of standing orders. The Code subsumes three labour laws relating to industrial relations, namely, the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.
- (4) **OCCUPATIONAL SAFETY, HEALTH AND WORKING CONDITIONS CODE, 2020** - The Occupational Safety, Health and Working Conditions Code, 2020 (“**OSH Code**”) is one of three new labour codes that will consolidate the bulk of labour legislation in India and streamline labour compliance besides expanding the social security net for workers. The OSH Code received the assent of President of India on September 28, 2020 though the implementation of the same is yet to be notified. Rules to implement the Code are expected to be finalized in the next few weeks. New establishments covered by the OSH Code must register themselves (within 60 days of commencement of the Code) with registering officers appointed by the appropriate government. Establishments already registered under any other federal law will not be required to register again.

Every employer is directed to undertake the following obligations:

- Ensure that the workplace is free from hazards which could cause injury or occupational disease to the employees and comply with the OSH Code and the Government’s directions on the same;
- Provide free annual health examination or testing, free of cost, to certain classes of employees;
- Provide and maintain, as reasonably practical, a working environment that is safe and without risk to the health of the employees;
- Issue letters of appointments to employees; and
- Ensure that no charge is levied on any employee for maintenance of safety and health at workplace, including the conduct of medical examination and investigation for the purpose of detecting occupational diseases.

Further, the Code directs employers with respect to factories, mines, dock work, building and other construction work, or plantations to ensure: (i) safety arrangements in the workplace and absence of risk to health in connection with the use, storage, and transport of articles and substances; (ii) provision of such information, instruction, training, and supervision as are necessary to ensure the health and safety of all employees at work, etc. This Code shall subsume more than 10 labour laws including Factories Act 1948, Contract Labour (Regulation and Abolition) Act 1970 and Mines Act 1952.

## F. ENVIRONMENTAL LAWS

- (1) **NATIONAL ENVIRONMENTAL POLICY, 2006** - The Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace but builds on the earlier policies. In consonance with India's national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21.

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. Following are the objectives of National Environmental Policy:

- (i) Conservation of Critical Environmental Resources;
  - (ii) Intra-generational Equity;
  - (iii) Livelihood Security for the Poor;
  - (iv) Inter-generational Equity;
  - (v) Integration of Environmental Concerns in Economic and Social Development;
  - (vi) Efficiency in Environmental Resource Use;
  - (vii) Environmental Governance;
  - (viii) Enhancement of resources for Environmental Conservation.
- (2) **ENVIRONMENT PROTECTION ACT, 1986** - The Environment Protection Act, 1986 ("**Environment Act**") provides a framework for the coordination of activities of various state and central authorities established under previous environmental laws by the Central Government. The Environment Act states that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environment pollutants in excess of prescribed standards. Further, it empowers the Central Government to make rules for various purposes, including prescribing as below: (i) the standards of quality of air, water or soil for various areas; (ii) the maximum allowable limits of concentration of various environmental pollutants for different areas; (iii) the procedures and safeguards for the prevention of accidents which may cause environmental pollution and remedial measures for such accidents.
- (3) **ENVIRONMENT (PROTECTION) RULES, 1986** - The Environment (Protection) Rules, 1986 ("**Environment Rules**") were notified by the Central Government, in exercise of its powers under the Environment Act. Pursuant to the Environment Rules, every person who carries on an industry, operation or process requiring consent under Water (Prevention and Control of Pollution) Act, 1974 or Air (Prevention and Control of Pollution) Act, 1981, shall submit to the concerned Pollution Control Board ("PCB") an environmental statement for that financial year in the prescribed form.
- (4) **THE NOISE POLLUTION (REGULATION & CONTROL) RULES 2000 ("NOISE REGULATION RULES")** - The Noise Pollution (Regulation & Control) Rules, 2000 ("**Noise Regulation Rules**") regulate noise levels in industrial, commercial and residential zones. The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. The Noise Regulation Rules also assign regulatory authority for these

standards to the local district courts. Penalty for non-compliance with the Noise Regulation Rules shall be under the provisions of the Environment (Protection) Act, 1986.

- (5) **AIR (PREVENTION AND CONTROL OF POLLUTION) ACT, 1981 (“AIR ACT”)** - The Air Act mandates that any individual, industry or institution responsible for emitting smoke or gases by way of use as fuel or chemical reactions, obtains consent from the PCB prior to commencing any activity. The consent may be conditional on certain specifications like installation of pollution control equipment.
- (6) **WATER (PREVENTION AND CONTROL OF POLLUTION) ACT, 1974 (“WATER ACT”)** - Under the provisions of the Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”), any individual, industry or institution discharging industrial or domestic wastewater or establishing any treatment or disposal system or the using of any new or altered outlet for the discharge of sewage is required to obtain the consent of the applicable state PCB, which is empowered to establish standards and conditions that are required to be complied with. The consent to operate is granted for a specific period after which the conditions stipulated at the time of granting consent are reviewed by the state PCB. Even before the expiry of the consent period, the state PCB is authorized to carry out random checks on any industry to verify if the standards prescribed are being complied with by the industry. In the event of non-compliance, the state PCB after serving notice to the concerned industry may withdraw water supply to the industry or cause magistrates to pass injunctions to restrain such polluters.
- (7) **WATER (PREVENTION AND CONTROL OF POLLUTION) CESS ACT, 1977 (“WATER CESS ACT”)** - The Water Cess Act is a legislation providing for the levy and collection of a cess on local authorities and industries based on the consumption of water by such local authorities and industries so as to enable implementation of the Water Act by the regulatory agencies concerned.
- (8) **HAZARDOUS AND OTHER WASTES (MANAGEMENT AND TRANS BOUNDARY MOVEMENT) RULES, 2016 (“HW RULES”)** - The HW Rules impose an obligation on every occupier of an establishment generating hazardous waste to recycle or reprocess or reuse such wastes through a registered recycler or to dispose of such hazardous wastes in an authorized disposal facility. Every person engaged, inter alia, in the generation, processing, treatment, package, storage and disposal of hazardous waste is required to obtain an authorization from the relevant state PCB for collecting, recycling, reprocessing, disposing, storing and treating the hazardous waste. The new HW Rules as compared to the Rules of 2008 have enlarged the scope of regulated wastes by including ‘other wastes’ in its ambit. Other wastes include: Waste tyre, paper waste, metal scrap, used electronic items, etc. and are recognized as a resource for recycling and reuse. These resources supplement the industrial processes and reduce the load on the virgin resource of the country.
- (9) **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.



## G. FOREIGN TRADE REGULATIONS

1. **THE FOREIGN TRADE (DEVELOPMENT & REGULATION) ACT, 1992** - The Foreign Trade (Development & Regulation) Act, 1992 (“**FTA**”), provides for the development and regulation of foreign trade by facilitating imports into and augmenting exports from India and for matters connected therewith or incidental thereto. As per the provisions of the FTA, the Government may:
  - (i) make provisions for facilitating and controlling foreign trade;
  - (ii) prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions;
  - (iii) formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette;
  - (iv) appoint a 'Director General of Foreign Trade' for the purpose of the Act, including formulation and implementation of the Export-Import Policy.

FTA read with the Indian Foreign Trade Policy inter-alia provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce.

2. **FOREIGN EXCHANGE MANAGEMENT ACT, 1999** - Foreign investment in India is primarily governed by the provisions of FEMA and the rules and regulations promulgated there under. Foreign Exchange Management Act, 1999 (“**FEMA**”) was enacted to consolidate and amend the law relating to foreign exchange with the objective of facilitating external trade and for promoting the orderly development and maintenance of foreign exchange market in India. FEMA extends to whole of India. This Act also applies to all branches, offices and agencies outside India owned or controlled by a person resident in India 102 and also to any contravention committed thereunder outside India by any person to whom the Act is applies. The Act has assigned an important role to the Reserve Bank of India (RBI) in the administration of FEMA.
3. **FEMA REGULATIONS** - 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 FIPB 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, 2000 (“**FEMA Regulations**”) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. 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 Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.
4. **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 of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”), has issued consolidated FDI Policy Circular of 2017 (“**FDI Policy 2017**”), which with effect from August 28, 2017, consolidates and supersedes all

previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP Offers an updated circular. The Reserve Bank of India (“**RBI**”) also Offers Master Circular on Foreign Investment in India every year.

Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may Offer fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh Offer of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh Offer of shares would be subject to the reporting requirements, inter-alia with respect to consideration for Offer of shares and also subject to making certain filings including filing of Form FC-GPR. Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore, applicable foreign investment up to 100% is permitted in our company under automatic route.

5. **THE FOREIGN TRADE POLICY, 2023** - The Foreign Trade (Development & Regulation) Act, 1992 empowers the Central Government to formulate and announce, by way of a notification, the foreign trade policy from time to time. The Foreign Trade Policy, 2023 (“**Foreign Trade Policy**”), which came into effect from April 1, 2023, contains provisions relating to export and import of goods and services. The Foreign Trade Policy provides the general provisions governing imports and exports in India, duty exemption or remission schemes, and policies relating to various export promotion schemes, export-oriented units, electronics hardware technology parks, software technology parks and bio-technology parks, among others.

The Foreign Trade Policy mandates all importers and exporters of goods to obtain Importer Exporter Code (“**IEC**”) from the Director General of Foreign Trade (“**DGFT**”). For export of services or technology, IEC shall be necessary on the date of rendering services for availing benefits under the Foreign Trade Policy. According to the Foreign Trade Policy, exports and imports shall be ‘free’ except when regulated by way of ‘prohibition’, ‘restriction’ or ‘exclusive trading through state trading enterprises’ as laid down in the Indian Trade Classification (Harmonised System) for Exports and Imports Items (“**ITC (HS)**”). The import and export policies for all goods are indicated against each item in the ITC (HS). In terms of the Foreign Trade Policy, domestic laws or technical specification or environmental/safety and health laws that are applicable to domestically produced goods shall apply mutatis mutandis on imports unless the same are explicitly exempted. However, goods to be utilised/consumed for manufacture of export products, may be exempted by the DGFT from application of the domestic standards or quality specifications. The Foreign Trade Policy empowers the DGFT to impose prohibitions or restrictions on the import or export of certain goods, for reasons including the protection of public morals, protection of human, animal and plant life.

## **H. INFORMATION TECHNOLOGY AND DATA PRIVACY**

1. **INFORMATION TECHNOLOGY ACT, 2000 (“INFORMATION TECHNOLOGY ACT”)** - The Information Technology Act was enacted with the purpose of providing legal recognition to electronic transactions. In addition to providing for the recognition of electronic records and

creating a mechanism for the authentication of electronic documentation through digital signatures, it also provides for civil and criminal liability including fines and imprisonment for various computer related offenses relating to unauthorized access to computer systems, modifying the contents of such computer systems without authorization, damaging computer systems, the unauthorized disclosure of confidential information and computer fraud. The Information Technology (Amendment) Act, 2008, which came into force on October 27, 2009, amended the IT Act and inter-alia gives recognition to contracts concluded through electronic means, creates liability for failure to protect sensitive personal data and gives protection to intermediaries in respect of third-party information liability.

2. **DIGITAL PERSONAL DATA PROTECTION ACT, 2023** - The Digital Personal Data Protection Act, 2023 seeks to provide for protection of personal data of individuals and establish 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.

## **I. GENERAL LEGISLATIONS**

1. **THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006** - The Micro, Small and Medium Enterprises Development Act, 2006 (“**MSMED Act**”) as amended from time to time seeks to facilitate the development of micro, small and medium enterprises. The MSMED Act provides that where an enterprise is engaged in the manufacturing and production of goods pertaining to any industry specified in the first schedule to the Industries (Development and Regulation) Act, 1951, the classification of an enterprise will be as follows:
  - where the investment in plant and machinery does not exceed twenty-five Lakh rupees shall be regarded as a micro enterprise;
  - where the investment in plant and machinery is more than twenty-five Lakh rupees but does not exceed five crore rupees shall be regarded as a small enterprise;
  - Where the investment in plant and machinery is more than five crore rupees but does not exceed ten crore rupees shall be regarded as a medium enterprise.

The MSMED Act provides for the memorandum of micro, small and medium enterprises to be submitted by the relevant enterprises to the prescribed authority. The MSMED Act ensures that the buyer of goods makes payment for the goods supplied to him immediately or before the date agreed upon between the buyer and supplier. The MSMED Act provides that the agreed period cannot exceed forty-five days from the day of acceptance of goods. It also stipulates that in case the buyer fails to make payment to the supplier within the agreed period, then the buyer will be liable to pay compound interest at three times of the bank rate notified by the Reserve Bank of India from the date immediately following the date agreed upon. The MSMED Act also provides for the establishment of the

Micro and Small Enterprises Facilitation Council (“**Council**”). The Council has jurisdiction to act as an arbitrator or conciliator in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India. The MSMED act provides for appointment and establishment of National Board by the Central Government for MSME enterprise with its head office at New Delhi.

2. **COMPETITION ACT, 2002** - The Competition Act, 2002 came into effect on June 1, 2011 and has been enacted to “prohibit anti- competitive agreements, abuse of dominant positions by enterprises” and regulates “combinations” in India. The Competition Act also established the Competition Commission of India (“**CCI**”) as the authority mandated to implement the Competition Act. The act prohibits Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is likely to have an appreciable adverse effect on competition in India.
3. **INDIAN CONTRACT ACT, 1872** - Indian Contract Act codifies the way we enter into a contract, execute a contract, implementation of provisions of a contract and effects of breach of a contract. The Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced as amended from time to time. It determines the circumstances in which promise made by the parties to a contract shall be legally binding on them.
4. **NEGOTIABLE INSTRUMENTS ACT, 1881** - In India, any negotiable instruments such as cheques are governed by this Act, Section 138 of the Act, makes dishonour of cheques a criminal offence if the cheque is dishonoured on the ground of insufficiency of funds in the account maintained by a person who draws the cheque which is punishable with imprisonment as well as fine.
5. **THE REGISTRATION ACT, 1908 (“REGISTRATION ACT”)** - The Registration Act, 1908 (“**Registration Act**”) was passed to consolidate the enactments relating to the registration of documents. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity.
6. **INDIAN STAMP ACT, 1899** - Under the Indian Stamp Act, 1899 (“**The Stamp Act**”) stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.
7. **THE ARBITRATION AND CONCILIATION ACT, 1996** - This Act was enacted by Parliament in the Forty-seventh Year of the Republic of India to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation.
8. **THE SALE OF GOODS ACT, 1930 (SALE OF GOODS ACT)** - The law relating to the sale of goods is codified in the Sale of Goods Act, 1930. It defines sale and agreement to sell as a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price and provides that there may be a contract of sale between part owner and another and that the contract of sale may be absolute or conditional.

9. **SHOPS AND ESTABLISHMENTS LEGISLATIONS IN VARIOUS STATES** - Under the provisions of local shops and establishment legislations applicable in the states in which establishments are set up, establishments are required to be registered under the respective legislations. These legislations regulate the condition of work and employment in shops and commercial establishments and generally prescribe obligations in respect of, among others, registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work. The state legislations applicable on the Issuer Co. are as follows:
- I. **THE DELHI SHOPS AND ESTABLISHMENT ACT, 1954** - The Act regulates working hours, payment of wages, leave, holidays, and other conditions for persons employed in shops and commercial establishments across the Union Territory of Delhi. Every establishment must submit a statement, including details of the establishment and a fee, to the Chief Inspector within 90 days. Employees are not permitted to work more than 9 hours per day or 48 hours per week. For any overtime, they are entitled to double their normal hourly wage. Commercial establishments are restricted to specific operating hours set by the government and must remain closed on three national holidays each year, in addition to a designated closed day i.e. every establishment must remain closed for one day each week. Furthermore, all premises of establishments must be maintained in a clean condition, and adequate safety measures must be implemented for employees.
  - II. **THE HIMACHAL PRADESH SHOPS AND ESTABLISHMENTS ACT, 1969** - The Act regulates conditions of work and employment in shops and commercial establishments across the state of Himachal Pradesh. Every establishment must submit a statement including details of the establishment and a fee to the relevant authority within 30 days to obtain a registration certificate. No employee may work more than 48 hours in a week or 9 hours in a day. Overtime work is compensated at twice the normal hourly wage. The government may establish different opening and closing hours for different classes of establishments. Every establishment must remain closed for one day each week. Further, employees are entitled to wages for holidays on Independence Day, Republic Day, and Gandhi Jayanthi.
  - III. **THE RAJASTHAN SHOPS AND ESTABLISHMENTS ACT, 1958** - The Act regulates the conditions of work and employment in shops and commercial establishments throughout the state of Rajasthan. Each establishment is required to submit a statement containing details of the establishment, along with a fee, to the Inspector of the area within 30 days to obtain a registration certificate. Employees are not permitted to work more than 48 hours in a week or 9 hours in a day. For any overtime work, they are entitled to wages at the rate of one and a half times their ordinary rate of wages. Further, an establishment may not open earlier or close later than the hours specified by the State Government. Every establishment must remain closed for one day each week. The State Government will implement measures to ensure the health, safety, and welfare of employees.
  - IV. **THE UP DOOKAN AUR VANIJYA ADHISHTHAN ADHINIYAM, 1962-** The Act regulates conditions of work and employment in shops and commercial establishments across the state of Uttar Pradesh. Each establishment is required to submit a statement containing details of the establishment along with a fee to the Chief Inspector of the area within 3 months of the commencement of such business or within 3 months of the commencement of the Act to obtain a registration certificate. Employees are not permitted to work more than 8 hours per

day. An establishment may not open earlier or close later than the hours specified by the State Government. For any overtime, they are entitled to twice their normal hourly wage. Further, an establishment has to be kept closed for one day in a week and on designated close days.

- V. WEST BENGAL SHOPS AND ESTABLISHMENTS ACT, 1963-** The Act regulates holidays, hours of work, payment of wages and leave of persons in shops and establishments across the state of West Bengal. Each establishment is required to submit a statement containing details of the establishment along with a fee to the registering authority to obtain a registration certificate. Moreover, no employee may work more than 48 hours in a week or 8.5 hours in a day. For any overtime, they are entitled to twice their normal hourly wage. An establishment has to be kept closed for at least one and a half day in a week. Further, an establishment may not open earlier than 8 o'clock anti meridiem or closed later than 8 o'clock post meridiem.
- VI. ORISSA SHOPS AND COMMERCIAL ESTABLISHMENTS ACT, 1956-** The Act regulates conditions of work and employment in shops and commercial establishments across the state of Orissa. Each establishment is required to submit a statement containing details of the establishment along with a fee to the Inspector of the area within 30 days to obtain a registration certificate. Employees are not permitted to work more than 48 hours in a week or 9 hours in a day. For any overtime work, they are entitled to wages twice the ordinary rate of wages. An establishment will remain entirely closed for one day of the week. Further, an establishment may not open earlier or close later than the hours specified by the State Government.
- VII. THE MAHARASHTRA SHOPS AND ESTABLISHMENTS (REGULATION OF EMPLOYMENT AND CONDITIONS OF SERVICE) ACT, 2017-** The Act regulates conditions of employment and other conditions of service of workers employed in shops and other establishments. Each establishment is required to submit a statement containing details of the establishment along with a fee to the Facilitator of the local area within 60 days to obtain a registration certificate. The government may establish different opening and closing hours for different classes of establishments. Employees are not permitted to work more than 48 hours in a week or 9 hours in a day. For any overtime work, they are entitled to wages twice the ordinary rate of wages. Every worker shall be allowed a weekly holiday with wages. Further, employees are entitled to wages for holidays on Independence Day, Republic Day, and Gandhi Jayanti.
- VIII. KARNATAKA SHOPS AND COMMERCIAL ESTABLISHMENTS ACT, 1961-** The Act regulates conditions of work and employment in shops and commercial establishments across the state of Karnataka. Each establishment is required to submit a statement containing details of the establishment along with a fee to the Inspector of the area within 30 days to obtain a registration certificate. Employees are not permitted to work more than 48 hours in a week or 9 hours in a day. For any overtime work, they are entitled to wages twice the normal rate of wages. An establishment will remain entirely closed for one day of the week and it may not open earlier or close later than the hours specified by the State Government. Further, all premises of establishments must be maintained in a clean condition and adequate safety measures must be implemented for employees.
- IX. THE TELANGANA SHOPS AND ESTABLISHMENTS ACT, 1988-** The Act regulates conditions of work and employment in shops and establishments across the state of Telangana. Each establishment is required to submit a statement containing details of the establishment,

along with a fee to the Inspector within 30 days to obtain a registration certificate. Employees are not permitted to work more than 8 hours per day and 48 hours per week. For any overtime, they are entitled to twice their normal hourly wage. Further, an establishment may not open earlier or close later than the hours specified by the State Government. Every employee in the establishment shall be allowed a holiday of one day in each week along with nine holidays in a year with wages including Republic Day, May Day, Independence Day, Gandhi Jayanthi, and Telangana Formation Day. Additionally, all premises of establishments must be maintained in a clean condition, and adequate safety measures must be implemented for employees.

- X. ANDHRA PRADESH SHOPS AND ESTABLISHMENTS ACT, 1988-** The Act regulates conditions of work and employment in shops and establishments across the state of Andhra Pradesh. Each establishment is required to submit a statement containing details of the establishment, along with a fee to the Inspector within 30 days to obtain a registration certificate. Employees are not permitted to work more than 8 hours per day and 48 hours per week. Further, an establishment may not open earlier or close later than the hours specified by the State Government. For any overtime, they are entitled to twice their normal hourly wage. Every employee in the establishment shall be allowed a holiday of one day. Furthermore, all premises of establishments must be maintained in a clean condition, and adequate safety measures must be implemented for employees.
- XI. MADHYA PRADESH SHOPS AND ESTABLISHMENTS ACT, 1958-** The Act regulates conditions of work and employment in shops and establishments across the state of Madhya Pradesh. Each establishment is required to submit a statement containing details of the establishment along with a fee to the Inspector of the area within 30 days to obtain a registration certificate. A shop or commercial establishment may not open earlier or close later than the hours specified by the State Government. The government may establish different opening and closing hours for different classes of shops and commercial establishments. Employees are not permitted to work more than 48 hours in a week or 9 hours in a day. For any overtime, they are entitled to twice their normal hourly wage. An establishment will remain entirely closed for one day of the week. Further, all premises of establishments must be maintained in a clean condition, and adequate safety measures must be implemented for employees.
- XII. THE KERALA SHOPS AND COMMERCIAL ESTABLISHMENTS ACT, 1960-** The Act regulates conditions of work and employment in shops and commercial establishments across the state of Kerala. Each establishment is required to make an application along with a fee, to the relevant authority within 60 days to obtain a registration certificate. Employees are not permitted to work more than 8 hours per day and 48 hours per week. For any overtime, they are entitled to twice their normal hourly wage. Moreover, an establishment may not open earlier or close later than the hours specified by the State Government. An establishment will remain entirely closed for one day of the week. Further, all premises of establishments must be maintained in a clean condition, and adequate safety measures must be implemented for employees.
- XIII. THE TAMIL NADU SHOPS AND ESTABLISHMENTS ACT, 1947-** The Act regulates conditions of work and employment in shops and establishments across the state of Tamil Nadu. Employees are not permitted to work more than 8 hours per day and 48 hours per week. For any overtime, they are entitled to twice their normal hourly wage. Further, an establishment may not open earlier or close later than the hours specified by the State Government. Every

employee in the establishment shall be allowed a holiday of one day. Further, all premises of establishments must be maintained in a clean condition, and adequate safety measures must be implemented for employees.

**XIV. THE DELHI SHOPS AND ESTABLISHMENTS ACT, 1954-** The Act regulates conditions of work and employment in shops and establishments across Delhi. Each establishment is required to make an application along with a fee, to the relevant authority within 90 days to obtain a registration certificate. Employees are not permitted to work more than 9 hours per day and 48 hours per week. For any overtime, they are entitled to twice their normal hourly wage. Further, an establishment may not open earlier or close later than the hours specified by the State Government. The State Government may also prescribe different hours for different establishments or different classes of establishments or for different areas or for different times of the year. Every employee in the establishment shall be allowed a holiday of one day. Further, all premises of establishments must be maintained in a clean condition, and adequate safety measures must be implemented for employees.

**XV. THE HARYANA SHOPS AND ESTABLISHMENTS ACT-** The Act regulates conditions of work and employment in shops and establishments across the State of Haryana. Each establishment is required to make an application along with a fee, to the relevant authority within 30 days to obtain a registration certificate. Employees are not permitted to work more than 9 hours per day and 48 hours per week. For any overtime, they are entitled to twice their normal hourly wage. The State Government may prescribe different hours for different establishments or different classes of establishments or for different areas or for different times of the year. Every employee in the establishment shall be allowed a holiday of one day. Every employee shall also be entitled to a paid holiday on Independence Day, Republic Day and Mahatma Gandhi's Birthday and any other holiday that the Government may declare from time to time by notification. Further, all premises of establishments must be maintained in a clean condition, and adequate safety measures must be implemented for employees.

10. **PROFESSIONAL TAX LEGISLATIONS IN VARIOUS STATES** – Every person engaged in any profession, trade, callings, and employment is liable to pay tax at the rate prescribed by the relevant State Government where the relevant profession / trade / callings / employment is undertaken by the said person. The State Governments adopt legislation for levy of professional tax and impose taxes on the profession / trade / callings / employment as they deem appropriate. The state legislations applicable on the Issuer Co. are as follows:

**I. THE MAHARASHTRA STATE TAX ON PROFESSIONS, TRADES, CALLINGS AND EMPLOYMENTS ACT, 1975** - The Act was enacted to levy and collect tax from individuals engaged in various professions, trades, callings and employments within the State of Maharashtra to generate revenue for the for the benefit of the State. Employers must register themselves under the Act with the prescribed authority to obtain a certificate of registration, deduct professional tax from the salaries of their employees, file periodic returns, and maintain records for inspection by tax authorities. The Act prescribes provisions for recovery of tax, different tax rates, penalties for non-compliance, and includes exemptions for certain individuals.

**II. THE WEST BENGAL TAX ON PROFESSION, TRADE, CALLINGS AND EMPLOYMENT ACT, 1979** - The Act was enacted to levy and collect tax from individuals



engaged in various professions, trades, callings and employments within the State of West Bengal to raise additional resources for the benefit of the State. Employers must register themselves with the prescribed authority to obtain a certificate of registration, deduct this tax from the salaries of their employees, file periodic returns, and maintain records for inspection by tax authorities. The Act includes provisions for recovery of tax, different tax rates, penalties for non-compliance, and includes exemptions for certain individuals when necessary in public interest.

- III. THE JHARKHAND TAX ON PROFESSIONS, TRADES, CALLINGS AND EMPLOYMENT ACT, 2011** - The Act was enacted to levy tax on various professions, trades, callings and employments within the State of Jharkhand for the welfare of the schedule tribes, schedule castes and weaker sections of the State. The tax collected under this Act is to be appropriated into the 'Welfare Fund'. Employers must register themselves with the prescribed authority to obtain a certificate of registration, deduct this tax from the salaries of their employees, file periodic returns, and maintain records for inspection by tax authorities. The Act includes provisions for recovery of tax, different tax rates, penalties for non-compliance, and includes exemptions for certain individuals, either in public interest or having regard to the peculiar circumstances of the case.
- IV. THE ORISSA STATE TAX ON PROFESSIONS, TRADES, CALLINGS AND EMPLOYMENTS ACT, 2000** - The Act was enacted to levy and collect tax from individuals engaged in various professions, trades, callings and employments within the State of Odisha. Employers must register themselves with the assessing authority to obtain a certificate of registration, deduct this tax from the salaries of their employees, file periodic returns, and maintain records for inspection by tax authorities. The Act includes provisions for appointment of Commissioner of Profession Tax, recovery of tax, different tax rates, penalties for non-compliance, and includes exemptions for certain individuals when necessary in public interest.
- V. KARNATAKA TAX ON PROFESSIONS, TRADES, CALLINGS, AND EMPLOYMENTS ACT, 1976** - The Act was enacted to levy and collect tax from individuals engaged in various professions, trades, callings and employments within the State of Karnataka. Employers must register themselves with the assessing authority to obtain a certificate of registration, deduct this tax from the salaries of their employees, file periodic returns, and maintain records for inspection by tax authorities. The Act includes provisions for recovery of tax, different tax rates, penalties for non-compliance, and includes exemptions for certain individuals.
- VI. TELANGANA TAX ON PROFESSIONS, TRADES, CALLINGS, AND EMPLOYMENTS ACT, 1987** - The Act was enacted to levy tax on professions, trades, callings and employments within the State of Telangana. Employers must register themselves with the assessing authority to obtain a certificate of registration, deduct this tax from the salaries of their employees, file periodic returns, and maintain records for inspection by tax authorities. The Act includes provisions for appointment of Commissioner of Profession Tax, recovery of tax, different tax rates, penalties for non-compliance, and includes exemptions for certain individuals.
- VII. ANDHRA PRADESH TAX ON PROFESSIONS, TRADES, CALLINGS, AND EMPLOYMENTS ACT, 1987** - The Act was enacted to levy and collect tax from individuals

engaged in various professions, trades, callings and employments within the State of Andhra Pradesh. Employers must register themselves with the assessing authority to obtain a certificate of registration, deduct this tax from the salaries of their employees, file periodic returns, and maintain records for inspection by tax authorities. The Act includes provisions for appointment of Commissioner of Profession Tax, recovery of tax, different tax rates, penalties for non-compliance, and includes exemptions for certain individuals.

- VIII. MADHYA PRADESH VRITTI KAR ADHINIYAM (PROFESSION TAX ACT), 1995 -** The Act was enacted to levy and collect tax from individuals engaged in various on professions, trades, callings and employments within the State of Madhya Pradesh. Employers must register themselves with the Profession Tax Assessing Authority to obtain a certificate of registration, deduct this tax from the salaries of their employees, file periodic returns, and maintain records for inspection by tax authorities. The Act includes provisions for recovery of tax, different tax rates, penalties for non-compliance, and includes exemptions for certain individuals, either in public interest or having regard to the peculiar circumstances of the case.
- IX. KERALA PANCHAYAT RAJ ACT, 1994 -** The Act was enacted to replace the existing enactments related to Panchayats and district councils with a comprehensive legislation aimed at establishing a three-tier Panchayat Raj System in Kerala, in accordance with the Constitution (Seventy-third Amendment) Act, 1992. It aims to establish a decentralized system of governance and empower local self-governments. The objective is to achieve greater participation of the people in planned development and local governmental affairs through constitution of Panchayats at the village, block, and district levels.
- X. KERALA MUNICIPALITY ACT, 1994 -** The Act was enacted to replace the Kerala Municipalities Act, 1960, and Kerala Municipal Corporations Act, 1961, with a comprehensive legislation that aligns with the Constitution (Seventy Fourth Amendment) Act, 1992. The Act aims to bring the functioning of urban local bodies in conformity with Part IXA of the Constitution, ensuring greater public participation in planned development and local governance. It establishes Town Panchayats, Municipal Councils, and Municipal Corporations, endowing them with the necessary powers to function as self-governing institutions. Further, the Act entrusts these municipalities with the responsibilities of preparing plans and implementing schemes for economic development and social justice, in line with the matters listed in the Schedule XII of the Constitution.
- XI. TAMIL NADU TAX ON PROFESSIONS, TRADES, CALLINGS AND EMPLOYMENTS ACT, 1992 -** The Act was enacted to levy and collect tax from individuals engaged in various professions, trades, callings and employments within the State of Tamil Nadu. Employers must register themselves with the executive authority to obtain a certificate of registration, deduct this tax from the salaries of their employees, file periodic returns, and maintain records for inspection by tax authorities. The Act includes provisions for recovery of tax, different tax rates, penalties for non-compliance, and includes exemptions for certain individuals.
- 11. LIMITATION ACT, 1963 -** The law relating to Law of Limitation to India is the Limitation Act, 1859 and subsequently Limitation Act, 1963 which was enacted on 05.10.1963 and which came into force from 01.01.1964 for the purpose of consolidating and amending the legal principles relating to limitation of suits and other legal proceedings. The basic concept of limitation is relating

to fixing or prescribing of the time period for barring legal actions. According to Section 2 (j) of the Limitation Act, 1963, period of limitation ‘means the period of limitation prescribed for any suit, appeal or application by the Schedule, and prescribed period ‘means the period of limitation computed in accordance with the provisions of this Act.

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## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Our Company was incorporated as a private limited company with the name of “Rosmerta Digital Service Private Limited” under the Companies Act, 2013 vide certificate of incorporation dated September 14, 2021, issued by Registrar of Companies, Delhi, bearing CIN U74999DL2021PTC386542. Further, our company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra- Ordinary General Meeting held on April 30, 2024 & name of our Company changed from “Rosmerta Digital Services Private Limited” to “Rosmerta Digital Services Limited” & Registrar of Companies, CPC has issued a new certificate of incorporation consequent upon conversion dated June 03, 2024, bearing CIN: U74999DL2021PLC386542.

### *Business Overview*

Rosmerta Digital Services Limited, a subsidiary of Rosmerta Technologies Limited (“RTL”), has been engaged in providing digitally enabled services and digitally enabled channel sales of automotive component & accessories. Our company initially offered vehicle registration services to Original Equipment Manufacturers (OEMs) and has since diversified into a comprehensive range of services, including garage services, last-mile delivery service, selling of automotive components and accessories, etc. Our company is engaged in both the B2B and B2C segments. In the B2B segment, it serves automotive OEMs, online marketplaces and garages among others, through its Vehicle Ownership Experience vertical, and other product manufacturers through Last Mile Delivery Service. In the B2C segment, Rosmerta Digital serves vehicle owners through vehicle registration services, garage services and automotive spare parts and accessories. Automotive components and accessories are sold through a combination of channel partners and direct to consumer through Rosmerta Digital’s MyRaasta application.

### *Background of Promoters*

We have 1 (one) body corporate, Rosmerta Technologies Limited, 1 (One) trust, Shree Bankey Bihari Family Trust, 2 (Two) Individual Promoters, Mr. Karn Vivek Nagpal and Mr. Kartick Vivek Nagpal, of the company.

**Rosmerta Technologies Limited** was incorporated in 2006, and has its presence expanding from e-governance, to transport and road safety in India. The company has access to their technology, a vast network of employees, and extensive industry experience. The company's established reputation and infrastructure have been instrumental in accelerating Rosmerta Digital Services Limited’s growth and enabling it to deliver high-quality, reliable services to its clients.

**Shree Bankey Bihari Family Trust** was formed on 19<sup>th</sup> February 2024. Mrs. Aarti Nagpal is the settlor. Mr. Berjis Minoos Desai (in professional capacity), Mr. Karn Vivek Nagpal and Mr. Kartick Vivek Nagpal are the trustees of the trust. Mr. Karn Vivek Nagpal and Lineal Descendants of Karn Vivek Nagpal, Mr. Kartick Vivek Nagpal and Lineal Descendants of Kartick Vivek Nagpal, Mr. Hariansh Nagpal and Lineal Descendants of Hariansh Nagpal and Mrs. Aarti Nagpal are the beneficiaries of the trust. The main purpose for which the settlor has set up this trust is to hold investments and other assets settled in the trust for and on behalf of the beneficiaries, to provide, inter alia, a suitable succession planning structure to ensure seamless intergenerational transfer of the Trust Fund amongst the beneficiaries, to maintain harmony, peace and goodwill among family members and

to avoid any possible dispute /litigation among members in future and to ensure that the Trust Fund is properly managed and administered in accordance with the provisions of this deed.

**Mr. Karn Vivek Nagpal**, aged 33 years, is the promoter of our company and the Group President of our corporate promoter, Rosmerta Technologies Limited, since 2012. He has a Bachelor of Science degree with a major in Computer Information Systems and a Minor in Finance from Bentley University, Boston MA, USA. He is focused on technology-driven mobility solutions and he leads some of the RTL’s business segments of Connected Electronics, Identification Products & Services and Digital Services.

**Mr. Kartick Vivek Nagpal**, aged 33 years, is the Promoter of our company and the Group President of our corporate promoter, Rosmerta Technologies Limited, since 2012. He has a Bachelor of Science in Economics and Finance from Bentley University, Boston MA, USA. Focusing on eco-friendly and sustainable businesses, he leads the segments of Sustainability and Safety & Compliance for RTL. His extensive and varied experience across several verticals of Rosmerta Technologies would be advantageous to growth and success of our company.

**CHANGES IN OUR REGISTERED OFFICE**

The Registered Office of the Company is presently situated at 402, 4th Floor, World Trade Tower, Barakhamba Lane, Connaught Place, Central Delhi, New Delhi, Delhi, India, 110001. The details of change of Registered Office of the Company are as follows:

Date of Change	Shifted from	Shifted to
31-10-2023	Khasra No. 19/28, Kapashera, New Delhi, South West Delhi, IN, 110037	402, 4th Floor, World Trade Tower, Barakhamba Lane, Connaught Place, Central Delhi, New Delhi, Delhi, India, 110001

**MAIN OBJECTS OF OUR COMPANY**

The object clauses of the Memorandum of Association of our Company enable us to undertake our present activities. The main objects of our Company are:

1. To carry on the business of Digital Marketing Services, Artificial intelligence, machine learning, and smart things which includes but not limited to IT Product and Software Sales, Domain Registration and Hosting Services, System Integrators for Providing Partner Services, Search Engine Optimization, Search Engine Marketing, Social Media Marketing, Content Marketing, Email Marketing, Programmatic Media Buying for Digital Campaigns, Video Campaigns, Artificial Intelligence (AI) & Advanced Machine Learning, Intelligent Apps, Intelligent Things Virtual & Augmented Reality, Conversational Systems.
2. To carry on the business of providing outsourcing services for all processes, sub processes, transactions, activities and all other work performed by business in various industries including but not limited to KYC registrations, RTO registration services, all kinds of digitised citizen services, E-Governance & Services, business correspondents services to banks, and Value Added Services. This includes those process or sub processes that are enabled by information technology. It also

includes data, voice or video collection and processing, call centre services Including in bound and out bound calling services, including all kinds of technical support, managed data centre, managed technical centre, training centre, web support back office, business or financial analysis, scientific analysis, research work and analysis, storage, disaster recovery, accounting, pay roll, inventory management, customer relationship management, enterprises resources planning and to develop software, provide consultancy, software solution and services that are normally offered by the outsourcing business and information technology services providers, the software development houses and application services providers.

3. To undertake IT enabled services like call Centre Management, Medical and legal transcription, data collection and processing, Back office processing, data warehousing and database management, data discovery, interpretation, analysis and communication, to undertake business of data analytics such as predictive analytics, prescriptive analytics, enterprise decision management, descriptive analytics, cognitive analytics, Big Data Analytics, retail analytics, supply chain analytics, store assortment and stock-keeping unit optimization, marketing optimization and marketing mix modeling, web analytics, call analytics, speech analytics, sales force sizing and optimization, price and promotion modeling, predictive science, credit risk analysis and fraud analytics.
4. 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.
5. To carry on in India the business of marketing, promoting, advertising, franchising or dealing in any of the above activities both in internal and external markets, on digital media or any other online or digital means, on its own or through any sort or nature and to appoint sub franchisers etc., for any of the above purposes, in India or elsewhere and marketing through online marketing, digital marketing in various sites.
6. To carry on in India and elsewhere businesses of processing, manufacturing, wholesalers, distributorship, agency, broker, stockiest, importer, exporter and otherwise deal in all kinds of spare parts of automotives, auto ancillaries, auto accessories, including but not limited to oil, lubricants, EV batteries, EV chargers, safety gears, safety masks, helmets, etc. for all purposes and can sell through retail, e-commerce platform, or any other mode.
7. To provide logistics services of goods, products, materials to various destinations including any kind of last mile logistics services within pan India or overseas either with its own human resources and/or through engaging, hiring, empanelling suppliers/vendors specialised in providing aforesaid services which shall also include any kind of road assistance services for vehicles including vehicle repairs, towing vehicles to their service centres etc. which can be done either through online or offline sales.
8. To carry on in India and elsewhere businesses in the field of electronics, electrical, telecommunications, mechanical, developing, marketing software system solutions, designing, coding, integrating systems, to find intranet and internet solutions, including assemblies, sub-

assemblies of computers, other accessories, peripherals thereof, digital products, hardware and software for electronic and electro-mechanical and any other articles, materials, appliances, apparatus and substitutes thereof.

#### **AMENDMENTS TO THE MOA OF OUR COMPANY SINCE INCORPORATION:**

Since incorporation, there has been following amendment made to the MoA of our Company:

<b>Date of Amendment</b>	<b>Particulars of Amendment</b>
April 30, 2024	Alteration of Name clause of Memorandum of Association and subsequently the name of the company was changed from “Rosmerta Digital Services Private Limited” Company to “Rosmerta Digital Services Limited”
April 30, 2024	Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 10,00,000/- i.e. 1,00,000 Equity Shares of Rs. 10 each to Rs. 11,00,00,000/- i.e. 1,10,00,000 Equity Shares of Rs. 10 Each.
June 25, 2024	Alteration in Memorandum of Association due to sub division of share capital. The Authorized Share Capital was sub divided from Existing 1,10,00,000 equity shares for Rs. 10 each to 5,50,00,000 Equity Shares of Rs. 2 each.

#### **KEY EVENTS AND MILESTONES:**

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

<b>Year</b>	<b>Particulars</b>
2021	Incorporation of Company
2021	Entered into Digitally Enabled Services segment by entering into EV two-wheeler segment vide Agreement dated November 17, 2021 with Ola Electric Technologies Private Limited
2023	Entered into Digitally Enabled Channel Sales Segment business and started to set up retailer network.
2023	Diversified the Digitally Enabled Services segment by entering into ICE two-wheeler segment vide Agreement dated October 10, 2023 with Eicher Motors Limited for Royal Enfield
2023	Achieved an operational revenue of Rs. 25 Crores.
2023	Received a single order value of more than Rs. 1 Crore under Digitally Enabled Channel Sales segment
2024	Achieved an operational revenue of Rs. 80 Crores.
2024	Received pan India Authorized Distribution for FIAT branded automotive component vide Agreement dated June 11, 2024 between our company and FCA India Automobiles Private Limited.

## DETAILS OF BUSINESS OF OUR COMPANY

For details on the description of Our Company’s activity, business model, marketing strategy, strength, completion of business, please see “Our Business”, “Management Discussion and Analysis of Financial Conditions” and “Basis for Issue Price” on page 170, 290 and 128 of this Red Herring Prospectus respectively.

## HOLDING COMPANY OF OUR COMPANY

Our Company has one holding company as on the date of filing of this Red Herring Prospectus which is as follows:

<b>Name of Company</b>	Rosmerta Technologies Limited			
<b>Corporate Information</b>	Rosmerta Technologies Limited was incorporated on May 03, 2006 under the provisions of Companies Act, 1956			
<b>CIN</b>	U72200DL2006PLC257032			
<b>Registered Office</b>	402, 4th Floor, World Trade Tower, Barakhamba Lane, Connaught Place, Central Delhi, New Delhi, Delhi, India, 110001			
<b>Nature of Business</b>	Rosmerta Technologies Limited was incorporated in 2006, and has its presence expanding from e-governance, to transport and road safety in India. The company has access to latest technologies, a vast network of employees, and extensive industry experience. The company is present across diverse domains such as Identification, Sustainability, Connected Electronics, Digital Services, and Safety & Compliance segments. The company's established reputation and infrastructure have been instrumental in accelerating Rosmerta Digital Services Limited’s growth and enabling it to deliver high-quality, reliable services to its clients. The group is committed to delivering innovative solutions and making a significant impact across the automative industry.			
<b>Capital Structure</b>	Authorised Capital	₹ 27,50,00,000 divided into 2,75,00,000 Equity Shares of ₹ 10/- each.		
	Paid up Capital	₹ 9,71,10,510 divided into 97,11,051 Equity Shares of ₹ 10/- each.		
<b>List of Shareholders</b>	<b>S.No</b>	<b>Name</b>	<b>Shares held</b>	<b>% of shares held</b>
	1.	KKH Technologies Private Limited	83,51,495	86%
	2.	Business Asia Consulting Private Limited	13,59,550	14%
	3.	Pankaj Madan (Nominee of KKH Technologies Private Limited)	2	0%
	4.	Akhil Gupta (Nominee of KKH Technologies Private Limited)	1	0%



	5.	Kuntal Kar (Nominee of KKH Technologies Private Limited)	1	0%
	6.	Vijay Mehta (Nominee of KKH Technologies Private Limited)	1	0%
	7.	Sandeep Malik (Nominee of KKH Technologies Private Limited)	1	0%
	<b>Total</b>		<b>97,11,051</b>	<b>100%</b>
<b>List of Director</b>	<b>S.No</b>	<b>Name</b>		
	1.	Pankaj Madan		
	2.	Vijay Mehta		
	3.	Mukesh Malhotra		
	4.	Akhil Gupta		
	5.	Dilip Harel Mitra Chenoy		
	6.	Suneeta Trivedi		
	7.	Ashok Kacker		
<b>Amount of Accumulated profit or losses of the Subsidiary (ies) not accounted for by our company.</b>	N.A.			

#### **SUBSIDIARY COMPANY OF OUR COMPANY**

Our Company has no subsidiary companies as on the date of filing of this Red Herring Prospectus.

#### **OTHER DECLARATIONS AND DISCLOSURES**

Our Company is not a listed entity and its securities have not been refused listing at any time by any recognized stock exchange in India or abroad. Further, Our Company has not made any Public Issue or Rights Issue (as defined in the SEBI ICDR Regulations) in the past. No action has been taken against Our Company by any Stock Exchange or by SEBI. Our Company is not a sick company within the meaning of the term as defined in the Sick Industrial Companies (Special Provisions) Act, 1985. Our Company is not under winding up nor has it received a notice for striking off its name from the relevant Registrar of Companies.

#### **FUND RAISING THROUGH EQUITY OR DEBT**

For details in relation to our fund-raising activities through equity and debt, please refer to the chapters titled, “*Capital Structure*” beginning on page number 72 respectively, of this Red Herring Prospectus.

## **REVALUATION OF ASSETS**

Our Company has not re-valued its assets since its incorporation.

## **CHANGES IN THE ACTIVITIES OF OUR COMPANY HAVING A MATERIAL EFFECT**

Other than as stated in this Red Herring Prospectus, there has been no change in the activities being carried out by our Company since incorporation till the date of this Red Herring Prospectus which may have a material effect on the profits / loss of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

## **INJUNCTIONS OR RESTRAINING ORDERS**

Our Company is not operating under any injunction or restraining order.

## **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS /BANKS**

There have been no Defaults or Rescheduling of borrowings with financial institutions/banks.

## **STRIKES AND LOCK-OUTS**

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lock-outs. As on the date of this Red Herring Prospectus, our employees are not unionized.

## **TIME AND COST OVERRUNS IN SETTING UP PROJECTS**

As on the date of this Red Herring Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

## **SHAREHOLDERS' AGREEMENT**

Our Company does not have any subsisting shareholders' agreement as on the date of this Red Herring Prospectus.

## **OTHER AGREEMENTS**

As on the date of this 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 into more than two years before the date of this Red Herring Prospectus.

## **STRATEGIC PARTNERS**

Our Company does not have any strategic partner(s) as on the date of this Red Herring Prospectus.

## **FINANCIAL PARTNERS**

As on the date of this Red Herring Prospectus, our Company does not have any financial partners.

## **ACQUISITION OF BUSINESS / UNDERTAKINGS**

As on the date of this Red Herring Prospectus, our company does not have any acquisition in any other undertakings.

Except as disclosed above, there is no Merger, Amalgamation, Acquisition of Business or Undertaking etc. with respect to our Company and we have not acquired a business undertaking since inception.

## **DIVESTMENT OF BUSINESS / UNDERTAKING BY COMPANY IN THE LAST TEN YEARS**

There has been no divestment by the Company of any business or undertaking since inception.

## **NUMBER OF SHAREHOLDER OF OUR COMPANY**

Our Company has 39 (Thirty Nine) shareholders as on date of this Red Herring Prospectus. For further details on the Shareholding Pattern of our Company, please refer to the Chapter titled “Capital Structure” beginning on page 72 of this Red Herring Prospectus.

## **DETAILS OF PAST PERFORMANCE**

For details of Change of management, please see chapter titled “Our Business” and “Our History and certain corporate matters” on page 170 and 225 respectively of this Red Herring Prospectus.

## **DETAILS OF FINANCIAL PERFORMANCE**

For details in relation to our financial performance in the previous five financial years, including details of non- recurring items of income, refer to section titled “Restated Financial Statements” beginning on page 288 of this Red Herring Prospectus.

## **COLLABORATION AGREEMENT**

As on the date of this Red Herring Prospectus, our Company has entered into collaboration agreements. For details, please refer to the chapter titled “*Our Business*” on page number 170 of this Red Herring Prospectus.

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## OUR MANAGEMENT

### BOARD OF DIRECTORS

*As per the Articles of Association of our Company, we are required to have not less than 3 (Three) Directors and not more than 15 (Fifteen) Directors on our Board, subject to provisions of Section 149 of Companies Act, 2013. As on date of this Red Herring Prospectus, our Board consist of 7 (seven) Directors, out of which 2 (Two) are Executive Directors and 5 (Five) are Non-Executive Directors out of which 3 (Three) directors are independent directors.*

S.N.	Name	DIN/PAN	Category	Designation
1.	Akhil Gupta	09285050	Executive	CEO and Whole Time Director
2.	Sanjay Sharma	08869848	Executive	Whole Time Director
3.	Mukesh Malhotra	01345153	Non-Executive	Director
4.	Brijesh Singh	03217960	Non- Executive	Director
5.	Ashok Kacker	01647408	Non-Executive	Independent Director
6.	Dilip Harel Mitra Chenoy	01830779	Non-Executive	Independent Director
7.	Suneeta Trivedi	06742087	Non-Executive	Independent Director

The following table sets forth certain details regarding the members of our Company's Board as on the date of this Red Herring Prospectus:

S.N.	Name, DIN, Date of Birth, Qualification, Occupation, Address, Nationality and Term	Age	No. of Equity Shares held & % of pre issue shareholding	Other Directorship/partner
1	<p><b>Akhil Gupta</b></p> <p><i>Designation:</i> CEO and Whole Time Director</p> <p><i>Address:</i> 99, First Floor, Karkardooma Court, Agr Enclave, Karkardooma, East Delhi, 110092</p> <p><i>Date of Birth:</i> 14/07/1977</p> <p><i>Qualification:</i> Chartered Accountant, MBA in Finance</p> <p><i>Occupation:</i> Professional</p> <p><i>Experience:</i> 22 years</p>	47 Years	NIL	<p><b>Indian Private Companies:</b> Nil</p> <p><b>Indian Public Companies:</b></p> <p>1. Rosmerta Technologies Limited</p> <p>2. Rosmerta Autotech Limited</p> <p><b>Section 8 companies:</b> Nil</p>

	<p><b>Nationality:</b> Indian</p> <p><b>Term:</b> 3 years</p> <p><b>Date of First Appointment (As Additional Director):</b> 10/05/2024</p> <p><b>Date of Appointment as CEO &amp; Whole time Director:</b> 21/06/2024</p> <p><b>DIN:</b> 09285050</p>			<p><b>Indian LLPs:</b> Nil</p>
2	<p><b>Sanjay Sharma</b></p> <p><b>Designation:</b> Whole Time Director</p> <p><b>Address:</b> G-9, M.I.G Flats, Prasad Nagar, Central Delhi, Delhi- 110005</p> <p><b>Date of Birth:</b> 16/02/1970</p> <p><b>Qualification:</b> Bachelor of Engineering (Electronics)</p> <p><b>Occupation:</b> Employment</p> <p><b>Experience:</b> 30 years</p> <p><b>Nationality:</b> Indian</p> <p><b>Date of First Appointment (As Additional Director):</b> 26/04/2024</p> <p><b>Date of Appointment as Whole Time Director:</b> 30/04/2024</p> <p><b>DIN:</b> 08869848</p>	54 Years	NIL.	<p><b>Indian Companies:</b></p> <ol style="list-style-type: none"> <li>1. Sensorise Digital Services Private Limited</li> <li>2. Sensorise Smart Solutions Private Limited</li> <li>3. Velmenni Research and Development Private Limited</li> </ol> <p><b>Indian Public Companies:</b> Nil</p> <p><b>Section 8 companies:</b> Nil</p> <p><b>Indian LLPs:</b> Nil</p>
3	<p><b>Mukesh Malhotra</b></p> <p><b>Designation:</b> Director</p> <p><b>Address:</b> A-1502, Platinum Heights, Ramprastha Greens, Vaishali, Ghaziabad, I.E Sahibabad, Uttar Pradesh – 201010</p> <p><b>Date of Birth:</b> 19/08/1976</p> <p><b>Qualification:</b> Senior Secondary</p> <p><b>Occupation:</b> Employment</p> <p><b>Experience:</b> 26 years</p>	48 Years	NIL	<p><b>Indian Companies-</b></p> <ol style="list-style-type: none"> <li>1. JSK Infra Projects Private Limited</li> <li>2. Rosmerta Registration Plates Private Limited</li> <li>3. Rosmerta Road Safety Private Limited</li> <li>4. Rosmerta Auto Plates Private Limited</li> <li>5. Rosmerta Mobility Solutions Private Limited</li> </ol> <p><b>Private Companies:</b></p>

	<p><b>Nationality:</b> Indian</p> <p><b>Date of Appointment:</b> 14/09/2021</p> <p><b>DIN:</b> 01345153</p>			<p>6. JSK Auto Inspection Private Limited</p> <p><b>Indian Public Companies-</b></p> <p>1. Rosmerta Technologies Limited</p> <p>2. Rosmerta Safety Systems Limited</p> <p>3. Smart Card IT Solutions Limited</p> <p><b>Section 8 companies-</b> Nil</p> <p><b>Indian LLPs – Nil</b></p>
4	<p><b>Brijesh Singh</b></p> <p><b>Designation:</b> Director</p> <p><b>Address:</b> 53, Hope Apartments, Sector 15-II, Gurugram - 122001, Haryana</p> <p><b>Date of Birth:</b> 08/08/1971</p> <p><b>Qualification:</b> Bachelor of Engineering, PGDBM</p> <p><b>Occupation:</b> Employment</p> <p>Experience: 30 years</p> <p><b>Nationality:</b> Indian</p> <p><b>Date of Appointment:</b> 14/09/2021</p> <p><b>DIN:</b> 03217960</p>	52 Years	NIL	<p><b>Indian Private Companies-</b></p> <p>1. KKH Technologies Private Limited</p> <p>2. Rosmerta Mobility Solutions Private Limited</p> <p>3. Rosmerta Road Safety Private Limited</p> <p>4. KKH Finvest Private Limited</p> <p>5. Rosmerta Logistics Private Limited</p> <p>6. Rosmerta Auto Recycling Private Limited</p> <p>7. Rosmerta Engineering Private Limited</p> <p>8. Business Asia Consulting Private Limited</p> <p>9. KKH Technologies Private Limited</p> <p>10. Konnet Vian Private Limited</p> <p><b>Indian Public Companies – Nil</b></p> <p><b>Section 8 companies-</b> Nil</p> <p><b>Indian LLPs – Nil</b></p>

5	<p><b>Ashok Kacker</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Address:</i> B-702, Beau- Monde Apartments, Appa Saheb Marathe Marg Nedar Siddivinayak Temple Prabha Devi, Mumbai, MA, 400025</p> <p><i>Date of Birth:</i> 11/03/1951</p> <p><i>Qualification:</i> MSC Physics</p> <p><i>Occupation:</i> Professional</p> <p>Experience: 30 years</p> <p><i>Nationality:</i> Indian</p> <p><i>Date of First Appointment:</i> 29/06/2024</p> <p><i>Date of Appointment:</i> 01/07/2024</p> <p><i>DIN:</i> 01647408</p>	73 Years	NIL	<p><b>Indian Private Companies-</b></p> <ol style="list-style-type: none"> <li>1. Piveta Estates Private Limited</li> <li>2. Salins Consultants Private Limited</li> <li>3. Bas Enterprises Private Limited</li> <li>4. Delhi Guest Houses Pvt Ltd</li> <li>5. Max Ventures Investment Holdings Private Limited</li> <li>6. Inb Services Private Limited</li> <li>7. Samco Asset Management Private Limited</li> <li>8. Leap India Food &amp; Logistics Private Limited</li> <li>9. Vantage Buildventures Private Limited</li> </ol> <p><b>Indian Public Companies-</b></p> <ol style="list-style-type: none"> <li>1. Max Life Pension Fund Management Limited</li> <li>2. Prime Securities Limited</li> <li>3. Max India Limited</li> <li>4. Prime Research And Advisory Limited</li> <li>5. Golden Greens Golf And Resorts Limited</li> <li>6. Rosmerta Safety Systems Limited</li> <li>7. Alchemist Infra Realty Limited</li> <li>8. Rosmerta Technologies Limited</li> </ol> <p><b>Section 8 Companies-</b> Nil</p> <p><b>Indian LLPs –</b></p> <ol style="list-style-type: none"> <li>1. Salins Consultants LLP</li> <li>2. K Sera Sera Aryaveer</li> </ol>
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				Entertainment LLP
6	<p><b>Dilip Harel Mitra Chenoy</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Address:</i> House Number-20, Sunder Nagar, Delhi High Court, Lodhi Road, Central Delhi, New Delhi-110003</p> <p><i>Date of Birth:</i> 22/06/1958</p> <p><i>Qualification:</i> BSC (Hons) Chemistry</p> <p><i>Occupation:</i> Professional</p> <p>Experience: 35 years</p> <p><i>Nationality:</i> Indian</p> <p><i>Date of First Appointment:</i> 29/06/2024</p> <p><i>Date of Appointment:</i> 01/07/2024</p> <p><i>DIN:</i> 01830779</p>	66 years	NIL	<p><b>Indian Private Companies-</b></p> <p>1. Empower Pragati Vocational And Staffing Private Limited</p> <p><b>Indian Public Companies-</b></p> <p>1. Rosmerta Technologies Limited</p> <p>2. Rosmerta Safety Systems Limited</p> <p><b>Others :</b> Nil</p> <p><b>Section 8 companies-</b> 1. Bharat Web3 Association</p> <p><b>Indian LLPs – Nil</b></p>
7	<p><b>Suneeta Trivedi</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Address:</i> B-486, Third Floor, New Friends Colony, South Delhi, Delhi, 110025</p> <p><i>Date of Birth:</i> 26/09/1954</p> <p><i>Qualification:</i> Master of Business Administration, Finance</p> <p><i>Occupation:</i> Professional</p> <p>Experience: 35 years</p> <p><i>Nationality:</i> Indian</p> <p><i>Date of First Appointment:</i> 29/06/2024</p> <p><i>Date of Appointment:</i> 01/07/2024</p> <p><i>DIN:</i> 06742087</p>	68 years	NIL	<p><b>Indian Private Companies-</b></p> <p><b>Indian Public Companies-</b></p> <p>1. Rosmerta Safety Systems Limited</p> <p>2. Rosmerta Technologies Limited</p> <p><b>Section 8 companies-</b> Nil</p> <p><b>Indian LLPs – Nil</b></p>



## **BRIEF PROFILE OF THE DIRECTORS OF OUR COMPANY**

1. **Akhil Gupta**, aged 47, is the CEO and Whole-Time Director of our Company. He was appointed as the Additional Director of our Company on May 10, 2024. Further, he was redesignated as the Whole Time Director of our Company w.e.f June 21, 2024, and appointed as CEO of our company w.e.f June 21, 2024. He is a qualified Chartered Accountant and has a master's degree in finance from Birla Institute of Management & technology. He has 22 years of vast experience working in the finance, banking and manufacturing sectors with companies like Dhani Group, Indiabulls Housing Finance Ltd, Luminous Power Technology, ICICI Bank Ltd, Ramco Systems Ltd, Moser Baer India Ltd. He is responsible for Finance, Investors Relations, Due Diligence & Risk Management, Business Modelling & Fund Raising, Designing & Implementing Business Plans etc. of the Company.
2. **Sanjay Sharma**, aged 54, is the Whole Time Director and Business Head of our Company. He was appointed as the Additional Director, of our Company on April 26, 2024. Further, he was redesignated as the Whole Time director of our company w.e.f April 30, 2024 via shareholder's resolution passed at the Extra Ordinary General Meeting of our company held on April 30, 2024. He has completed his Bachelor of Engineering (Electronics) from the University of Pune. He has 30 years of rich experience working in various industries. His core competencies are 'Business Development, Sales & Marketing, High Performance, Team Management, Strategic Alliances, Set-up New Initiatives, P&L Management, Cost Optimization, Process Development, Product Management, Channel Development and Key Account Management'. In past, he has worked with 'DCM Data Systems, Siemens Information Systems Limited, Microsoft India, Star Services, Spriklr India Private Limited and Rezo.'
3. **Mukesh Malhotra**, aged 48, is the Non-executive Director of our Company. He has been appointed as the Director of our Company since incorporation i.e. 14<sup>th</sup> September 2021. He has completed his Bachelors of Commerce from Chaudhary Charan Singh University. He has 26 years of vast experience working in the pharmaceuticals, telecom and auto mobile industry. He is skilled in strategic planning, financial management, team leadership, Marketing and has a deep understanding of the dynamics and challenges of the domestic and global marketplace. His ability to build and maintain strong relationships with stakeholders, customers and partners. He looks after the strategy & business operations of the company.
4. **Brijesh Singh**, aged 52, is the Non-executive Director of our Company. He has been appointed as the Director of our Company since incorporation i.e. 14<sup>th</sup> September 2021. He has a degree of Bachelor of Engineering from Manglore University and Post Graduate Diploma in Business management. He has 30 years of rich experience working in the OEMs, Manufacturing, IT and Automotive industries with companies like Escorts Construction Equipment Limited, Hero Honda Motors Limited, Delphi Automotive Systems Private Limited, Omax Auto Limited, H-One India Private Limited, TT Electronics PLC and Munjal Auto Industries.
5. **Ashok Kacker**, aged 73, is the Independent Director of our Company. He has been appointed as the Independent Director of our Company on June 29, 2024, by the board of directors and regularized by shareholders in Extra-Ordinary General Meeting July 01, 2024. He has a master's degree in physics from the University of Allahabad. He has 30 years of rich experience working in the Government as an Indian Revenue Service (IRS – Income Tax) Officer which includes a stint as Executive Director for 6 years (1995-2001) with Securities Exchange Board of India (SEBI). He is serving as an Independent Director on the Boards of Max India Limited, (a multi business

corporate in the fields of healthcare/ health Insurance and senior living), Max Ventures and Industries Ltd and Mahindra Satyam.

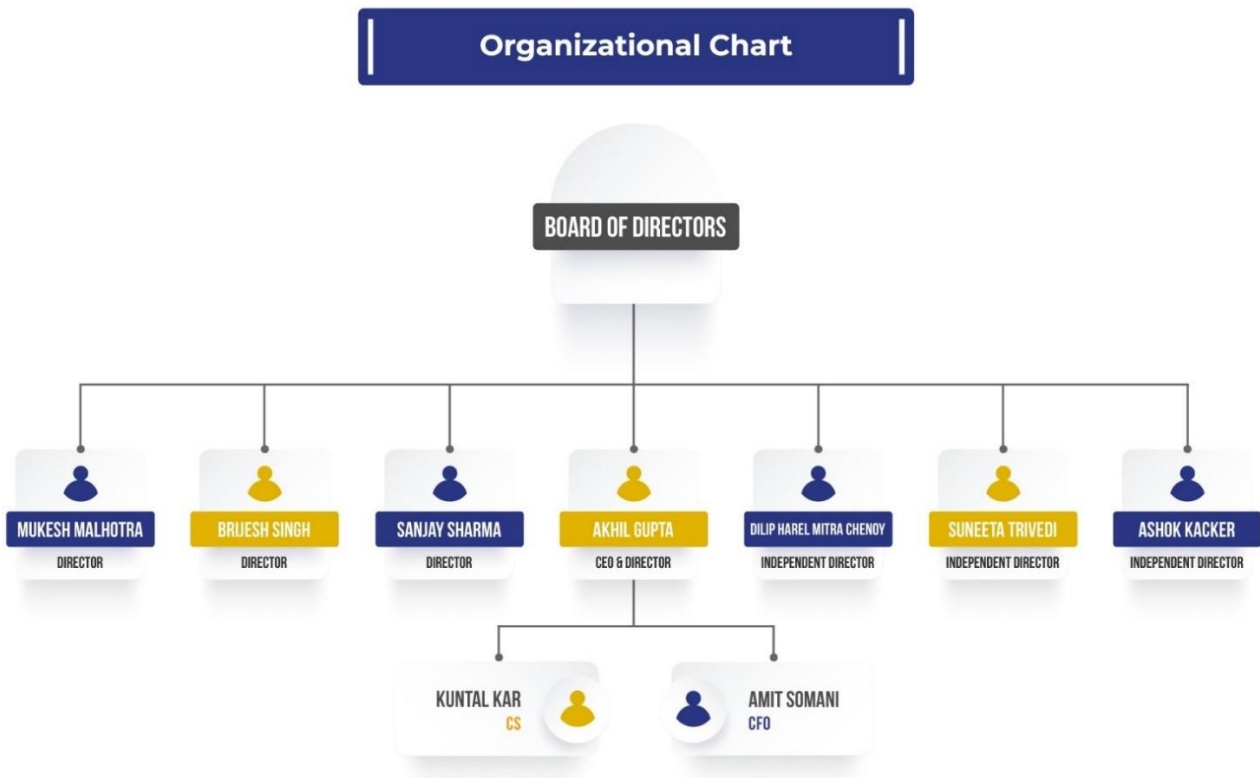
6. **Dilip Harel Mitra Chenoy**, aged 66, is the Independent Director of our Company. He has been appointed as the Independent Director of our Company on June 29, 2024, by the board of directors and regularized by shareholders in Extra-Ordinary General Meeting July 01, 2024. He is currently appointed as chairman in Bharat Web3 Association. He was earlier the Secretary General of FICCI Managing Director & CEO of National Skill Development Corporation (NSDC), associated with Confederation of Indian Industry (CII) for 19 years and served as the Regional Director for Southern region. He has authored numerous articles in journals on environment, automotive industry as well as several newspaper articles on industry and skill development.
7. **Suneeta Trivedi**, aged 69, is the Independent Director of our Company. She has been appointed as the Independent Director of our Company on June 29, 2024, by the board of directors and regularized by shareholders in Extra-Ordinary General Meeting July 01, 2024. She has a master's degree Public Administration and Finance. She has 35 years of rich experience working at the top rank of Member Postal Services Board, now having strong background of working in Ministry of Communications and also on deputation with Ministry of Finance in Government of India. She also served as an Independent Director on the Boards of MTNL and BSNL. She has also been awarded as the Best Enterprise in the Government Sector at Munich.

**Note:**

As on the date of this Red Herring Prospectus:

- a) None of our Directors is or was a director of any listed company during the last five years preceding the date of this Red Herring Prospectus, whose shares have been or were suspended from being traded on the BSE or NSE, during the term of their directorship in such company.
- b) None of the Directors are on the RBI List of wilful defaulters.
- c) None of our Directors are categorized as a wilful defaulter or a fraudulent borrower, as defined under Regulation 2(1)(III) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- d) None of our Directors is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018. None of the above-mentioned Directors are on the RBI List of wilful defaulters as on the date of this Red Herring Prospectus.
- e) None of the Promoters, persons forming part of our Promoter Group, our Directors or persons in control of our Company or our Company are debarred by SEBI from accessing the capital market.
- f) None of the Promoters, Directors or persons in control of our Company, have been or are involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

## ORGANISATIONAL CHART



## TEAM OF ADVISORS

We have appointed a team of advisors that help the KMPs and the company make business decisions occasionally. Our advisors come from unique backgrounds and have experience in the industries of Information Technology (IT) and Automotive. Below is a summary of information about our advisors:

Name	Highest Qualification	Years of Work Experience	Description of Work Experience
Neeraj Mathur	Bachelor of Engineering Technology (B.E.Tech) with specialization in Mechanical Engineering from University of Delhi	41 years	Mr. Mathur in his last tenure was the Head – Strategic Sourcing & Supply Chain of Hero Motocorp Ltd.. He is an industry veteran in the Automotive Industry working at various OEMs throughout his career. He started his career with a stint at Escorts Limited as an Assistant Buyer in the Purchase Department and then moving on to Maruti Suzuki India Limited. Prior to Hero Motocorp Ltd he was the Global Purchasing Officer at Delphi Automotive Systems
Vijay Sethi	Post Graduate Diploma in Industrial Engineering from National Institute for Training In Industrial Engineering (NITE)	32 years	Mr. Sethi has experience of multiple IT specializations such as Digital Transformation, Cybersecurity and Large-Scale IT projects. In his last role he was the Chief Information Officer (CIO), Head Human

			Resources (HR)and Head Corporate Social Responsibility (CSR) Hero Motocorp. Ltd. His first tenure was at Tata Consultancy Services where he was part of the Management Consultancy Division. Thereafter, he moved on to become a Director – Business Solutions in Ranbaxy Laboritries Limited before joining Hero Motocorp in 2007
Balraj Bhanot	Masters in Business Administration from University of Delhi; Bachelor of Engineering from University of Jodhpur	41 years	Mr. B Bhanot as the Former Director of The Automotive Research Association of India (Research Institution of the Automotive Industry with the Heavy Industries & Public Enterprises, Govt. of India) and Chairman of the Central Motor Vehicles (CMVR) Technical Standing Committee has played a crucial role in standardizing road safety regulations in India. Before this he was Deputy Director General in the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India.

#### **FAMILY RELATIONSHIP BETWEEN DIRECTORS**

None of the Directors of the Company are related to each other as per Section 2(77) of the Companies Act, 2013:

<b>S. No.</b>	<b>Name of the Director</b>	<b>Designation</b>	<b>Relationship with other Director</b>
			N.A.

#### **Details of current and past directorship(s) in listed companies whose shares have been / were suspended from being traded on the stock exchanges and reasons for suspension.**

None of our Directors is / was a director in any listed company during the last five years before the date of filing of this Red Herring Prospectus, whose shares have been / were suspended from being traded on the any stock exchange.

#### **Details of current and past directorship(s) in listed companies which have been/ were delisted from the stock exchange(s) and reasons for delisting.**

None of our Directors are currently or have been on the board of directors of a public listed company whose shares have been or were delisted from any stock exchange.

#### **Details of arrangement or understanding with major shareholders, consumers, suppliers or others, pursuant to which of the Directors were selected as a director or member of senior**

**management.**

There are no arrangements or understandings with major shareholders, consumers, suppliers or any other entity, pursuant to which any of the Directors or Key Managerial Personnel were selected as a director or member of the senior management.

## TERMS AND CONDITIONS OF EMPLOYMENT OF THE DIRECTORS

### *i. Executive Directors*

<b>Name</b>	<b>Mr. Akhil Gupta</b>
<b>Designation</b>	CEO and Whole Time Director
<b>Period</b>	3 years
<b>Date of first appointment as Additional Director</b>	10/05/2024
<b>Date of Appointment as CEO &amp; Whole-Time director</b>	21/06/2024
<b>Remuneration</b>	Rs. 12 Lakh p.a.*
<b>Perquisite</b>	NA
<b>Name</b>	<b>Mr. Sanjay Sharma</b>
<b>Designation</b>	Whole Time Director
<b>Date of appointment as Additional Director</b>	26/04/2024
<b>Date of appointment as Whole Time Director</b>	30/04/2024
<b>Remuneration</b>	Rs. 52.72 Lakh p.a
<b>Perquisite</b>	NA

\* This amount represents 10% of the total cost of remuneration which is incurred by RDSL and rest is incurred by our Holding Company/ Corporate Promoter i.e. Rosmerta Technologies Limited per year.

### *ii. Non-Executive Directors and Independent Director*

Non-Executive Non-Independent Directors and Independent Directors are not entitled to any remuneration except sitting fees for attending meetings of the Board, or of any committee of the Board. They are entitled to a sitting fee for attending the meeting of the Board and the Committee thereof respectively.

Pursuant to the resolution passed by the Board of Directors of our Company on July 09, 2024, the independent directors of our Company would be entitled to a sitting fee of Rs. 50,000/- for attending every meeting of the Board and Rs. 25,000/- for attending every committee meeting.

**Note:** No portion of the compensation as mentioned above was paid pursuant to a bonus or profit-sharing plan.

## SHAREHOLDING OF DIRECTORS IN OUR COMPANY

As per the Articles of Association of our Company, a director is not required to hold any shares in our Company to qualify him for the office of the Director of our Company. The following table details the shareholding in our Company of our Directors in their personal capacity, as on the date of this Red Herring Prospectus:

Sr. No.	Name of the Directors	No. of Equity Shares held	% of pre-issue paid-up Equity Share capital in our Company
NA			

**INTEREST OF DIRECTORS**

All of our Directors may be deemed to be interested to the extent of fees payable to them (if any) for attending meetings of the Board or a committee thereof as well as to the extent of remuneration payable to them for their services as Directors of our Company and reimbursement of expenses as well as to the extent of commission and other remuneration, if any, payable to them under our Articles of Association. Some of the Directors may be deemed to be interested to the extent of consideration received/paid or any loans or advances Provided to anybody corporate including companies and firms, and trusts, in which they are interested as directors, members, partners or trustees.

All our Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or their relatives in our Company, or that may be subscribed for and allotted to our non-promoter Directors, out of the present Issue and also to the extent of any dividend payable to them and other distribution in respect of the said Equity Shares.

The Directors may also be regarded as interested in the Equity Shares, if any, held or that may be subscribed by and allocated to the companies, firms and trusts, if any, in which they are interested as directors, members, partners, and/or trustees.

Our Directors may also be regarded interested to the extent of dividend payable to them and other distribution in respect of the Equity Shares, if any, held by them or by the companies/firms/ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which they are interested as Directors, members, partners and promoters, pursuant to this Issue. All our Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by the Company with either the Directors himself, other company in which they hold directorship or any partnership firm in which they are partners, as declared in their respective declarations.

***Interest in promotion of Our Company***

None of our directors have any interest in the promotion of our Company.

***Interest in the property of Our Company***

Besides aforementioned, our directors have no interest in any property acquired by our Company neither in the preceding two years from the date of this Red Herring Prospectus nor in the property proposed to be acquired by our Company as on the date of filing of this Red Herring Prospectus. Our directors also

do not have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company.

***Interest in the business of Our Company***

Save and except as stated otherwise in “Related Party Transaction” in the chapter titled “*Financial Information*” beginning on page number 288 of this Red Herring Prospectus, our directors do not have any other interests in our Company as on the date of this Red Herring Prospectus. Our directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

***Details of service contracts***

None of our directors have entered into any service contracts with our company except for acting in their individual capacity as director and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company.

Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and key Managerial personnel, are entitled to any benefits upon termination of or retirement from employment.

***Bonus or profit-sharing plan for the directors***

There is no bonus or profit-sharing plan for the Directors of our Company.

***Contingent and deferred compensation payable to directors***

No Director has received or is entitled to any contingent or deferred compensation.

***Other indirect interest***

Except as stated in chapter titled “*Restated Financial Statements*” beginning on page 288 of this Red Herring Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Directors.

***Borrowing power of the Board***

In terms of the special resolution passed at an Annual General Meeting of our Company held on September 29, 2023, and pursuant to Section 180(1)(c) and any other applicable provisions, of the Companies Act, 2013 and the rules made thereunder, consent of members of the Company has been accorded to borrow from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of the Company and free reserve, provided that the total outstanding amount so borrowed, shall not at any time exceed the limit of Rs. 2,00,00,00,000 Crores (Rupees Two Hundred Crores Only).

***Loans and Investments by the Company***

In terms of the special resolution passed at an Annual General Meeting of our Company held on June

21, 2024, and pursuant to Section 186(3) and any other applicable provisions, of the Companies Act, 2013 and the rules made thereunder, consent of members of the Company has been accorded to a) to give any loan to any person or other body corporate or invest in any body corporate b) give any guarantee or provide security in connection with a loan to any other body corporate or person and c) acquire by way of subscription, purchase or otherwise, securities of any other body corporate from time to time in one or more tranches as the Board of Directors in their absolute discretion deem beneficial and in the interest of the Company, for an amount not exceeding Rs. 500 crore (Rupees Five Hundred Crores only) notwithstanding that such investments, outstanding loans given or to be given and guarantees and securities provided are in excess of the limits prescribed under Section 186(2) of the Companies Act, 2013.

## CHANGES IN THE BOARD FOR THE LAST THREE YEARS

Save and except as mentioned below, there had been no change in the Directorship during the last three (3) years:

Name of Director	Date of Event	Reason for Change
Sanjay Sharma	26/04/2024	Appointed as Additional Director
Sanjay Sharma	30/04/2024	Change in designation as Whole Time Director
Akhil Gupta	10/05/2024	Appointed as Additional Director
Akhil Gupta	21/06/2024	Appointed as Whole Time Director
Dilip Harel Mitra Chenoy	29/06/2024	Appointed as Additional Independent Director
Suneeta Trivedi	29/06/2024	Appointed as Additional Independent Director
Ashok Kacker	29/06/2024	Appointed as Additional Independent Director
Dilip Harel Mitra Chenoy	01/07/2024	Appointed as Independent Director
Suneeta Trivedi	01/07/2024	Appointed as Independent Director
Ashok Kacker	01/07/2024	Appointed as Independent Director

## Management Organizational Structure

For Management Organizational Structure please refer chapter titled “Our Business” on page number 170 of this Red Herring Prospectus.

## CORPORATE GOVERNANCE

In additions to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges. As on date of this Red Herring Prospectus, as our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V is not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee, Stakeholders Relationship Committee and



Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our Company has constituted the following Committees of the Board:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee
5. IPO Committee

### **AUDIT COMMITTEE**

The Audit Committee was constituted *vide* Board resolution dated June 29, 2024 pursuant to Section 177 of the Companies Act, 2013. As on the date of this Red Herring Prospectus, the Audit Committee comprises of:

<b>Name of the Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Ashok Kacker	Chairman	Independent Director
Dilip Harel Mitra Chenoy	Member	Independent Director
Akhil Gupta	Member	Whole Time Director
Suneeta Trivedi	Member	Independent Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

### **The scope of Audit Committee shall include but shall not be restricted to the following:**

1. Oversight 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. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
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 before submission to the board for approval, with particular reference to:
  - a. Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-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.
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly 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. Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
8. use/application of the funds raised through the proposed initial public offer by the Company;
9. Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
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 on any significant findings and follow up thereon.
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. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
19. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
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 & background, etc. of the candidate.
21. Carrying out any other function as it mentioned in the terms of reference of the Audit Committee.

**The Audit Committee enjoys following powers:**

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) The audit committee may invite such of the executives as it considers appropriate (and particularly head of the finance function) to be present at the meetings of the committee, but on the occasions it may also meet without the presence of any executives of the Issuer. The finance director, head of the internal audit committee.

**The Audit Committee shall mandatorily review the following information:**

1. Management Discussion and Analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
3. Management letters/letters of internal control weaknesses issued by the statutory auditors.

4. Internal audit reports relating to internal control weaknesses.
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and 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 ICDR 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) of the SEBI ICDR Regulations.

#### **Meetings and relevant quorum of the Audit Committee**

1. The Audit Committee shall meet at least four times in a year and more than one hundred and twenty days shall elapse between two meetings.
2. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be minimum of two independent members present.

#### **Removal or Ceasing as a Member of the Committee**

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

#### **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on June 29, 2024. As on the date of this Red Herring Prospectus the Nomination and Remuneration Committee comprises of:

<b>Name of the Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Ashok Kacker	Chairman	Independent Director
Dilip Harel Mitra Chenoy	Member	Independent Director
Mukesh Malhotra	Member	Non- Executive Director

Our Company Secretary and Compliance Officer will act as the secretary of the Committee.

The role of the Nomination and Remuneration Committee includes, but not restricted to, the following:

1. formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
2. for the appointment of an independent director, the 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 of directors of the Company 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 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 the performance of independent directors and the Board;
4. devising a policy on diversity of our Board;
5. identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance;
6. determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of our Company;
8. recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;
9. recommending to the Board, all remuneration, in whatever form, payable to senior management;
10. performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
11. engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;
12. analyzing, monitoring and reviewing various human resource and compensation matters;
13. reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
14. framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  - a. The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or
  - b. The SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended;

Performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, Companies Act, each as amended or other applicable law.

Our Company Secretary and Compliance Officer will act as the secretary to the Nomination and Remuneration Committee.

#### **Meetings and relevant quorum of the Nomination and Remuneration Committee**

1. The committee shall meet as and when the need arises, subject to at least one meeting in a year.
2. The quorum for the meeting shall be either two members or one third of the total strength of the committee or two members, whichever is higher, with atleast One (1) Independent Director.

#### **Removal or Ceasing as a Member of the Committee**

1. Any members of this Committee may be removed or replaced by the Board of Directors at any time, by giving reasons thereof.
2. Any member of this committee ceasing to be a director shall also be ceased to be a member of this Committee.

### **STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Stakeholder's Relationship Committee has been formed by the Board of Directors, at the meeting held on June 29, 2024. As on the date of this Red Herring Prospectus the Stakeholder's Relationship Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Akhil Gupta	Chairman	Whole Time Director
Mukesh Malhotra	Member	Non-Executive Director
Dilip Harel Mitra Chenoy	Member	Independent Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

**The terms of reference of the Stakeholders Relationship Committee as per Regulation 20 and Part D of Schedule II of SEBI Listing Regulations, 2015 and Companies Act, 2013 shall be as under:**

1. Consider and resolve grievances of security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
5. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
6. To handle the grievances of the stakeholders in connection with the allotment and listing of shares;
7. Ensure proper and timely attendance and redressal of investor queries and grievances;
8. Carrying out any other functions contained in the Companies Act, 2013 and/or other documents (if applicable), as and when amended from time to time; and
9. To approve, register, refuse to register transfer or transmission of shares and other securities;
10. To review, approve or reject the request for split, sub-divide, consolidate, renewal and or replace any share or other securities certificate(s) of the Company;
11. To authorize affixation of common seal of the Company;
12. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
13. To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
14. To dematerialize or rematerialize the issued shares;
15. To do all other acts and deeds as may be necessary or incidental to the above;
16. To perform such functions as may be delegated by the Board and to further delegate all or any of its power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s); and
17. Such terms of reference as may be prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

**Meetings of the Committee and relevant quorum**

1. The Stakeholder Relationship Committee shall meet at least once in a year, and shall report to the Board on a quarterly basis regarding the status of redressal of the complaints received from the shareholders of the Company.

### **Removal or Ceasing as a Member of the Committee**

1. Any members of this Committee may be removed or replaced by the Board of Directors at any time, by giving reasons thereof.
2. Any member of this committee ceasing to be a director shall also be ceased to be a member of this Committee.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

### **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Corporate Social Responsibility Committee has been formed by the Board of Directors, at the meeting held on June 29, 2024. As on the date of this Red Herring Prospectus the Initial Public Offer Committee comprises of:

<b>Name of the Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Suneeta Trivedi	Chairman	Independent Director
Akhil Gupta	Member	Whole Time Director
Mukesh Malhotra	Member	Non-Executive Director

The Company Secretary and Compliance officer shall act as the secretary of the Corporate Social Responsibility Committee.

The terms of reference of the Corporate Social Responsibility Committee include the following:

#### **Duties of the CSR Committee**

1. The CSR Committee will formulate and recommend a CSR policy to the Board. CSR policy shall point out the activities to be undertaken by the company as enumerated in Schedule VII of the Act.
2. CSR Committee will recommend the amount of expenditure to be incurred on the CSR activities to be undertaken by the company.
3. CSR Committee will monitor the CSR policy of the Company from time to time.
4. The CSR Committee will establish a transparent controlling mechanism for the implementation of the CSR projects or programs or activities undertaken by the company.

#### **CSR Reporting**

**With respect to CSR Reporting, the provisions are as follows :**

1. The Board's Report referring to any financial year initiating on or after the 1st day of April 2014 shall include an annual report on CSR.
2. In the case of a foreign company, the balance sheet filed shall contain an Annexure regarding a report on CSR.

## CSR Policy

CSR Policy elaborates the activities to be undertaken by the Company as named in Schedule VII to the Act. The activities should not be the same which are done by the company in its normal course of business. Additionally, the Act provides the following in relation to CSR Policy:

1. Contents of CSR Policy should be placed on the company's website by the Board.
2. The activities mentioned in the policy must be undertaken by the company.
3. The company can join hands with other companies for undertaking projects or programs or CSR activities and report separately on such programs or projects.
4. The CSR policy shall monitor the projects or programs.

## INITIAL PUBLIC OFFER COMMITTEE

The Initial Public Offer Committee has been formed by the Board of Directors, at the meeting held on June 29, 2024. As on the date of this Red Herring Prospectus the Initial Public Offer Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Akhil Gupta	Chairman	Whole Time Director
Mukesh Malhotra	Member	Director
Brijesh Singh	Member	Director

The Company Secretary shall act as the secretary of the IPO Committee.

The terms of reference of the IPO Committee include the following:

- a) Approving amendments to the memorandum of association and the articles of association of the Company;
- b) Finalizing and arranging for the submission of the DRHP, the RHP, the Prospectus and any amendments, supplements, notices or corrigenda thereto, to appropriate government and regulatory authorities, institutions or bodies;
- c) Approving a code of conduct as may be considered necessary by the Board or the IPO Committee or as required under Applicable Laws for the Board, officers of the Company and other employees of the Company;
- d) Approving a code of conduct as may be considered necessary by the Board or the IPO Committee or as required under Applicable Laws for the Board, officers of the Company and other employees of the Company;
- e) Issuing advertisements as it may deem fit and proper in accordance with Applicable Laws;
- f) Deciding on the size and all other terms and conditions of the Issue and/or the number of Equity Shares to be issued in the Issue, including any rounding off in the event of any oversubscription as permitted under Applicable Laws;

- g) Taking all actions as may be necessary or authorized in connection with the Issue;
- h) Appointing and instructing book running lead managers, syndicate members, bankers to the Issue, the registrar to the Issue, bankers of the Company, managers, underwriters, guarantors, escrow agents, accountants, auditors, legal counsel, depositories, trustees, custodians, credit rating agencies, monitoring agencies, advertising agencies and all such persons or agencies as may be involved in or concerned with the Issue and whose appointment is required in relation to the Issue, including any successors or replacements thereof;
- i) Opening bank accounts, share/securities accounts, escrow or custodian accounts, in India or abroad, in Rupees or in any other currency, in accordance with Applicable Laws;
- j) Entering into agreements with, and remunerating all the book running lead managers, syndicate members, placement agents, bankers to the Issue, the registrar to the Issue, bankers of the Company, managers, underwriters, guarantors, escrow agents, accountants, auditors, legal counsel, depositories, trustees, custodians, credit rating agencies, monitoring agencies, advertising agencies, and all other agencies or persons as may be involved in or concerned with the Issue, including any successors or replacements thereof, by way of commission, brokerage, fees or the like;
- k) Seeking the listing of the Equity Shares on the Stock Exchanges, submitting listing application to the Stock Exchanges and taking all such actions as may be necessary in connection with obtaining such listing, including, without limitation, entering into the listing agreement with the Stock Exchanges;
- l) Seeking, if required, the consent of the Company's lenders, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents that may be required in connection with the Issue;
- m) Submitting undertaking/certificates or providing clarifications to the SEBI and the Stock Exchanges;
- n) Determining the price at which the Equity Shares are issued to investors in the Issue in accordance with Applicable Laws, in consultation with the book running lead managers and/or any other advisors, and determining the discount, if any, proposed to be issued to eligible categories of investors;
- o) Determining the price band and minimum lot size for the purpose of bidding in accordance with applicable laws, any revision to the price band and the final Issue price after bid closure;
- p) Determining the bid/issue opening and closing dates;
- q) Finalizing the basis of allocation of Equity Shares to retail investors/non-institutional investors/qualified institutional buyers and any other investor in accordance with the applicable laws and in consultation with the book running lead managers, the Stock Exchanges;



- r) Opening with the bankers to the Issue, escrow collection banks and other entities such accounts as are required under Applicable Laws;
- s) To issue receipts/allotment letters/confirmations of allotment notes either in physical or electronic mode representing the underlying equity shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorise one or more officers of the Company to sign all or any of the aforesaid documents;
- t) Severally authorizing Mr. Akhil Gupta and Mr. Sanjay Sharma, severally or jointly, (“Authorized Officer”), for and on behalf of the Company, to execute and deliver, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that the Authorized Officer considers necessary, desirable or expedient, in connection with the Issue, including, without limitation, engagement letters, memorandum of understanding, the listing agreement with the stock exchange, the registrar’s agreement, the depositories’ agreements, the issue agreement with the book running lead managers (and other entities as appropriate), the underwriting agreement, the syndicate agreement, the cash escrow agreement, the share escrow agreement, confirmation of allocation notes, the advertisement agency agreement and any undertakings and declarations, and to make payments to or remunerate by way of fees, commission, brokerage or the like or reimburse expenses incurred in connection with the Issue, the book running lead managers, syndicate members, placement agents, bankers to the Issue, registrar to the Issue, bankers of the Company, managers, underwriters, guarantors, escrow agents, accountants, auditors, legal counsel, depositories, trustees, custodians, credit rating agencies, monitoring agencies, advertising agencies, and all such persons or agencies as may be involved in or concerned with the Issue including any successors or replacements thereof; and any such agreements or documents so executed and delivered and acts, deeds, matters and things done by any such Authorized Officer shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing;
- u) Severally authorizing the Authorized Officers to take any and all action in connection with making applications, seeking clarifications and obtaining approvals (or entering into any arrangement or agreement in respect thereof) in connection with the Issue, including, without limitation, applications to, and clarifications or approvals from the GoI, the SEBI, the RoC, and the Stock Exchanges and that any such action already taken or to be taken is hereby ratified, confirmed and/or approved as the act and deed of the Authorized Officer and the Company, as the case may be;
- v) Severally authorizing the Authorized Officers, for and on behalf of the Company, to execute and deliver any and all documents, papers or instruments and to do or cause to be done any and all acts, deeds, matters or things as any such Authorized Officer may deem necessary, desirable or expedient in order to carry out the purposes and intent of the foregoing resolutions or the Issue; and any documents so executed and delivered or acts, deeds, matters and things done or caused to be done by any such Authorized Officer shall be conclusive evidence of the authority of such Authorized Officer and the Company in so doing and any such document so executed and delivered or acts, deeds, matters and things done or caused to be done by any such Authorized Officer prior to the date hereof are hereby ratified, confirmed and approved as the act and deed of the Authorized Officer and the Company, as the case may be; and

- w) Executing and delivering any and all documents, papers or instruments and doing or causing to be done any and all acts, deeds, matters or things as the IPO Committee may deem necessary, desirable or expedient in order to carry out the purposes and intent of the foregoing resolutions or the Issue; and any documents so executed and delivered or acts, deeds, matters and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing.

### Compliance with SME Listing Regulations

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on SME Platform of BSE.

### KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

<b>Name</b>	: Mr. Akhil Gupta
<b>Designation</b>	: CEO and Whole Time Director
<b>Date of Appointment as CEO</b>	: 21/06/2024
<b>Term of Office</b>	: 3 Years
<b>Qualification</b>	: Chartered Accountant and MBA
<b>Previous Employment</b>	: Dhani Group
<b>Overall Experience</b>	: 22 Years
<b>Remuneration paid in F.Y. 2023-24)</b>	: NA
<b>Remuneration paid in F.Y. 2024-25)</b>	: Rs. 12 Lakh p.a. <i>(This amount represents 10% of the total cost of remuneration which is incurred by RDSL and rest is incurred by our Holding Company/ Corporate Promoter i.e. Rosmerta Technologies Limited per year.)</i>
<b>Name</b>	: Mr. Kuntal Kar
<b>Designation</b>	: Company Secretary and Compliance Officer (On Deputation)
<b>Date of Appointment</b>	: 21 <sup>st</sup> June 2024
<b>Qualification</b>	: Company Secretary, L.L.B and MBA
<b>Previous Employment</b>	: Assocham
<b>Overall Experience</b>	: 23 Years
<b>Remuneration paid in F.Y. 2023-24)</b>	: N.A.
<b>Remuneration paid in F.Y. 2024-25)</b>	: Rs. 4.5 Lakhs p.a. <i>(This amount represents 10% of the total cost of remuneration which is incurred by RDSL and rest is incurred by our Holding Company/ Corporate Promoter i.e. Rosmerta Technologies Limited per year.)</i>
<b>Name</b>	: Mr. Amit Kumar Somani
<b>Designation</b>	: Chief Financial Officer

<b>Date of Appointment</b>	: 21 <sup>st</sup> June 2024
<b>Qualification</b>	: Chartered Accountant
<b>Previous Employment</b>	: Freudenberg NOK Private Limited
<b>Overall Experience</b>	: 20 Years
<b>Current Remuneration</b>	: 42,00,000 p.a
<b>Remuneration paid in F.Y. 2023-24)</b>	: 3,50,000 p.m (6 months) (Appointed as General Manager- Finance, w.e.f., August 28, 2024, and redesignated as Chief Financial Officer, w.e.f., June 21, 2024)

**Notes:**

- *Some of our Key Managerial Personnel mentioned above have been deputed to our company by our Corporate Promoter/ Holding company and are on the payrolls of our Corporate Promoter/ Holding company as permanent employees. Further, our Chief Financial Officer is appointed on the payroll of our company as permanent employee.*
- *There is no agreement or understanding with major shareholders, consumers, suppliers or others pursuant to which any of the above mentioned personnel was selected as a director or member of senior management.*
- *None of our Key Managerial Personnel has entered into any service contracts with our company and no benefits are granted upon their termination from employment other than statutory benefits provided by our Company. However, our Company has appointed certain Key Managerial Personnel for which our company has not executed any formal service contracts; although they are abide by their terms of appointments.*

**FAMILY RELATIONSHIP BETWEEN KMP**

None of the KMP of the Company are related to each other as per section 2(77) of the Companies Act, 2013:

**BONUS AND/ OR PROFIT SHARING PLAN FOR THE KEY MANAGERIAL PERSONNEL**

Our Company does not have any bonus and / or profit-sharing plan for the key managerial personnel.

**CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL**

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

**SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL**

None of our Key Managerial Personnel is holding any Equity Shares in our Company as on the date of this Red Herring Prospectus.

**INTEREST OF KEY MANAGERIAL PERSONNEL**

None of our key managerial personnel have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to our Company as per the terms of their appointment and reimbursement of expenses incurred by them during the ordinary course of business.

### **CHANGES IN OUR COMPANY’S KEY MANAGERIAL PERSONNEL DURING THE LAST THREE YEARS**

Following have been the changes in the Key Managerial Personnel (KMP) during the last three years:

<b>Name of KMP</b>	<b>Date of Event</b>	<b>Reason for change</b>
Akhil Gupta	21 <sup>st</sup> June 2024	Appointment as Chief Executive Officer
Kuntal Kar	21 <sup>st</sup> June 2024	Appointment as Company Secretary
Amit Kumar Somani	21 <sup>st</sup> June 2024	Appointment as Chief Financial Officer

*Note: Other than the above changes, there have been no changes to the key managerial personnel of our Company that are not in the normal course of employment.*

### **SCHEME OF EMPLOYEE STOCK OPTIONS OR EMPLOYEE STOCK PURCHASE**

Our Company have any Employee Stock Option Plan 2024, the details of which are referred from chapter “Capital Structure” beginning on page no. 72.

### **LOANS TO KEY MANAGERIAL PERSONNEL**

Except as provided in restated financial statement in the chapter “*Restated Financial Statements*” beginning on page 288 of the Red Herring prospectus, there are no loans outstanding against the key managerial personnel as on the date of this Red Herring Prospectus.

### **PAYMENT OF BENEFITS TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)**

Except for the payment of salaries and perquisites and reimbursement of expenses incurred in the ordinary course of business, and the transactions as enumerated in the chapter titled “*Restated Financial Statements*” and the chapter titled “*Our Business*” beginning on pages 288 and 170 respectively of this Red Herring Prospectus, we have not paid/given any benefit to the officers of our Company, within the two preceding years nor do we intend to make such payment/ give such benefit to any officer as on the date of this Red Herring Prospectus.

### **RETIREMENT BENEFITS**

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.


## OUR PROMOTERS

The Promoters of our Company are:

S. No.	Name	Category	No. of Shares
1.	M/s Rosmerta Technologies Limited	Corporate	2,97,74,975
2.	M/s Shree Bankey Bihari Family Trust	Trust	52,57,500
3.	Mr. Karn Vivek Nagpal	Individual	NIL
4.	Mr. Kartick Vivek Nagpal	Individual	NIL

For details of the build-up of our promoters' shareholding in our Company, see section titled "Capital Structure" beginning on page 72 of this Red Herring Prospectus.

### I. CORPORATE PROMOTER

	<p>Rosmerta Technologies Limited was incorporated in 2006, and has its presence expanding from e-governance, to transport and road safety in India. The company has access to latest technologies, a vast network of employees, and extensive industry experience. The company is present across diverse domains such as Identification, Sustainability, Connected Electronics, Digital Services, and Safety &amp; Compliance segments. The company's established reputation and infrastructure have been instrumental in accelerating Rosmerta Digital Services Limited's growth and enabling it to deliver high-quality, reliable services to its clients. The group is committed to delivering innovative solutions and making a significant impact across industries.</p>
<b>CIN</b>	U72200DL2006PLC257032
<b>Incorporation Date</b>	03/05/2006
<b>Registered Office Address</b>	402, 4th Floor, World Trade Tower, Barakhamba Lane, Connaught Place, Central Delhi, New Delhi, Delhi, India, 110001
<b>Present Business Activities</b>	<p>1. To carry on in India and elsewhere any of the business or businesses in the field of electronics, electrical, telecommunication, mechanical, developing, marketing, software system solutions, designing, coding integrating system to find intranet and internet solutions, including assembles, sub assembles of computers, other accessories, peripherals thereof, digital products, hardware and software for electronic and electro-mechanical and any other articles, materials, appliances, apparatus and substitutes thereof.</p> <p>1.1 *To carry on the business of designers, manufactures, producers, fabricators, assemblers, importers, exporters, buyers,</p>

	<p>sellers, dealers, stockiest, suppliers, wholesalers, retailers, jobbers contractors, repairs and hirers of all kinds of number plates <b>Including High Security Registration Plates (HSRP)</b>, ornamentation and decorative parts necessary or useful for or in connection with all kinds of vehicles.</p> <p>1.2 *To carry on the business as manufacturers, dealers, importers, exporters, fabricators, assemblers, traders and agents of all kinds number plates <b>Including High Security Registration Plates (HSRP)</b>, Hologram, Laser Branding, Embossing Equipment's and Tools, Hot Stamping Machines, Vehicle Registration Plate production, High Security Registration Plate Line, Registration Seals, High Security Documents Seals, High Security Registration Documents, Vehicle Registration System, Consulting Services, Industrial Signs, Advertising Systems, Road Traffic Signs, Silk Screen Printing, Self Destructive Labels and Third Sticker Number Plates.</p>
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#### ***Details of Change in Control***

There has been no change in the control or management of Rosmerta Technologies Limited during last three years immediately preceding the filing of the Red Herring Prospectus.

#### ***Details of Change in Activity***

Rosmerta Technologies Limited has not changed its activities from the date of its incorporation.

#### ***Details of Promoters***

***The Promoters of Rosmerta Technologies Limited are:***

#### **1. KKH Technologies Private Limited**

The shareholding pattern of KKH Technologies Private Limited as on September 21, 2024 is as follows:

<b>S.No.</b>	<b>Name of Shareholders</b>	<b>Number of Shares</b>	<b>% of Total Shareholding</b>
<b>1.</b>	The Motilal Nagpal Family Trust	10,00,000	95.81%
<b>2.</b>	Ms. Dipti Gupta	10,000	1.50%
<b>3.</b>	Mr. Berjis Minoo Desai	2,133	0.20%
<b>4.</b>	M/s Bankey Bihari Estates LLP	19,841	1.90%
<b>5.</b>	M/s WBT India Private Limited	6,333	0.60%
<b>Total</b>		<b>10,54,187</b>	<b>100.00%</b>

For more details on The Motilal Nagpal Family Trust, please refer to page 280 of this DRHP.

The Board of Directors of KKH Technologies Private Limited is as follows:

S.No.	Name of Director	DIN/PAN	Designation
1.	Pankaj Madan	02614589	Director
2.	Brijesh Singh	03217960	Director

## 2. Business Asia Consulting Private Limited

The shareholding pattern of Business Asia Consulting Private Limited is as follows:

S.No.	Name of Shareholders	Number of Shares	% of Total Shareholding
1.	KKH Technologies Private Limited	9,09,999	99.99%
2.	Apekso Tradecom LLP	1	0.01%
<b>Total</b>		10,10,000	100%

The Board of Directors of Business Asia Consulting Private Limited is as follows:

S.No	Name of Director	DIN/PAN	Designation
1.	Pankaj Madan	02614589	Director
2.	Brijesh Singh	03217960	Director

## Board of Directors and Key Managerial Personnel (Rosmerta Technologies Limited)

The Board of Directors and Key Managerial Personnel of our Corporate Promoter “Rosmerta Technologies Limited” as on 18<sup>th</sup> July, 2024 of this Red Herring Prospectus is as follows:

S.No	Name of Director	DIN/PAN	Designation
1.	Pankaj Madan	02614589	Director
2.	Vijay Mehta	07149957	Director
3.	Vijay Mehta	AEKPM3056N	Chief Financial Officer
4.	Kuntal Kar	ANFPK0180M	Company Secretary
5.	Mukesh Malhotra	01345153	Additional Director
6.	Akhil Gupta	09285050	Additional Director
7.	Dilip Harel Mitra Chenoy	01830779	Additional Director (Independent)
8.	Suneeta Trivedi	06742087	Additional Director (Independent)
9.	Ashok Kacker	01647408	Additional Director (Independent)

## Shareholding Pattern

The Shareholding Pattern of our Corporate Promoter “Rosmerta Technologies Limited” as on 18<sup>th</sup> July is as follows:

S.No	Name of Shareholders	Number of Shares	% of Total Shareholding
1.	KKH Technologies Private Limited	83,51,495	86%
2.	Business Asia Consulting Private Limited	13,59,550	14%
3.	Sandeep Malik (Nominee of KKH Technologies Private Limited)	2	0%
4.	Akhil Gupta (Nominee of KKH Technologies Private Limited)	1	0%
5.	Kuntal Kar (Nominee of KKH Technologies Private Limited)	1	0%
6.	Vijay Mehta (Nominee of KKH Technologies Private Limited)	1	0%
7.	Pankaj Madan (Nominee of KKH Technologies Private Limited)	1	0%
<b>Total</b>		<b>97,11,051</b>	<b>100.00%</b>

### Financial Performance:

The brief of Financial Statements of Rosmerta Technologies Limited is available on the website, i.e., [www.rosmertadigital.com](http://www.rosmertadigital.com).

Our Company confirms that the Permanent Account Number, Bank Account Number and Company registration Number, of Rosmerta Technologies Limited along with the address of the Registrar of Companies where it was registered, shall be submitted to the Stock Exchanges at the time of filing this Red Herring Prospectus

## II. SHREE BANKEY BIHARI FAMILY TRUST

Particulars	Details
<b>a. Date of Creation of Trust</b>	February 19 <sup>th</sup> , 2024
<b>b. Date of Trust Deed</b>	Trust Deed dated February 19, 2024; Amended and Restated Deed of Trust dated June 10, 2024
<b>c. Name of the Beneficiaries</b>	1. Karn Vivek Nagpal and Lineal Descendants of Karn Vivek Nagpal 2. Kartick Vivek Nagpal and Lineal Descendants of Kartick Vivek Nagpal 3. Hariansh Nagpal and Lineal Descendants of Hariansh Nagpal 4. Aarti Nagpal
<b>d. Name of the Trustees</b>	Karn Vivek Nagpal Kartick Vivek Nagpal Berjis Minoo Desai
<b>e. Name of the Settlor</b>	1. Aarti Nagpal
<b>f. Reason for formation of the trust</b>	Clause 2 of the Trust Deed provides for the purposes for which the settlor has set up this trust and those are as follows:



	<ol style="list-style-type: none"> <li>1. to hold investments and other assets settled in the trust for and on behalf of the beneficiaries;</li> <li>2. To provide, inter alia, a suitable succession planning structure to ensure seamless intergenerational transfer of the Trust Fund amongst the beneficiaries,</li> <li>3. To maintain harmony, peace and goodwill among family members and to avoid any possible dispute /litigation among members in future; and</li> <li>4. To ensure that the Trust Fund is properly managed and administered in accordance with the provisions of this deed.</li> </ol>
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### **III. OUR INDIVIDUAL PROMOTERS (MR. KARN VIVEK NAGPAL AND MR. KARTICK VIVEK NAGPAL)**

*Our individual promoters, i.e. Mr. Karn Vivek Nagpal and Mr. Kartick Vivek Nagpal, have been recognised basis:*

1. Our review of the trust deed of the Motilal Nagpal Family Trust (specifically Clause 10, reproduced below) read with the Minutes of Meeting dated June 14, 2024 of the Motilal Nagpal Family Trust (specifically Item No. 3 reproduced below), **and the legal opinion given by Luthra and Luthra Law Offices dated July 19, 2024**, wherein the trustees have unanimously resolved to grant all rights, and powers to control the operations, management and policy decisions along with voting rights of the Rosmerta Technologies Limited Group which includes our company, Rosmerta Digital Services Limited, to Mr. Karn Vivek Nagpal and Mr. Kartick Vivek Nagpal.

2. Similarly, on reviewing the Trust Deed for Shree Bankey Bihari Family Trust (specifically Clause 10, reproduced below) read with the Minutes of Meeting dated June 14, 2024 of Shree Bankey Bihari Family Trust (specifically Item No. 3 reproduced below), it can be noted that the trustees have unanimously resolved to grant all rights, and powers to control the operations, management and policy decisions along with voting rights of our company, Rosmerta Digital Services Limited, to Mr. Karn Vivek Nagpal and Mr. Kartick Vivek Nagpal.

Thus, basis our review of the trust documents and powers granted by the Trustees in the meeting of the Trustees of the respective Trusts, Mr. Karn Vivek Nagpal and Mr. Kartick Vivek Nagpal, have been recognised as individual promoters of our company, given that they exercise all rights, and powers to control the operations, management and policy decisions along with voting rights of our company, Rosmerta Digital Services Limited.

#### ***Clause 10 of Motilal Nagpal Family Trust:***

*“The Trustees may with respect to any property constituting the whole or part of the Trust Fund:*

*(a) vote upon or in respect of any shares, securities, bonds, notes or other evidence of interest in or obligation of any corporation, trust, association or concern whether or not affecting the security or the apparent security of the Trust Fund or the purchase or sale or lease of the assets of any such corporation, trust, association or concern.*

*Provided however, and notwithstanding anything contained in this Deed, the Voting Rights in relation to the shares or securities of any listed Controlled Entity, will always be exercised by a Trustee who is a Promoter and who is empowered by a resolution in this behalf.*

*(b) deposit any such shares, securities or property in any voting trust or with any depository designated thereby; and*

*(c) hold any or all securities or other property in bearer form or in the name of the Trustee or in the name of some other person or in the name or names of nominees without disclosing the fiduciary relationship created by this Settlement and the Trustee may deposit the said securities and any title, deeds or other documents belonging or relating to the Trust Fund in any part of the world with any bank, trust corporation or other corporation that undertakes the safe custody of securities as part of its business without being responsible for the default of such bank trust corporation or other corporation or for any loss occasioned thereby.*

### ***Minutes of Meeting – The Motilal Nagpal Family Trust***

*Item No. 3 – Grant of all rights to Mr. Kartick Vivek Nagpal and Mr. Karn Vivek Nagpal for management and control along with voting rights of Rosmerta Technologies Limited and all its subsidiary companies (“Rosmerta Group Companies”)*

*The trustees were informed that it is proposed that the rights in relation to the management and control of the Rosmerta Group Companies be granted to Mr. Kartick Vivek Nagpal and Mr. Karn Vivek Nagpal as he is actually in control, directly and indirectly, of the entities comprised in the Rosmerta Group Companies.*

### ***Clause 10 of Shree Bankey Family Trust:***

*“Power in relation to Companies*

*The Trustees may with respect to any property constituting the whole or part of the Trust Fund:*

*(a) vote upon or in respect of any shares, securities, bonds, notes or other evidence of interest in or obligation of any corporation, trust, association or concern whether or not affecting the security or the apparent security of the Trust Fund or the purchase or sale or lease of the assets of any such corporation, trust, association or concern.*

*Provided however, and notwithstanding anything contained in this Deed, the Voting Rights in relation to the shares or securities of any listed Controlled Entity, will always be exercised by a Trustee who is a Promoter and who is empowered by a resolution in this behalf.*

*(b) deposit any such shares, securities or property in any voting trust or with any depository designated thereby; and*

*(c) hold any or all securities or other property in bearer form or in the name of the Trustee or in the name of some other person or in the name or names of nominees without disclosing the fiduciary relationship created by this Settlement and the Trustee may deposit the said securities and any title, deeds or other documents belonging or relating to the Trust Fund in any part of the world with any*

bank, trust corporation or other corporation that undertakes the safe custody of securities as part of its business without being responsible for the default of such bank trust corporation or other corporation or for any loss occasioned thereby.”

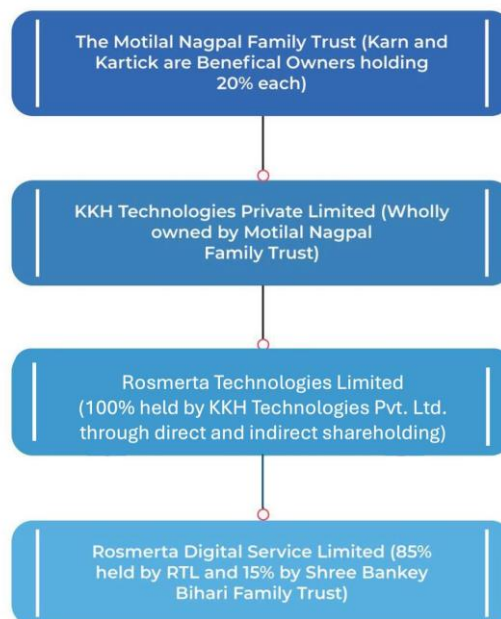
**Minutes of Meeting – Shree Bankey Bihari Family Trust**

Item No. 3 – Grant of all rights to Mr. Kartick Vivek Nagpal and Mr. Karn Vivek Nagpal for management and control along with voting rights of Rosmerta Technologies Limited and all its subsidiary companies (“Rosmerta Group Companies”)

The trustees were informed that it is proposed that the rights in relation to the management and control of the Rosmerta Group Companies be granted to Mr. Kartick Vivek Nagpal and Mr. Karn Vivek Nagpal as he is actually in control, directly and indirectly, of the entities comprised in the Rosmerta Group Companies.


Our Individual Promoters are interested in the promotion of our Company in their capacity as beneficial owners of the Trusts i.e. (Motilal Nagpal Trust and Shree Bankey Bihari Family Trust) who are having significant control over the management and influencing policy decisions of our Company.


Further, given below is the chart explaining the shareholding and relationship of our Company (Rosmerta Digital Services Limited) with our Corporate Promoter/Holding Company and our other Promoter, Shree Bankey Bihari Family Trust:



The above chart goes on to explain that our individual promoters, Mr. Karn Vivek Nagpal and Mr. Kartick Vivek Nagpal are the beneficial owners of the equity shares of our company (Rosmerta Digital Services Limited), through their beneficial interest (20% each) in the Motilal Nagpal Family Trust (Holding shares indirectly in our Company, through chart explained above) and Shree Bankey Bihari Family Trust (Holding 15% shares in our Company).

**Brief Profile of Our Individual Promoters is as under:**

	<p>Mr. Karn Vivek Nagpal is the Promoter of our company and the Group President of our Corporate Promoter, Rosmerta Technologies Limited, since 2012. He has a Bachelor of Science degree with a major in Computer Information Systems and a Minor in Finance from Bentley University, Boston MA, USA. He is focused on technology-driven mobility solutions and he leads some of Rosmerta Technologies Limited’s business segments such as company’s divisions, such as Connected Electronics, Identification Products.</p>
<b>Name</b>	<b>Mr. Karn Vivek Nagpal</b>
<b>Age</b>	33 Years
<b>Date of Birth</b>	16/08/1990
<b>Address</b>	108, Ranch Drive, M.G Road, Under Sultanpur Metro Station, Sultanpur, South Delhi, Delhi – 110030
<b>PAN</b>	AHOPN7427M
<b>Occupation</b>	Business
<b>Experience</b>	12 Years in Technology Driven Mobility Solutions
<b>No. of Equity Shares &amp; % Of Shareholding (Pre-Issue)</b>	NIL
<b>Directorship &amp; Other Ventures</b>	<p><b>Indian Private Companies:</b></p> <ol style="list-style-type: none"> <li>1. KKH Buildcon Private Limited</li> <li>2. KKH Infratech Private Limited</li> <li>3. KKH Projects Private Limited</li> <li>4. JSK Infraestate Private Limited</li> <li>5. VAK Application Private Limited</li> <li>6. KKH Autotech Private Limited</li> <li>7. Raasta Autotech Private Limited</li> </ol> <p><b>Indian Public Companies:</b> NIL</p> <p><b>Section 8 Companies:</b> NIL</p> <p><b>Indian LLPs:</b> Leo Lotus LLP Kingsun Tradecomm LLP Apekso Tradecom LLP</p>

	<p>Mr. Kartick Vivek Nagpal, is the Promoter of our company and has served as the Group President of our corporate promoter, Rosmerta Technologies Limited (RTL), since 2012. He holds a Bachelor of Science degree in Economics and Finance from Bentley University in Boston, MA, USA. With a strong commitment on eco-friendly and sustainable businesses practices, he oversees the Digital Services, Sustainability and Safety &amp; Compliance segments at RTL. His extensive and diverse experience across several verticals of Rosmerta Technologies Limited would allow him to contribute to the growth and success of our company.</p>
<b>Name</b>	<b>Mr. Kartick Vivek Nagpal</b>
<b>Age</b>	33 Years
<b>Date of Birth</b>	16/08/1990
<b>Address</b>	JSK Farm, 105 Ranch Drive, M.G Road, Sultanpur, Mehrauli, South Delhi, Delhi – 110030
<b>PAN</b>	AHOPN7426L
<b>Occupation</b>	Business
<b>Experience</b>	12 Years in High Security Registration Plates and Vehicle Scrapping verticals of Rosmerta Technologies Limited
<b>No. of Equity Shares &amp; % Of Shareholding (Pre-Issue)</b>	NIL
<b>Directorship &amp; Other Ventures</b>	<p><b>Indian Private Companies:</b></p> <ol style="list-style-type: none"> <li>1. Rosmerta Holdings Private Limited</li> <li>2. KKH Infratech Private Limited</li> <li>3. KKH Projects Private Limited</li> <li>4. VAK Application Private Limited</li> <li>5. KKH Autotech Private Limited</li> <li>6. KKH Buildcon Private Limited</li> <li>7. Raasta Autotech Private Limited</li> </ol> <p><b>Indian Public Companies:</b> NIL</p> <p><b>Section 8 Companies:</b> NIL</p> <p><b>Indian LLPs:</b></p> <ol style="list-style-type: none"> <li>1. Kismat Enterprises LLP</li> <li>2. Apekso Tradecom LLP</li> <li>3. Virgo Glory LLP</li> <li>4. Leo Rosewell LLP</li> </ol>

## **Relationship of Promoters with our Directors**

None of our Promoters are related to any of our Company's Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

## **OTHER UNDERTAKINGS AND CONFIRMATIONS**

- Our Company undertakes that the details of Permanent Account Number, Bank Account Number, Aadhar, Driving License and Passport Number of the Promoters will be submitted to the SME Platform of BSE, where the securities of our Company are proposed to be listed at the time of submission of Red Herring Prospectus.
- Our Promoters have confirmed that they have not been identified as wilful defaulters.
- No violations of securities laws have been committed by our Promoters in the past or are currently pending against them. None of our Promoters are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

## **INTEREST OF PROMOTERS**

### ***Interest in promotion of Our Company***

Our Individual Promoters are interested in the promotion of our company to the extent of the indirect beneficial interest held by them in our Company. For further details on the beneficial interest of our individual promoters in our company please refer to chapter "Our Promoters" beginning on Page 258 of the DRHP.

Our Corporate Promoter, Rosmerta Technologies Limited and Shree Bankey Bihari Family Trust are interested in the promotion of our company to the extent of the shareholding held by them in our company. For more details on the shareholding of Rosmerta Technologies Limited and Shree Bankey Bihari Family Trust in our company, please refer to Page 261 of this DRHP.

### ***Interest in the property of Our Company***

None of our promoters are interested in the property of our company. Furthermore, our promoters have no interest in any property acquired by our Company neither in the preceding two years from the date of this Red Herring Prospectus nor in the property proposed to be acquired by our Company as on the date of filing of this Red Herring Prospectus. Our Promoters also do not have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company.

### ***Interest as member of Our Company***

As explained above, our Individual Promoters do not hold any shares in our company **directly**, however, they are the beneficial owners of the trusts i.e. Motilal Nagpal Family Trust and Shree Bankey Bihari Family Trust as explained above.

For further details regarding the Motilal Nagpal Family Trust please refer to chapter “Our Group Companies” on page 274 of this Red Herring Prospectus.

### ***Interest as Director of our Company***

Except as stated in the “*Related Party Transactions*” in the chapter Financial Statement as Restated on page number 288 of the Red Herring Prospectus, our Promoters / Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of our Board or Committees thereof as well as to the extent of remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of our AOA.

### **Other ventures of our Promoters**

Save and except as disclosed in the chapters titled “*Our Group Companies*” beginning on page 274 of the Red Herring Prospectus, there are no other ventures of our Promoters in which they have business interests/other interests.

### **Change in the control of Our Company**

Except the following, there has been no change in the in the management or control of our Company.

<b>S. No.</b>	<b>Date</b>	<b>Transferor</b>	<b>Transferee</b>	<b>No. of Shares Transferred</b>	<b>Face Value</b>	<b>Consideration</b>
1.	29.03.2024	Rosmerta Technologies Limited	Shree Bankey Bihari Family Trust	1500	Rs. 10	Rs. 1,87,18,720

### **Experience of Promoters in the line of business**

Our Individual Promoters Mr. Karn Vivek Nagpal and Mr. Kartick Vivek Nagpal have experience of 12 Years in Technology Driven Mobility Solutions and 12 Years in High Security Registration Plates and Vehicle Scrapping Verticals of Rosmerta Technologies Limited, respectively. The Company shall also endeavour to ensure that relevant professional help is sought as and when required in the future.

### **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 306 of this Red Herring Prospectus.

### **Payment of benefits to our Promoters and Promoter Group during the last two years**

Save and except as disclosed under “*Statement of Related Party Transactions*”, as Restated appearing in chapter “*Restated Financial Statements*” beginning on page number 288 of the Red Herring

Prospectus, there has been no Payment or benefit to promoters during the two (2) years preceding the date of filing of this Red Herring Prospectus, nor is there any intention to pay or give any benefit to our Promoters as on the date of this Red Herring Prospectus.

**Companies / Firms from which the Promoter have disassociated themselves in the last (3) three years**

Except the following, there has been no disassociations by our Corporate Promoters, Rosmerta Technologies Limited during the last 3 years preceding the date of this Red Herring Prospectus:

S.NO.	Company/Entity	Date of Disassociation
1.	Absolute Infracon Private Limited	30-03-2024
2.	Albireo Telematics Private Limited	30-03-2024
3.	Auctus Support Private Limited	30-03-2024
4.	JSK Technologies Solutions Private Limited	30-03-2024
5.	Rosmerta Auto Inspection Private Limited	30-03-2024
6.	Rosmerta Healthcare Solutions Private Limited	30-03-2024
7.	Rosmerta Holdings Private Limited	30-03-2024
8.	Rosmerta Inspection Private Limited	30-03-2024
9.	Rosmerta Recycling Industries Private Limited	30-03-2024
10.	Rosmerta Securedot Private Limited	26-03-2024
11.	Rosmerta Visionlabs Private Limited	30-03-2024
12.	Rosmerta HSRP Ventures Private Limited	30-03-2024
13.	Rosmerta HSRP Private Limited (Formerly Link Utsav HSRP Private Limited)	30-03-2024
14.	Nano Impex Private Limited	15-05-2023
15.	Agomoni Tradecomm Private Limited	22-04-2022
16.	Shreyas E-commerce Private Limited	15-05-2023
17.	Rosmerta Ventures Private Limited (Formerly Link Utsav Ventures Private Limited)	30-03-2024
18.	Rosmerta Auto Systems Pvt Ltd (Formerly Link Utsav Auto Systems Private Limited)	26-03-2024
19.	Sensorise Smart Solutions Private Limited	27-03-2024
20.	Sensorise Digital Services Private Limited	27-03-2024
21.	SIM Things Private Limited	30-03-2024
22.	Sensorise Smart Solutions Nepal Private Limited	27-03-2024
23.	Rosmerta Solutions Private Limited	01-06-2024

Further, our individual Promoters (Mr. Karn Vivek Nagpal and Kartick Vivek Nagpal) have not been disassociated themselves from any of the Companies, Firms or other entities during the last three years preceding the date of this Red Herring Prospectus.

**Other Confirmations**

As on the date of this Red Herring Prospectus, our Promoters and members of our Promoter Group have not been prohibited by SEBI or any other regulatory or governmental authority from accessing capital markets for any reasons. Further, our Promoters were not and are not promoters or persons in



control of any other company that is or has been debarred from accessing the capital markets under any order or direction made by SEBI or any other authority. There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority against our Promoters during the last five (5) years preceding the date of this Red Herring Prospectus, except as disclosed under chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 306 of this Red Herring Prospectus.

Our Promoters and members of our Promoter Group have neither been declared as a wilful defaulters nor as a fugitive economic offender as defined under the SEBI (ICDR) Regulations, and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against our Promoters.

### **Guarantees**

Except as stated in the section titled "*Restated Financial Statements*" beginning on page 288 of this Red Herring Prospectus, there are no material guarantees given by the Promoters to third parties with respect to specified securities of the Company as on the date of this Red Herring Prospectus.

### **Related Party Transactions**

For details of related party transactions entered into by our Company, please refer to “*Statement of Related Party Transactions*”, as Restated appearing in the section titled "*Restated Financial Statements*" beginning on page 288 of the Red Herring Prospectus.

### **Information of our group companies**

For details related to our group companies please refer “*Our Group Companies*” on page no. 274 of this Red Herring Prospectus.

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## OUR PROMOTER GROUP

Our Promoters and Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations is as under

### A. Natural Persons who form part of our Promoter Group:

The following natural persons being the immediate relatives of our Promoters in terms of the SEBI (ICDR) Regulations 2018 form part of our Promoter Group:

Promoters	<i>Karn Vivek Nagpal</i>	<i>Kartick Vivek Nagpal</i>
<b>Father</b>	Vivek Nagpal	Vivek Nagpal
<b>Mother</b>	Aarti Nagpal	Aarti Nagpal
<b>Spouse</b>	Suneela Kirloskar	Kismat Virk
<b>Brothers</b>	Kartick Vivek Nagpal	Karn Vivek Nagpal
	Hariansh Nagpal	Hariansh Nagpal
<b>Sister</b>	N.A.	N.A.
<b>Son</b>	Ari Nagpal (Minor)	Shiv Kartick Nagpal (Minor)
		Krrish Kartick Nagpal (Minor)
<b>Daughters</b>	Sara Nagpal (Minor)	N.A.
<b>Spouse Father</b>	Suhas Balkrishna Kirloskar	Jagdeep Singh Virk
<b>Spouse Mother</b>	Lt. Nirmala Gorre	Sumita Virk
<b>Spouse Brother</b>	Jay Kirloskar	N.A.
<b>Spouse Sister</b>	N.A.	Pia Johnson
		Divya Gehlaut

### B. Corporate who forms part of our Promoter Group

Corporate Promoter	Rosmerta Technologies Limited
Subsidiary Companies of Rosmerta Technologies Limited	1. Rosmerta Autotech Limited 2. Rosmerta Logistics Private Limited 3. Rosmerta Engineering Private Limited 4. Konnet Vian Private Limited 5. Rosmerta Auto Recycling Private Limited 6. Rosmerta Mobility Solutions Private Limited 7. Rosmerta Safety Systems Limited 8. Rosmerta Road Safety Private Limited 9. Rosmerta Digital Services Limited 10. Rosmerta Auto Plates Private Limited 11. Rosmerta Registration Plates Private Limited 12. Smart Card IT Solutions Limited 13. KKH Finvest Private Limited
Holding Company of Rosmerta Technologies Limited	KKH Technologies Private Limited
Any body Corporate in which Rosmerta Technologies Limited holds twenty per	1. Rosmerta Autotech Limited 2. Rosmerta Logistics Private Limited

cent or more of the equity share capital	3. Rosmerta Engineering Private Limited 4. Konnet Vian Private Limited 5. Rosmerta Auto Recycling Private Limited 6. Rosmerta Mobility Solutions Private Limited 7. Rosmerta Safety Systems Limited 8. Rosmerta Road Safety Private Limited 9. Rosmerta Digital Services Limited 10. Rosmerta Auto Plates Private Limited 11. Rosmerta Registration Plates Private Limited 12. Smart Card IT Solutions Limited 13. KKH Finvest Private Limited
Any body corporate which holds twenty per cent or more of the equity share capital of Rosmerta Technologies Limited	KKH Technologies Private Limited (wholly owned by Motilal Nagpal Trust)

**C. Companies, partnership and proprietorship firms forming part of our Promoter Group are as follows:**

Particulars	Entity
Any body corporate in which 20% or more of the share capital is held by the promoters or an immediate relative of the promoters or a firm or HUF in which the promoters or any one or more of his immediate relative is a member.	<ol style="list-style-type: none"> <li>1. KKH Projects Private Limited</li> <li>2. KKH Infratech Private Limited</li> <li>3. KKH Telematics Private Limited</li> <li>4. VAK Equipments Private Limited</li> <li>5. JSK Infraestate Private Limited</li> <li>6. Reba Security Solution Private Limited</li> <li>7. KKH Exim Private Limited</li> <li>8. KKH Commercial Private Limited</li> <li>9. India Best Buy Private Limited</li> <li>10. DGHydra Tech Private Limited</li> <li>11. India Fodder Care and Technologies Private Limited</li> <li>12. Raasta Autotech Private Limited</li> <li>13. Pia Ecom Private Limited</li> </ol> <p>HUF /LLP/Partnership Firm</p> <ol style="list-style-type: none"> <li>1. Apesko Tradecom LLP</li> <li>2. Virgo Glory LLP</li> <li>3. Leo Lotus LLP</li> <li>4. Virgo Cosmos LLP</li> <li>5. Leo Rosewell LLP</li> <li>6. Kismat Enterprises LLP</li> <li>7. Kingsun Tradecom LLP</li> <li>8. Victoria Resorts and Constructions</li> <li>9. Crosby Capital LLC</li> <li>10. Twelve Seven LLC</li> </ol> <p>TRUST'S</p> <ol style="list-style-type: none"> <li>1. The Motilal Nagpal Family Trust</li> </ol>

	<ol style="list-style-type: none"> <li>2. Jugal Kishore Memorial Trust</li> <li>3. Jai Shree Ram Family Trust</li> <li>4. Shree Bankey Bihari Family Trust</li> <li>5. Padma Nagpal Family Trust</li> </ol>
Any body corporate in which a body corporate (mentioned above) holds 20% of the total holding	<ol style="list-style-type: none"> <li>1. KKH Exim Private Limited (60% shareholding of Jugal Kishore Memorial Trust)</li> <li>2. KKH Commercial Private Limited ((60% shareholding of Jugal Kishore Memorial Trust)</li> <li>3. Rosmerta Holdings Private Limited (90% shareholding of Jugal Kishore Memorial Trust)</li> <li>4. Sensorise Digital Services Private Limited (54.77% shareholding of Jai Shree Ram Family Trust and 45.05% Shareholding of Apesko Tradecom LLP)</li> <li>5. Rosmerta Digital Services Limited (15% Shareholding of Shree Bankey Bihari Family Trust)</li> <li>6. Admore Technologies Private Limited (100% Shareholding of Apesko Tradecom LLP)</li> <li>7. GG Esports Ventures Private Limited (39.57% Shareholding of Apesko Tradecom LLP)</li> <li>8. Raasta Autotech Private Limited (100% Shareholding of Apesko Tradecom LLP)</li> <li>9. Rosmerta Mobility Solutions Private Limited (49% Shareholding of Apesko Tradecom LLP)</li> <li>10. Fastlane Automotive Private Limited (50% Shareholding of JSK Infraestate Private Limited)</li> <li>11. KKH Infrastructure Private Limited (100% Shareholding of Padma Nagpal Family Trust)</li> <li>12. Snook Infracon Private Limited (100% Shareholding of India Best Buy Private Limited)</li> </ol>
Any Hindu Undivided Family or firm in which the aggregate share of the promoter and their relatives is equal to or more than twenty per cent. of the total capital	None, except as mentioned above.

*This space has been left blank intentionally.*

## OUR GROUP COMPANIES

As per the Regulation 2 (t) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and on the basis of Indian Accounting Standard (Ind-AS) 110 (Consolidated Financial Statements) below mentioned are the details of Companies / Entities are the part of our group entities. 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.

### A. The Group Companies of our Company are as follows:

1. Rosmerta Road Safety Private Limited
2. Rosmerta Auto Recycling Private Limited
3. Rosmerta Autotech Limited
4. Rosmerta Registration Plates Private Limited
5. Rosmerta Safety Systems Limited

The details of our Group entities are provided as follows:

#### 1. Rosmerta Road Safety Private Limited

##### Corporate Information

<b>Name</b>	Rosmerta Road Safety Private Limited
<b>CIN</b>	U35999DL2021PTC378163
<b>Date of Registration</b>	09/03/2021
<b>Registered office</b>	402, 04th Floor, World Trade Tower, Barakhamba Lane, Connaught Place, Central Delhi, New Delhi, Delhi, India, 110001

##### Main Object of the Company

1. To carry on the business of fabricate and assemble, buy, sell, import, export distribute and deal in automobile parts of all kinds and descriptions, automotive and other gears, transmission and other axles, universal joints, springs, leaves, head lamps, sealed beams, induction hardened pins, axles, alloy springs, accessories and fittings of all kinds and to act as brokers and marketing agents for aforesaid items.
2. To manufacture, produce, buy, sell, import, export, trade, deal, exchange, distribute, refine, process, formulate, mix or prepare any and all kinds of Diesel Exhaust Fluid and all kinds of spare parts, components, accessories, fittings, furnishings, engines, chassis, bodies, tools and implements in connection with the above mentioned things such as petrol, oil lubricants, fluid, petroleum products and to act as brokers and marketing agents for aforesaid items.

## Board of Directors

The Directors of Rosmerta Road Safety Private Limited as on 18<sup>th</sup> July, 2024 are as follows:

S. No.	Name of the Directors	Designation
1	Mukesh Malhotra	Director
2	Brijesh Singh	Director

## Shareholding Pattern

The shareholding pattern of Rosmerta Road Safety Private Limited as on 18<sup>th</sup> July, 2024 is as follows:

S. No.	Name of the Shareholders	No. of Shares	% of total holding
1	Rosmerta Technologies Limited	57,59,999	99.999%
2	Mukesh Malhotra	1	0.001%
<b>Total</b>		<b>57,60,000</b>	<b>100.00%</b>

## Financial Performance

The details of financial statements of Rosmerta Road Safety Private Limited are mentioned on the website of our company, i.e., [www.rosmertadigital.com](http://www.rosmertadigital.com).

## 2. Rosmerta Auto Recycling Private Limited

### Corporate Information

<b>Name</b>	Rosmerta Auto Recycling Private Limited
<b>CIN</b>	U37100DL2019PTC357172
<b>Date of Registration</b>	07/11/2019
<b>Registered office</b>	402, 04th Floor, World Trade Tower, Barakhamba Lane, Connaught Place, Central Delhi, New Delhi, Delhi, India, 110001

### Main Object of the Company

1. To carry on the business of setting up, owning, production, maintenance, operations of all types of factory for Automotive and other goods Dismantling, Automotive Vehicle and other goods Scrapping, scrapping yards, Automotive and other goods Collection Centres, automotive and other scrap warehouse, associated IT systems, processing of all types of automotive and other waste products, facilities for purchase, collection, transportation, storage, processing including depolluting, dismantling, segregation, shredding, , recycling, scrapping, baling, disposal of parts, , importing of all types of End of life vehicles, agriculture and farm machinery, end of life white goods, consumer electronics and parts thereof and other materials and sale there from of all types of, ferrous and non-ferrous metal scrap, E waste, paper, plastics, rubber, glass, textiles, leather scrap, spare parts, waste oil, gas and fuel and any other processed items and waste products , anywhere within and outside India .

### Board of Directors

The Directors of Rosmerta Auto Recycling Private Limited as on 20<sup>th</sup> July, 2024 are as follows:

S. No.	Name of the Directors	Designation
1.	Pankaj Madan	Director
2.	Brijesh Singh	Director

### Shareholding Pattern

The shareholding pattern of Rosmerta Auto Recycling Private Limited as on 18<sup>th</sup> July, 2024 is as follows:

S. No.	Name of the Shareholders	No. of Shares	% of total holding
1.	Rosmerta Technologies Limited	1,04,99,990	99.99%
2.	Pankaj Madan (as nominee of Rosmerta Technologies Limited)	10	0.01%
<b>Total</b>		<b>1,05,00,000</b>	<b>100%</b>

### Financial Performance

The brief of financial statements of Rosmerta Auto Recycling Private Limited are mentioned on the website of the company, i.e., [www.rosmertadigital.com](http://www.rosmertadigital.com)

### 3. Rosmerta Autotech Limited

#### Corporate Information

<b>Name</b>	Rosmerta Autotech Limited
<b>CIN</b>	U74899DL1987PLC027962
<b>Date of Registration</b>	14/05/1987
<b>Registered office</b>	402, 4th Floor, World Trade Tower, Barakhamba Lane, Connaught Place, Central Delhi, New Delhi, Delhi, India, 110001

#### Main Object of the Company

To carry on the business of buyers, sellers, manufacturers, importers, exporters, merchants, assemblers, repairers, traders, commission agents and dealers of all kind of cycle parts, auto parts whether motorized or non-motorised and other parts for automobile and its ancillary industry, or any other heavy industries.

### Board of Directors

The Directors of Rosmerta Autotech Limited as on the date of this 18<sup>th</sup> July, 2024 are as follows:

S. No.	Name of the Directors	Designation
1.	Pankaj Madan	Director
2.	Vijay Mehta	Director
3.	Akhil Gupta	Director

### Shareholding Pattern

The shareholding pattern of Rosmerta Autotech Limited as on 18<sup>th</sup> July, 2024 is as follows:

S. No.	Name of the Shareholders	No. of Shares	% of total holding
1.	Rosmerta Technologies Limited	11,99,994	100%
2.	Pankaj Madan (Nominee of Rosmerta Technologies Limited)	1	Negligible
3.	Sandeep Malik (Nominee of Rosmerta Technologies Limited)	1	Negligible
4.	Vijay Mehta (Nominee of Rosmerta Technologies Limited)	1	Negligible
5.	Kuntal Kar (Nominee of Rosmerta Technologies Limited)	1	Negligible
6.	Ashutosh Jain (Nominee of Rosmerta Technologies Limited)	1	Negligible
7.	Mukesh Malhotra (Nominee of Rosmerta Technologies Limited)	1	Negligible
<b>Total</b>		<b>12,00,000</b>	<b>100%</b>

### Financial Performance

The brief of financial statements of Rosmerta Autotech Limited are mentioned on the website of the company, i.e., [www.rosmertadigital.com](http://www.rosmertadigital.com)

### **4. Rosmerta Registration Plates Private Limited (earlier Link Utsav Registration Plates Private Limited)**

#### Corporate Information

<b>Name</b>	Rosmerta Registration Plates Private Limited
<b>CIN</b>	U35900DL2012PTC230174
<b>Date of Registration</b>	18/01/2012
<b>Registered office</b>	Khasra No. 19/28, Kapashera, Gurgaon Road, South West Delhi, New Delhi, Delhi, India, 110037

### Main Object of the Company

1. To carry on the business of designers, manufactures, producers, fabricators, assemblers, importers, exporters, buyers, sellers, dealers, stockiest, suppliers, wholesalers, retailers, jobbers contractors, repairs



and hirers of all kinds of number plates Including High Security Registration Plates (HSRP), ornamentation and decorative parts necessary or useful for or in connection with all kinds of vehicles.

2. To carry on the business as manufacturers, dealers, importers, exporters, fabricators, assemblers, traders and agents of all kinds number plates Including High Security Registration Plates (HSRP), Hologram, Laser Branding, Embossing Equipment's and Tools, Hot Stamping Machines, Vehicle Registration Plate production, High Security Registration Plate Line, Registration Seals, High Security Documents Seals, High Security Registration Documents, Vehicle Registration System, Consulting Services, Industrial Signs, Advertising Systems, Road Traffic Signs, Silk Screen Printing, Self-Destructive Labels and Third Sticker Number Plates.

### Board of Directors

The Directors of Rosmerta Registration Plates Private Limited as on 18<sup>th</sup> July, 2024 are as follows:

S. No.	Name of the Directors	Designation
1.	Mukesh Malhotra	Director
2.	Vijay Mehta	Director

### Shareholding Pattern

The shareholding pattern of Rosmerta Registration Plates Private Limited as on 18<sup>th</sup> July, 2024 is as follows:

S. No.	Name of the Shareholders	No. of Shares	% of total holding
1.	Rosmerta Technologies Limited	4,900	49%
2.	Rosmerta Safety Systems Limited	5,100	51%
<b>Total</b>		<b>10,000</b>	<b>100%</b>

### Financial Performance

The brief of financial statements of Rosmerta Registration Plates Private Limited are mentioned on the website of the company, i.e., [www.rosmertadigital.com](http://www.rosmertadigital.com)

## 5. Rosmerta Safety Systems Limited

### Corporate Information

<b>Name</b>	Rosmerta Safety Systems Limited
<b>CIN</b>	U31909DL2001PLC171519
<b>Date of Registration</b>	06/09/2001
<b>Registered office</b>	402, 4th Floor, World Trade Tower, Barakhamba Lane, Connaught Place, Central Delhi, New Delhi, Delhi, India, 110001

### Main Object of the Company

1. To carry on the business as manufacturers, dealers, importer, exporters, traders and agents of all kinds of electric, electrical and mechanical system, devices, components and spares used as safety devices in automobile, industrial, commercial, domestic, defence, aeronautical, telecommunications and medical applications including high security registration plates (HSRP).

2. To carry on the business of hardware, production, marketing, training, assembly, servicing, research & Development, testing, agent, consultancy, contract engineering, design, trading, import, export, integrators, value-added-resellers and computer systems, peripherals, mini computers, main frame computers, personal computers, scanners, work stations, imaging systems, storage devices, medical systems, video systems, defence systems, avionics, data retrieval systems control, archival systems, data communication systems, data acquisition systems.

### Board of Directors

The Directors of Rosmerta Safety Systems Limited as on 18<sup>th</sup> July, 2024 are as follows:

S. No.	Name of the Directors	Designation
1.	Mukesh Malhotra	Director
2.	Vijay Mehta	Director
3.	Pankaj Madan	Additional Director
4.	Dilip Harel Mitra Chenoy	Additional Director (Independent)
5.	Suneeta Trivedi	Additional Director (Independent)
6.	Ashok Kacker	Additional Director (Independent)

### Shareholding Pattern

The shareholding pattern of Rosmerta Safety Systems Limited as on 18<sup>th</sup> July, 2024 is as follows:

S. No.	Name of the Shareholders	No. of Shares	% of total holding
1.	Rosmerta Technologies Limited	18,97,861	99.9994%
2.	Pankaj Madan (Nominee of Rosmerta Technologies Limited)	2	0.0001%
3.	Mukesh Malhotra (Nominee of Rosmerta Technologies Limited)	2	0.0001%
4.	Vijay Umedmal Mehta (Nominee of Rosmerta Technologies Limited)	2	0.0001%
5.	Ashok Sharma (Nominee of Rosmerta Technologies Limited)	2	0.0001%
6.	Roopak Kohli (Nominee of Rosmerta Technologies Limited)	1	0.0001%
7.	Krishan Kumar (Nominee of Rosmerta Technologies Limited)	1	0.0001%
<b>Total</b>		<b>18,97,871</b>	<b>100%</b>

### Financial Performance

The brief of financial statements of Rosmerta Safety Systems Limited are mentioned on the website of the company, i.e., [www.rosmertadigital.com](http://www.rosmertadigital.com)

## Other Group Entity

### 1. The Motilal Nagpal Family Trust

Particulars	Details
<b>a. Date of Creation of Trust</b>	March 22 <sup>nd</sup> , 2011
<b>b. Date of Trust Deed</b>	Trust Deed dated March 22, 2011; Amended and Restated Deed of Trust dated February 13, 2024; Amended and Restated Deed of Trust dated June 10, 2024
<b>c. Name of the Beneficiaries</b>	1. Karn Vivek Nagpal and Lineal Descendants of Karn Vivek Nagpal 2. Kartick Vivek Nagpal and Lineal Descendants of Kartick Vivek Nagpal 3. Hariansh Nagpal and Lineal Descendants of Hariansh Nagpal 4. Aarti Nagpal
<b>d. Name of the Trustees</b>	1. Berjis Minoo Desai 2. Karn Vivek Nagpal 3. Kartick Vivek Nagpal
<b>e. Name of the Settlor</b>	1. Aarti Nagpal
<b>f. Reason for formation of the trust</b>	Clause 2 of the Trust Deed provides for the purposes for which the settlor has set up this trust and those are as follows: <ol style="list-style-type: none"> <li>1. to hold investments and other assets settled in the trust for and on behalf of the beneficiaries;</li> <li>2. To provide, inter alia, a suitable succession planning structure to ensure seamless intergenerational transfer of the Trust Fund amongst the beneficiaries,</li> <li>3. To maintain harmony, peace and goodwill among family members and to avoid any possible dispute /litigation among members in future; and</li> <li>4. To ensure that the Trust Fund is properly managed and administered in accordance with the provisions of this deed.</li> </ol>

## DECLARATIONS

- None of the entities in the Promoter Group Companies is restrained by any SEBI Order or have ever become defunct.
- None of the entities in the Promoter Group Companies is listed at any Stock Exchange nor have such entities made any public issue or right issue in the preceding three years.

- None of the entities in the Promoter Group Companies has become a sick company under the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up or liquidation.

## **LITIGATIONS**

For details on litigations and disputes pending against our Promoter Group and Group Companies please refer to the section titled “Outstanding Litigations and Material Developments” on page 306 of the Red Herring Prospectus.

## **DEFUNCT GROUP COMPANIES**

There are no defunct Group Companies of our Company as on the date of this Red Herring Prospectus.

## **UNDERTAKING / CONFIRMATIONS**

Our Promoters and Group Companies confirm that they have not been declared as a willful defaulter by the RBI or any other governmental authority and there have been no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings pertaining to such penalties are pending against them.

None of the Promoters or Promoter Group Companies or persons in control of the Promoters has been:

- i) Prohibited from accessing the capital market under any order or direction passed by SEBI or any other authority; or
- ii) Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad. None of the Promoters is or has 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.

## **COMMON PURSUITS**

As on the date of this Red Herring Prospectus, the Promoter Group entities are having business objects similar to our business to some extent. Such a conflict of interest, even minimal, may have adverse effect on our business and growth. To avoid such conflict of interest, Non-Compete Agreements dated June 21, 2024 have been entered by our Company with the following Group Companies:

1. Rosmerta Road Safety Private Limited
2. Rosmerta Auto Recycling Private Limited
3. Rosmerta Autotech Limited
4. Rosmerta Registration Plates
5. Rosmerta Safety Systems Limited

Further, we shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

## **Related business transactions within our Group Companies and significance on the financial performance of the Company**

Except as disclosed in the Related Party Transactions in the chapter titled “Restated Financial Statements” on page 288 of this Red Herring Prospectus, there are no other related business transactions between Group Company and our company.

**OTHER DETAILS OF GROUP COMPANIES/ENTITIES:**

1. There are no defaults in meeting any statutory/ bank/ institutional dues.
2. No proceedings have been initiated for economic offences against our Group Companies/Entities.

**NATURE AND EXTENT OF INTEREST OF GROUP COMPANIES**

**(a) In the promotion of our Company**

None of our Group Companies have any interest in the promotion of our Company or any business interest or other interests in our Company, except to the extent identified in the chapter titled “Restated Financial Statements” and, “Related Party Transaction” on page 288 of this Red Herring Prospectus.

**(b) In the properties acquired or proposed to be acquired by our Company in the past 2 years before filing the Red Herring Prospectus with Stock Exchange**

Our Group Companies do not have any interest in the properties acquired or proposed to be acquired by our Company in the past 2 years before filing this Red Herring Prospectus with Stock Exchange.

**(c) In transactions for acquisition of land, construction of building and supply of machinery**

None of our Group Companies is interested in any transactions for the acquisition of land, construction of buildings or supply of machinery, except to the extent identified in the chapter titled “Restated Financial Statements” and, “Related Party Transaction” on page 288 of this Red Herring Prospectus.

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## **DIVIDEND POLICY**

Under the Companies Act, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders, who have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors, under the Companies Act, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both. Our dividend policy is as follows:

### **I. BACKGROUND AND APPLICABILITY:**

This policy sets out the parameters and circumstances that will be taken into account by the Board of Directors of the Company in regard to distribution of dividend to its shareholders and/or retention of profits and also to provide clarity to the stakeholders on the dividend distribution strategies of the Company.

The Board of Directors may in extraordinary circumstances, deviate from the parameters listed in this policy or may add new parameters.

### **II. DEFINITIONS:**

- a) “**Listed Entity / The Company**” means “**ROSMERTA DIGITAL SERVICES LIMITED**”.
- b) “**Policy**” means Dividend Distribution Policy.
- c) “**Board**” shall mean the Board of Directors of the Company.
- d) “**Act**” shall mean the Companies Act, 2013 and Rules thereunder (including any statutory modification or amendment or re-enactment thereof for the time being in force).
- e) “**Dividend**” shall have the meaning as defined under the Act and includes any interim Dividend.
- f) “**Regulations**” shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification or amendment or re-enactment thereof for the time being in force).
- g) “**Stock Exchange**” shall mean a recognized Stock Exchange as defined under Securities and Exchange Board of India Act, 1992 (including any statutory modification or amendment or re-enactment thereof for the time being in force).

### **III. PREAMBLE:**

Dividend is the payment made by a Company to its shareholders, in the form of distribution of its profits. The profits earned by the Company can either be retained in business or utilized for acquisitions, expansion or diversification, or it can be distributed to the shareholders. The Company may choose to retain a part of its profits and distribute the balance among its shareholders as dividend. This Policy aims to reconcile between all these needs.

The Policy establishes the principles to ascertain amounts that can be distributed to shareholders as dividend by the Company as well as enable the Company strike balance between pay-out and retained earnings, in order to address future needs of the Company. It lays down various parameters which shall be considered by the Board of Directors of the Company before recommendation/declaration of dividend to its shareholders.

#### **IV. CATEGORY OF DIVIDENDS**

The Companies Act, 2013 provides for two forms of Dividend - Interim & Final. The Board of Directors shall have the power to recommend final dividend to the shareholders for their approval in the general meeting of the Company. The Board of Directors shall have the absolute power to declare interim dividend during the financial year, as and when they consider it fit.

##### **Final Dividend**

The Board of Directors of the Company has the power to recommend the payment of Final Dividend to the shareholders in a general meeting, which shall be paid once for the financial year after the annual accounts are prepared. The declaration and payment of such Final dividend shall be subject to the approval of shareholders of the Company at the Annual General Meeting, in line with applicable provisions of the Act.

##### **Interim Dividend**

The Board of Directors of the Company, in accordance with Article of Association of the Company, can declare an interim dividend during the any current financial year, as and when considered appropriate, in line with this policy.

#### **V. DECLARATION OF DIVIDEND**

Subject to the provisions of the Companies Act, Dividend shall be declared or paid only out of-

- i. Current financial year's profit:**
  - a. after providing for depreciation in accordance with law; and
  - b. after transferring to reserves such amount as may be prescribed or as may be otherwise considered appropriate by the Board at its discretion.
- ii. The profits for any previous financial year(s):**
  - a. after providing for depreciation in accordance with law; and
  - b. remaining undistributed; or
- iii. Out of i) & ii) both.**

The Board may, at its discretion, declare a Special Dividend under certain circumstances such as extraordinary profits from sale of investments.

#### **VI. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS OF THE COMPANY MAY OR MAY NOT EXPECT DIVIDEND**

The shareholders of the Company may expect dividend only if the Company is having adequate profits after complying with all other statutory requirements under the Applicable Laws. Subject to discretion of the Board,

Some conceivable circumstances under which the shareholders of the Company may not expect dividend are::

- (a) In the event of a growth opportunity where the Company may be required to allocate a significant amount of capital.
- (b) In the event of higher working capital requirement for business operations or otherwise.
- (c) In the event of inadequacy of cash flow available for distribution.
- (d) In the event of inadequacy or absence of profits.
- (e) whenever the Company undertakes or proposes to make any Decision with regard to any acquisition(s), amalgamation(s), merger, joint venture(s), new product(s) launch which require significant capital outflow
- (f) whenever the Company proposes to utilize surplus cash for buy- back of securities or setting off of previous year losses or losses of its subsidiary/ies
- (g) whenever declaration of dividend is prohibited by any regulatory body
- (h) Any Adverse market conditions and business uncertainty
- (i) Any change in the government regulations
- (j) Any other extra ordinary circumstances

#### **VII. THE FINANCIAL/INTERNAL PARAMETERS THAT SHALL BE CONSIDERED WHILE DECLARING DIVIDEND**

The financial/internal factors which shall be considered by the Board of Directors while recommending/ declaring dividend to the shareholders:

1. Profits of the Company.
2. Past Dividend pattern/trends.
3. Operating Cash flow of the Company.
4. Present and future Capital requirements of the existing business
5. Costs of borrowing of the Company, keeping in view the growth opportunities.
6. Debt obligations of the Company.
7. Funds required to service any outstanding loans.
8. Liquidity and Return Ratios.
9. Provisioning for financial implications arising out of unforeseen events and/or contingencies.
10. Investments in new line(s) of business;
11. Additional investment in subsidiaries, joint ventures and associates of the Company.
12. Corporate actions including mergers/demergers, acquisitions, expansion/modernization of existing businesses/brands
13. Upgradation of/ Investment in technology and physical infrastructure and Expenditure on Research & Development of existing and new product.
14. Restrictions/covenants if any, contained in any lender agreement or any other arrangements.
15. Any other relevant factors as deemed fit by the Board of Directors

#### **VIII. THE EXTERNAL PARAMETERS THAT SHALL BE CONSIDERED WHILE DECLARING DIVIDEND**

The external factors which shall be considered by the Board of Directors while recommending/ declaring dividend to the shareholders:



1. Any significant changes in macro-economic environment affecting India or the geographies in which the Company operates, or the business of the Company or its clients;
2. Any political, tax and regulatory changes in the geographies in which the Company operates;
3. Any significant change in the business or technological environment resulting in the Company making significant investments to effect the necessary changes to its business model;
4. Any changes in the competitive environment requiring significant investment.
5. Technological changes necessitating significant investments in the businesses
6. Changes in the Government policies, industry specific rulings and regulatory provisions significantly affecting the business.
7. Global conditions
8. Shareholders expectations including individual shareholders.
9. Any other relevant factors as deemed fit by the Board of Directors

#### **IX. MANNER OF UTILISATION OF RETAINED EARNINGS**

The Company shall endeavor to utilize retained earnings in a manner which shall be beneficial to the interests of the Company and also its shareholders. The Company may utilize the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as approved by the Board of Directors of the Company and may be used in any of the following ways, not limited to:

- i) Capital expenditure for working capital,
- ii) Organic and/or inorganic growth,
- iii) Investment in new business(es) and/or additional investment in existing business(es),
- iv) Declaration of dividend,
- v) Capitalization of shares,
- vi) Buy back of shares,
- vii) General corporate purposes, including contingencies,
- viii) Correcting the capital structure,
- ix) Merger and acquisitions
- x) Research and Development of new products in order to increase market share
- xi) Any other permitted usage as per the Companies Act, 2013.

#### **X. PARAMETERS ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES**

Dividend would continue to be declared on the face value of the Equity Shares and on per share basis of the Company. Therefore, dividend declared will be distributed amongst all shareholders, based on their shareholding on the record date. In the event of the Company issuing any other class(es) of shares, it shall consider and specify the other parameters to be adopted with respect to such class(es) of shares.

#### **XI. REVIEW AND AMENDMENT**

This Policy will be reviewed periodically by the Board, from time to time and the Board can amend this Policy, as and when deemed fit.

#### **XII. DISCLOSURE OF THE POLICY**

The Policy shall be disclosed on the website of the Company and the web-link of the same shall be provided in their annual reports.

We have declared dividend in previous Financial Years, the details of which can be referred in the chapter “Restated Financial Statements”, beginning on page no. 288.

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**SECTION VI - FINANCIAL INFORMATION OF OUR COMPANY****RESTATED FINANCIAL STATEMENTS**

<b>Particulars</b>	<b>Page No.</b>
Restated Financial Statement	F1 – F40

# INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION

To,  
**The Board of Directors**  
**Rosmerta Digital Services Limited**  
(Formerly known as Rosmerta Digital Services Private Limited)  
402, 4th Floor, World Trade Tower, Barakhambha Lane  
Connaught Place, Central Delhi, New Delhi  
Delhi – 110001, India

Dear Sirs / Madams,

1. We have examined the attached Restated Financial Information of **Rosmerta Digital Services Limited (Formerly known as Rosmerta Digital Services Private Limited)** (the “Company” or the “Issuer”), comprising the restated statement of assets and liabilities as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the restated statement of profit and loss (including other comprehensive income/(loss)), the restated statement of cash flows, the restated statement of changes in equity for the six months period ended September 30, 2024 and years ended March 31, 2024, March 31, 2023 and for the period from September 14, 2021 (being date of incorporation of the Company) to March 31, 2022 and the summary statement of material accounting policies, and other explanatory information (**collectively, the “Restated Financial Information”**), as approved by the Board of Directors of the Company at their meeting held on October 28, 2024 for the purpose of inclusion in the Updated Draft Red Herring Prospectus (“UDRHP”) and Red Herring Prospectus (“RHP”) prepared by the Company in connection with its proposed initial public offer of equity shares on SME Platform (“SME IPO”) prepared in terms of the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (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 financial information for the purpose of inclusion in the UDRHP and RHP to be filed with **Securities and Exchange Board of India (the “SEBI”)** and SME Platform of **BSE Limited (“Stock Exchange”)** where the equity shares of the Company are proposed to be listed in connection with the proposed SME IPO. The Restated Financial Information have been prepared by the Management of the Company on the basis of preparation as stated in Note 2 (a) to the Restated Financial Information. The Board of Directors of the Company are also responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated 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 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 June 29, 2024, in connection with the proposed SME IPO of equity shares of the Issuer;
  - b) The Guidance Note: The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial 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 SME IPO.

4. These restated financial information have been compiled by the management of the Company from the following:

- a) Audited special purpose interim financial statements of the Company as at and for the six months period ended September 30, 2024 prepared in accordance with the recognition and measurement principles of Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India (the "Special Purpose Interim Financial Statements") which have been approved by the Board of Directors at their meeting held on October 28, 2024.
- b) Audited Financial Statements of the Company for the years ended March 31, 2024 and March 31, 2023 prepared in accordance with the section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on June 21, 2024 and September 16, 2023, respectively.
- c) Audited Financial Statements of the Company as at March 31, 2022 and for the period from September 14, 2021 (being the date of incorporation of the Company) to March 31, 2022, prepared in accordance with the section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on September 27, 2022.

5. For the purpose of our examination, we have relied on:

- a) Auditor's reports issued by us dated June 21, 2024 on the financial statements of the Company for the year ended March 31, 2024. The auditor's report on the financial statements of the Company as at and for the year ended March 31, 2024 included the following paragraphs in relation to reporting on other legal and regulatory requirements:

The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023:

According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year, the Company has not implemented the audit trail feature in the accounting software.

- b) Auditor's reports issued by us dated September 16, 2023 on the financial statements of the Company for the year ended March 31, 2023, on which we have issued unmodified audit opinion.
- c) Auditor's reports issued by us dated September 27, 2022 on the financial statements of the Company as at March 31, 2022 and for the period from September 14, 2021 (being date of incorporation of the Company) to March 31, 2022 on which we have issued unmodified audit opinion.
- d) Auditor's reports issued by us dated October 28, 2024 on the Special Purpose Interim Financial Statements of the Company as at and for the six months period ended September 30, 2024 on which we have issued unmodified audit opinion.

6. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Information:

- a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2024, March 31, 2023 and for the period from September 14, 2021 (being the date of incorporation of the Company) to March 31, 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the period ended September 30, 2024.

- b) does not contain any qualifications requiring adjustments; and
  - c) have been prepared in accordance with the Act, SEBI ICDR Regulations, and the Guidance Note.
7. We have not audited any financial statements of the Company as of any date or for any period subsequent to September 30, 2024. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Company as of any date or for any period subsequent to September 30, 2024.
  8. The restated financial information does not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Financial Statements mentioned in paragraph 5 above.
  9. 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.
  10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
  11. Our report is intended solely for use of the Board of Directors for inclusion in the UDRHP and RHP to be filed with Securities and Exchange Board of India, the Stock Exchange and Registrar of Companies, National Capital Territory of Delhi and Haryana at Delhi (ROC), in connection with the proposed SME IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For S S KOTHARI MEHTA & CO. LLP**  
Chartered Accountants  
Firm Registration No: 000756N/N500441

**SUNIL WAHAL**  
Partner  
Membership No: 087294  
Place: New Delhi  
Dated: October 28, 2024  
UDIN: 24087294BKAHSY2778

Particulars	Note No.	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>I ASSETS</b>					
<b>(1) Non current assets</b>					
(a) Property, plant and equipment	3	1,938	2,688	3,964	4,481
(b) Right-of-use assets	3	583	717	-	-
(c) Financial assets					
(i) Other financial assets	4	60	58	-	-
(d) Other non-current assets	11	10,000	-	-	-
(e) Deferred tax assets (net)	5	3,626	2,985	882	-
(f) Income tax assets (net )	6	-	-	-	187
<b>Total non-current assets</b>		<b>16,207</b>	<b>6,448</b>	<b>4,846</b>	<b>4,668</b>
<b>(2) Current assets</b>					
(a) Inventories	7	12,421	3,518	6,015	241
(b) Financial assets					
(i) Investment	8	2,07,916	-	-	-
(ii) Trade receivables	9	4,82,041	1,65,765	80,578	19,490
(iii) Cash and cash equivalents	10	13,667	43,922	16,185	383
(iv) Bank balance other than (ii) above	10.1	108	106	100	-
(v) Other financial Assets	4	1,90,959	1,19,404	80,592	27,833
(c) Other current assets	11	77,988	35,290	4,927	3,099
<b>Total current assets</b>		<b>9,85,100</b>	<b>3,68,005</b>	<b>1,88,397</b>	<b>51,046</b>
<b>Total assets (1+2)</b>		<b>10,01,307</b>	<b>3,74,453</b>	<b>1,93,243</b>	<b>55,714</b>
<b>II EQUITY AND LIABILITIES</b>					
<b>(1) Equity</b>					
(a) Equity share capital	12	78,100	100	100	100
(b) Other equity	13	6,31,834	1,22,032	15,816	(301)
<b>Total equity</b>		<b>7,09,934</b>	<b>1,22,132</b>	<b>15,916</b>	<b>(201)</b>
<b>Liabilities</b>					
<b>(2) Non- current liabilities</b>					
(a) Financial liabilities					
(i) Lease liabilities	14	279	398	-	-
(b) Provisions	15	7,578	5,614	2,964	378
(c) Deferred tax liabilities	5	-	-	-	183
<b>Total non- current liabilities</b>		<b>7,857</b>	<b>6,012</b>	<b>2,964</b>	<b>561</b>
<b>(3) Current liabilities</b>					
(a) Financial liabilities					
(i) Borrowings	16	-	1,49,901	1,31,828	43,921
(ii) Lease liabilities	14	300	300	-	-
(iii) Trade payables	17				
(a) Total outstanding due to micro enterprises and small enterprises		1,647	436	200	225
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,57,477	55,977	18,036	1,867
(iv) Other financial liabilities	18	16,490	13,983	13,886	6,980
(b) Other current liabilities	19	5,460	5,402	7,631	2,361
(c) Provisions	15	15	9	4	-
(d) Current tax liabilities (net)	20	2,127	20,301	2,778	-
<b>Total current liabilities</b>		<b>2,83,516</b>	<b>2,46,309</b>	<b>1,74,363</b>	<b>55,354</b>
<b>Total Liabilities (2+3)</b>		<b>2,91,373</b>	<b>2,52,321</b>	<b>1,77,327</b>	<b>55,915</b>
<b>Total equity and liabilities (1+2+3)</b>		<b>10,01,307</b>	<b>3,74,453</b>	<b>1,93,243</b>	<b>55,714</b>

Corporate information 1  
Summary of basis of preparation and material accounting policies 2  
See accompanying notes forming an integral part of these restated financial statements

As per our report of even date attached

**For S S Kothari Mehta & Co. LLP**  
Chartered Accountants  
Firm's Registration No.000756N/N500441

**For and on behalf of Board of Directors**  
**Rosmertha Digital Services Limited**  
(Formerly known as Rosmertha Digital Services Private Limited)

**Akhil Gupta**  
Chief Executive Officer  
DIN : 09285050

**Amit Kumar Somani**  
Chief Financial Officer

**Sunil Wahal**  
Partner  
M.No. 087294  
Place :New Delhi  
Date :October 28, 2024

**Brijesh Singh**  
Director  
DIN : 03217960

**Mukesh Malhotra**  
Director  
DIN : 01345153

**Rosmerta Digital Services Limited**  
(Formerly known as Rosmerta Digital Services Private Limited)

(CIN U74999DL2021PLC386542)

**Restated statement of profit and loss**

(All amounts in ₹ thousand, unless otherwise stated)

Particulars	Note No.	For the six months period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the period from Sep 14, 2021 to March 31, 2022
<b>I INCOME:</b>					
Revenue from operations	21	9,22,423	8,41,900	2,97,891	20,270
Other income	22	2,934	7	-	-
<b>Total income</b>		<b>9,25,357</b>	<b>8,41,907</b>	<b>2,97,891</b>	<b>20,270</b>
<b>II EXPENSES :</b>					
Purchase of traded goods and services	23	5,14,842	4,07,992	53,572	464
Change in inventory in traded goods	23.1	(8,903)	2,497	(5,774)	(241)
Employee benefits expense	24	87,747	1,36,522	1,20,507	14,912
Finance costs	25	3,023	10,695	6,549	334
Depreciation and amortization expense	4	1,007	1,765	1,579	19
Other expenses	26	1,29,233	1,41,262	99,120	4,862
<b>Total expenses</b>		<b>7,26,949</b>	<b>7,00,733</b>	<b>2,75,553</b>	<b>20,350</b>
<b>III Profit/(loss) before tax</b>		<b>1,98,408</b>	<b>1,41,174</b>	<b>22,338</b>	<b>(80)</b>
<b>IV Tax expense</b>	27				
(i) Current tax		50,739	37,815	7,193	38
(ii) Deferred tax assets		(676)	(2,293)	(1,042)	183
(iii) Tax expenses pertaining to earlier year		(27)	-	-	-
<b>Total tax expense for the year/period</b>		<b>50,036</b>	<b>35,522</b>	<b>6,151</b>	<b>221</b>
<b>V Profit/loss for the year/period (III - IV)</b>		<b>1,48,372</b>	<b>1,05,652</b>	<b>16,187</b>	<b>(301)</b>
<b>VI Other comprehensive Income/(loss) for the year/period</b>					
<b>A. Items that will not be reclassified to profit or loss</b>					
(i) Remeasurement of post employment benefit obligations		140	754	(94)	-
(ii) Income tax relating to these items		(35)	(190)	24	-
<b>Other comprehensive income for the year/period</b>		<b>105</b>	<b>564</b>	<b>(70)</b>	<b>-</b>
<b>VII Total comprehensive income for the year/period (V + VI)</b>		<b>1,48,477</b>	<b>1,06,216</b>	<b>16,117</b>	<b>(301)</b>
<b>Earnings per equity share of Rs. 2/- each</b>	28				
1) Basic (in ₹)		4.02	3.01	0.46	(0.00)
2) Diluted (in ₹)		4.01	3.01	0.46	(0.01)
Corporate information	1				
Summary of basis of preparation and material accounting policies	2				
See accompanying notes forming an integral part of these restated financial statements					

As per our report of even date attached

**For S S Kothari Mehta & Co. LLP**  
Chartered Accountants  
Firm's Registration No.000756N/N500441

**For and on behalf of Board of Directors**  
**Rosmerta Digital Services Limited**  
(Formerly known as Rosmerta Digital Services Private Limited)

**Akhil Gupta**  
Chief Executive Officer  
DIN : 09285050

**Amit Kumar Somani**  
Chief Financial Officer

**Sunil Wahal**  
Partner  
M.No. 087294  
Place :New Delhi  
Date :October 28, 2024

**Brijesh Singh**  
Director  
DIN : 03217960

**Mukesh Malhotra**  
Director  
DIN : 01345153

**Kuntal Kar**  
Company Secretary  
M. No. A16927



Particulars	For the six months period	For the year	For the year ended	For the period from
	ended	ended	March 31, 2023	Sep 14, 2021 to
	September 30, 2024	March 31, 2024		March 31, 2022
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Profit/(loss) before tax</b>	1,98,408	1,41,174	22,338	(80)
Adjustments for:				
Depreciation and amortization	1,007	1,765	1,579	19
Finance costs	3,023	10,695	6,549	334
Share based payment expenses	2,830	-	-	-
Unrealised gain on change in fair value of investment measured at FVTPL	(2,516)	-	-	-
Profit on sale of current investment	(400)	-	-	-
Unrealised gain on foreign exchange fluctuation (net)	(14)	-	-	-
Provision for expected credit loss	2,000	4,015	-	-
Interest income	(4)	(7)	-	-
<b>Operating profit before working capital changes</b>	<b>2,04,334</b>	<b>1,57,642</b>	<b>30,466</b>	<b>273</b>
Decrease/ (increase) in trade receivables	(3,18,262)	(89,202)	(61,088)	(19,490)
Decrease/ (increase) in stock in trade	(8,903)	2,497	(5,774)	(241)
Decrease/ (increase) in non-current financial assets	-	(58)	-	-
Decrease/ (increase) in current financial assets	(71,555)	(38,809)	(52,759)	(27,833)
Decrease/ (increase) in other current assets	(42,698)	(30,364)	(1,828)	(3,099)
(Decrease)/increase in trade payables	2,02,712	38,177	16,144	2,092
(Decrease)/increase in provisions	2,110	3,409	2,496	378
(Decrease)/increase in other current liabilities	58	(2,229)	5,271	2,361
(Decrease)/increase in other-current financial liabilities	2,507	97	6,906	6,980
<b>Cash inflow/(outflow) from operations before tax</b>	<b>(29,697)</b>	<b>41,160</b>	<b>(60,166)</b>	<b>(38,579)</b>
Income taxes paid	(68,887)	(20,290)	(4,227)	(225)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(98,584)</b>	<b>20,870</b>	<b>(64,393)</b>	<b>(38,804)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of property plant and equipment (including capital advance given)	(10,123)	(399)	(1,062)	(4,500)
Purchase of current investment	(2,50,000)	-	-	-
Proceeds from sale of current investment	45,000	-	-	-
Change in fixed deposit	-	-	(100)	-
<b>Net cash used from investing activities</b>	<b>(2,15,123)</b>	<b>(399)</b>	<b>(1,162)</b>	<b>(4,500)</b>
<b>C CASH FLOW FORM FINANCING ACTIVITIES</b>				
Proceeds from issue of share capital	4,40,000	-	-	100
Proceeds/(repayment) from borrowings (net)	(1,49,901)	13,267	81,358	43,587
Repayment of lease liability (including interest)	(150)	(113)	-	-
Dividend paid	(3,505)	-	-	-
Interest paid	(2,992)	(5,889)	-	-
<b>Net cash inflow from financing activities</b>	<b>2,83,452</b>	<b>7,265</b>	<b>81,358</b>	<b>43,687</b>
<b>Net increase in cash and cash equivalents</b>	<b>(30,255)</b>	<b>27,736</b>	<b>15,803</b>	<b>383</b>
<b>Opening cash and cash equivalents</b>	<b>43,922</b>	<b>16,185</b>	<b>383</b>	<b>-</b>
<b>Closing cash and cash equivalents</b>	<b>13,667</b>	<b>43,922</b>	<b>16,185</b>	<b>383</b>

**Notes:**

- 1)The above cash flow statement has been prepared as per " Indirect Method" asset out in Indian Accounting Standard -7, "Restated statement of cash flow"
- 2) Component of cash and cash equivalent:-

Cash and cash equivalent	As at	As at	As at	As at
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
- Cash and cash equivalent	13,667	43,922	16,185	383
<b>Total</b>	<b>13,667</b>	<b>43,922</b>	<b>16,185</b>	<b>383</b>

Summary of basis of preparation and material accounting policies 1  
See accompanying notes forming an integral part of these restated financial statements 2  
As per our report of even date attached.

**For S S Kothari Mehta & Co. LLP**  
Chartered Accountants  
Firm's Registration No.000756N/N500441

**For and on behalf of Board of Directors**  
**Rosmerta Digital Services Limited**  
**(Formerly known as Rosmerta Digital Services Private Limited)**

**Akhil Gupta**  
Chief Executive Officer  
DIN : 09285050

**Amit Kumar Somani**  
Chief Financial Officer

**Sunil Wahal**  
Partner  
M.No. 087294  
Place :New Delhi  
Date :October 28, 2024

**Brijesh Singh**  
Director  
DIN : 03217960

**Mukesh Malhotra**  
Director  
DIN : 01345153

F-6

**Kuntal Kar**  
Company Secretary  
M. No. A16927

a) Equity Share Capital

Particulars	As at September 30, 2024		As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	No of shares	Amount	No of Shares	Amount	No of shares	Amount	No of shares	Amount
Balance at the beginning of the year/period	10,000	100	10,000	100	10,000	100	-	-
Add : Issue of share capital during the year/period	40,00,000	8,000	-	-	-	-	10,000	100
Add : Bonus shares issued during the period	70,00,000	70,000	-	-	-	-	-	-
Add : Stock split during the period	2,80,40,000	-	-	-	-	-	-	-
<b>Balance at the end of the reporting year/period</b>	<b>3,90,50,000</b>	<b>78,100</b>	<b>10,000</b>	<b>100</b>	<b>10,000</b>	<b>100</b>	<b>10,000</b>	<b>100</b>

b) Other equity

Particulars	Reserve and Surplus				Other comprehensive income	Total
	Retained earning	Security Premium	Share based payment reserve	Deemed equity reserve		
Balance as at September 14, 2021	-	-	-	-	-	-
Loss for the period	(301)	-	-	-	-	(301)
<b>Balance as at March 31, 2022</b>	<b>(301)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(301)</b>
Balance as at April 01, 2022	(301)	-	-	-	-	(301)
Profit for the year	16,187	-	-	-	-	16,187
Remeasurement of post employment benefit obligations (net of taxes)**	(70)	-	-	-	-	(70)
<b>Balance as at March 31, 2023</b>	<b>15,816</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,816</b>
Balance as at April 01, 2023	15,816	-	-	-	-	15,816
Profit for the year	1,05,652	-	-	-	-	1,05,652
Remeasurement of post employment benefit obligations (net of taxes)**	564	-	-	-	-	564
<b>Balance as at March 31, 2024</b>	<b>1,22,032</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,22,032</b>
Balance as at April 01, 2024	1,22,032	-	-	-	-	1,22,032
Profit for the period	1,48,372	-	-	-	-	1,48,372
Remeasurement of post employment benefit obligations (net of taxes)**	105	-	-	-	-	105
Share based payment expenses (refer note no 41)	-	-	2,830	-	-	2,830
Dividend paid	(3,505)	-	-	-	-	(3,505)
Dividend distribution to Holding Company (refer note no 41)	(2,627)	-	-	2,627	-	-
Shares issued during the year/period (refer note 12)	-	4,32,000	-	-	-	4,32,000
Retained earning utilised for issuance of bonus shares	-	(70,000)	-	-	-	(70,000)
<b>Balance as at September 30, 2024</b>	<b>2,64,377</b>	<b>3,62,000</b>	<b>2,830</b>	<b>2,627</b>	<b>-</b>	<b>6,31,834</b>

\*\*As required under Ind AS Schedule III, the Company has recognised remeasurement gains/ (losses) of defined benefit plans as part of retained earnings.

\* Also refer note 12

Notes :

1. The figures disclosed above are based on the restated statement of assets and liabilities of the Company.

Corporate information	1
Summary of basis of preparation and material accounting policies	2
See accompanying notes forming an integral part of these restated financial statements	

As per our report of even date attached

For S S Kothari Mehta & Co. LLP  
Chartered Accountants  
Firm's Registration No.000756N/N500441

For and on behalf of Board of Directors  
Rosmerta Digital Services Limited  
(Formerly known as Rosmerta Digital Services Private Limited)

Akhil Gupta  
Chief Executive Officer  
DIN : 09285050

Amit Kumar Somani  
Chief Financial Officer

Sunil Wahal  
Partner  
M. No. 087294  
Place :New Delhi  
Date :October 28, 2024

Brijesh Singh  
Director  
DIN : 03217960

Mukesh Malhotra  
Director  
DIN : 03217960

Kuntal Kar  
Company Secretary  
M. No. A16927

**Rosmerta Digital Services Limited**  
**(Formerly known as Rosmerta Digital Services Private Limited)**  
**Notes forming parts of restated financial information**

**1. Corporate Information**

The attached restated financial information is of Rosmerta Digital Services Limited (formerly known as Rosmerta Digital Services Private Limited) (the ‘Company’) incorporated on September 14, 2021, under the provisions of the Companies Act, 2013 vide Corporate Identification Number (CIN) U74999DL2021PLC386542.

The Company is in the business of digital marketing services, artificial intelligence, machine learning, outsourcing services, IT enabled services, deal in all kinds of spare parts of automotive, auto ancillaries, auto accessories, and logistics services of goods, products, materials to various destinations including any kind of last mile logistics services.

The registered office of the Company is located at Plot no. 402, 4<sup>th</sup> Floor World Trade Tower, Barakhamba Lane, Connaught Place New Delhi- 110001.

The Company was converted into a public limited company under the Companies Act, 2013 on June 03, 2024, and consequently, the name was changed to Rosmerta Digital Services Limited.

**2. Basis of preparation, measurement and material accounting policies:**

**(a) Statement of compliance and basis of preparation**

The Restated Financial Information of the Company comprise of the Restated Statement of Assets and Liabilities as at September 30, 2024 March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Statement of Profit and Loss (including other comprehensive income), the Restated Statement of Changes in Equity, the Restated Statement of Cash Flows for the six months period ended September 30, 2024 for the year ended March 31, 2024, March 31, 2023 and for the period from September 14, 2021 (being the date of incorporation of the Company) to March 31, 2022, and the material accounting policies and explanatory notes (collectively, the ‘Restated Financials Information’).

These restated financial information have been approved by the Board of Directors of the Company at their meeting held on October 28, 2024 and has been specifically prepared by the management as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time ("SEBI ICDR Regulations") for the purpose of inclusion in the Updated Draft Red Herring Prospectus (“UDRHP”) and Red Herring Prospectus (‘RHP’) in connection with its proposed initial public offering of equity shares of Rs. 2 each of the Company on the SME Platform of BSE Limited:

The Restated Financial Information have been prepared by the management of the Company to comply in all material respects with the requirements of:

- (a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act") as amended from time to time;
- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time; and
- (c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) (the “Guidance Note”).

**Rosmerta Digital Services Limited**  
**(Formerly known as Rosmerta Digital Services Private Limited)**  
**Notes forming parts of restated financial information**

The Restated Financial Information of the Company has been compiled in all material respects with the Indian Accounting Standards (“**Ind AS**”) as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), presentation requirements of Division II of Schedule III to the Companies Act, 2013, as applicable to the Restated Financial Information and other relevant provisions of the Act.

The Restated Financial Information has been compiled by the management from:

- a) Audited special purpose interim financial statements of the Company as at and for the six months ended September 30, 2024 prepared in accordance with Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India (the “Special Purpose Interim Financial Statements”) which have been approved by the Board of Directors at their meeting held on October 28, 2024.
- b) Audited Financial Statements of the Company for the years ended March 31, 2024, and March 31, 2023 (as applicable) prepared in accordance with the section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India.
- c) Audited financial Statements of the Company as at March 31, 2022 and for the period from September 14, 2021 (being the date of incorporation of the Company) to March 31, 2022, prepared in accordance with the section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India.

The accounting policies have been consistently applied by the Company in preparation of the restated financial information and are consistent with those adopted in the preparation of financial statements for the six-month period ended September 30, 2024. This restated financial information does not reflect the effects of events that occurred subsequent to the respective dates of the board meeting held to approve and adopt the audited special purpose interim financial statements as mentioned above.

The Restated Financial Information have been prepared to contain information/disclosures and incorporating adjustments set out below in accordance with the ICDR Regulations:

- a) Adjustments to the profits or losses of the earlier periods and of the period in which the change in the accounting policy has taken place, recomputed to reflect what the profits or losses of those periods would have been if a uniform accounting policy was followed in each of these periods, if any;
- b) Adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the restated financial information of the Company for the six months period ended September 30, 2024 and the requirements of the ICDR Regulations, if any; and
- c) The resultant impact of tax due to the aforesaid adjustments, if any.

This restated financial information have been prepared on going concern basis using the material accounting policies and measurement basis.

**A. Functional & presentational currency**

The functional and presentation currency of the Company is Indian Rupee (INR) which is the currency of the primary economic environment in which the Company operates. All amounts have been rounded off to the nearest of the thousands unless otherwise stated.

**Rosmerta Digital Services Limited**  
**(Formerly known as Rosmerta Digital Services Private Limited)**  
**Notes forming parts of restated financial information**

**B. Use of judgements, estimates and assumptions**

In preparing these restated financial information, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

**C. Current vs non-current classifications**

An operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it satisfies below criteria:

- I. Expected to be realised or intended to be sold or consumed in normal operating cycle;
- II. Held for primary purpose of trading;
- III. Expected to be realised within twelve months after reporting period; or
- IV. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current assets.

A Liability is classified as current when it satisfies below criteria:

- I. Expected to settle the liability in normal operating cycle;
- II. Held primarily for the purpose of trading;
- III. Due to be settled within twelve months after reporting period; or
- IV. There is no unconditional right to defer the settlement of liability for at least twelve months after reporting period.

All other liabilities are classified as non-current liabilities.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**D. Revenue from contracts with customers**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

The Company transfers control of a good or service over time and therefore satisfies a performance obligation and recognises revenue over a period of time if one of the following criteria is met:

- (a) the customer simultaneously consumes the benefit of the Company's performance or
- (b) the customer controls the asset as it is being created/enhanced by the Company's performance or

**Rosmerta Digital Services Limited**  
**(Formerly known as Rosmerta Digital Services Private Limited)**  
**Notes forming parts of restated financial information**

(c) there is no alternative use of the asset and the Company has either explicit or implicit right of payment considering legal precedents,  
In all other cases, performance obligation is considered as satisfied at a point in time.

The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party. The Company includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and the financing component, if significant, is separated from the transaction price and accounted as interest income. Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in profit or loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

**Revenue from operations**

**Sale of products**

Revenue from sale of goods is recognised at the point in time when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue is measured on the basis of contracted price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

**Sale of services**

Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations. Revenue from Services relating to Registration of Vehicles is recognised when the Registration number is delivered to the customer and on approval is received from the Customer.

**E. Other income**

Other income is comprised primarily of interest income and lease, Interest income is recognized using the effective interest method.

**F. Financial instruments**

**Rosmerita Digital Services Limited**  
**(Formerly known as Rosmerita Digital Services Private Limited)**  
**Notes forming parts of restated financial information**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**i. Financial asset**

**a) Initial recognition and measurement**

All financial assets are initially recognized at fair value. Transaction costs will be considered as part of the cost of acquisition that are directly attributable to the acquisition or issue of financial assets, which are measured through fair value through profit and loss (FVTPL). Purchase and sale of financial assets are recognised using trade date accounting.

**Fair value Measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial assets in the case of financial assets not recorded at fair value through profit or loss, however transaction costs directly attributable to the acquisition of financial assets at fair value through profit and loss are immediately recognised in the statement of profit and loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**b) Subsequent measurement**

➤ Financial assets measured at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the

Contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

➤ Financial assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Rosmerta Digital Services Limited**  
**(Formerly known as Rosmerta Digital Services Private Limited)**  
**Notes forming parts of restated financial information**

For Equity investments the Company has elected to recognize changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity.

➤ Financial Assets measured at Fair Value Through Profit or Loss (FVTPL)

A financial asset which is not classified in any of the above categories is measured at FVTPL.

**c) Impairment of financial assets**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at FVTPL.

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

Outstanding customer receivables are regularly monitored. The Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical data and ageing of accounts receivable. The Company creates allowance for unsecured receivables based on historical credit loss experience, industry practice and business environment in which the entity operates and is adjusted for forward looking information. Subsequently when the Company is satisfied that no recovery of such losses is possible, the financial asset is considered irrecoverable and the amount charged to the allowance account is then written off against the carrying amount of the impaired financial asset.

For trade receivables the Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

**ii. Financial liabilities**

**a) Financial liabilities: initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

**b) Financial liabilities: subsequent measurement**

Financial liabilities are carried at amortized cost using the Effective interest rate (EIR) method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.



**Rosmerta Digital Services Limited**  
**(Formerly known as Rosmerta Digital Services Private Limited)**  
**Notes forming parts of restated financial information**

**c) Loans and borrowings**

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

**iii. De-recognition of financial instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. Financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

**iv. Offsetting**

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

**G. Income taxes**

Tax expenses comprise of current and deferred tax.

**Current tax:**

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Deferred tax:**

Deferred tax is recognised on temporary difference between the carrying amount of assets and liabilities in the Restated Financial Information and the corresponding tax based used in computation of taxable profit.

Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or

**Rosmerta Digital Services Limited**  
**(Formerly known as Rosmerta Digital Services Private Limited)**  
**Notes forming parts of restated financial information**

substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

**H. Borrowing costs:**

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as a part of the cost of assets during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Borrowing cost consist of interest (calculated using effective rate of interest method) and other cost that an entity incurred in connection with the borrowing cost.

Other borrowing costs are expensed in the period in which they are incurred.

**I. Provisions, contingent liabilities & contingent assets**

**General**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Long-term provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money. Short term provisions are carried at their redemption value and are not offset against receivables from reimbursements.

**Contingent liabilities**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**Contingent Assets**

A contingent asset is not recognized unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the Restated Financial Information.

**J. Cash and cash equivalents**

**Rosmerta Digital Services Limited**  
**(Formerly known as Rosmerta Digital Services Private Limited)**  
**Notes forming parts of restated financial information**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

**K. Segment reporting**

The Company has engaged in the business of providing "Digitally Enabled Service and automotive components/accessories" and has only reportable segment in accordance with IND AS-108 'Operating Segment'. The information relating to this operating segment is reviewed regularly by the Board of Directors to make decisions about resources to be allocated and to assess its performance. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in the segment, and are as set out in the material accounting policies.

**L. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss [excluding other comprehensive income] for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share are the net profit after tax for the year. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue and sub-division of shares.

For the purpose of calculating diluted earnings per share, the net profit or loss [excluding other comprehensive income] for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**M. Property, plant and equipment (PPE)**

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price, including import duties and non-refundable purchase taxes, and any directly attributable cost of bringing the asset to its working condition for its intended use. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of profit and loss during the year in which they are incurred.

**Depreciation methods, estimated useful lives and residual value:**

Depreciation is calculated on pro rata basis on straight line method based on estimated useful life of assets given below:

<b>Category of assets</b>	<b>Estimated useful life</b>
Computers	3 years
Plant & Machineries	5 Years
Furniture & Fixtures	10 Years

**N. Retirement and other employee benefits**

**Rosmerta Digital Services Limited**  
**(Formerly known as Rosmerta Digital Services Private Limited)**  
**Notes forming parts of restated financial information**

**i. Short term employee benefits**

Employee benefits such as salaries, wages, short-term compensated absences, bonus, ex-gratia and performance-linked rewards falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the service

**ii. Post-employment benefits**

**a) Provident Fund**

The Company's state governed provident fund scheme, employee state insurance scheme and employee pension scheme are defined contribution plans. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the service. The Company has no obligation, other than the contribution payable to the provident fund. 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 recognized 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 recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

**b) Defined benefits plan**

**Gratuity**

The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. Gratuity liability is a defined benefit obligation and is provided on the basis of its actuarial valuation based on the projected unit credit method made at each Balance Sheet date.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

**Short-term and other long-term employee benefits**

The Company records all short term obligation for such compensated absences as well as performance bonus on the basis of amount paid in the period during which the services are rendered by the employees, all such expenses are recognize in the period in which they actually arise.

**O. Share-based payments**

Share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in Statement of profit and loss such that the cumulative expense

**Rosmerta Digital Services Limited**  
**(Formerly known as Rosmerta Digital Services Private Limited)**  
**Notes forming parts of restated financial information**

reflects the revised estimate, with a corresponding adjustment to the equity settled employee benefits reserve.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of options, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an options, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an option and lead to an immediate expensing of an option unless there are also service and/or performance conditions.

No expense is recognized for options that do not ultimately vest because non-market performance and/or service conditions have not been met. Where options include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled options are modified, the minimum expense recognized is the grant date fair value of the unmodified option, provided the original vesting terms of the option are met. An additional expense, measured as at the date of modification, is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an option is cancelled by the entity or by the counterparty, any remaining element of the fair value of the option is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

**P. Significant management judgement in applying accounting policies**

When preparing the Restated Financial Information, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses

**Income tax and deferred tax assets**

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

**Useful lives of depreciable assets**

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

**Actuarial valuation**

The determination of Company liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognized in the Statement of

**Rosmerta Digital Services Limited**  
**(Formerly known as Rosmerta Digital Services Private Limited)**  
**Notes forming parts of restated financial information**

Profit and Loss and in Other Comprehensive Income. Such valuation depend upon assumptions determined after taking into account discount rate, salary growth rate, expected rate of return, mortality and attrition rate. Information about such valuation is provided in notes to the restated consolidated financial information.

**Impairment of non-financial assets**

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

**Contingencies**

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/ litigation against Company as it is not possible to predict the outcome of pending matters with accuracy.

**Revenue recognition**

For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. Progress is measured in terms of a proportion of actual cost incurred to date, to the total estimated cost attributable to the performance obligation.

**Q. Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a 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. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost

**R. Lease liabilities**

The Company's lease asset classes primarily consist of leases for land & buildings. The Company assesses whether a contract is or contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

**Rosmerta Digital Services Limited**  
**(Formerly known as Rosmerta Digital Services Private Limited)**  
**Notes forming parts of restated financial information**

The right-of-use asset is a lessee's right to use an asset over the life of a lease. At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short-term leases and leases of low value assets. For these, the Company recognizes the lease payments as an operating expense.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease Liability has been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**S. Inventories**

Inventories are valued at the lower of cost and net realizable value. Cost is computed on a weighted average cost basis. Cost of raw materials includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. The aforesaid items are valued at net realizable value if the traded goods in which they are to be incorporated are expected to be sold at a loss.

**T. Recent accounting pronouncements and changes in accounting standards**

The Company has adopted, with effect from 01 April 2024, the following new and revised standards and interpretations. Their adoption has not had any significant impact on the amounts reported in the Interim financial statements.

1. Ind AS 117 Insurance Contracts – The Ministry of Corporate Affairs has notified IND AS 117 which requires limited improvements to accounting by insurers for insurance contracts and disclosures that identifies and explains the amounts in an insurer 's financial statements arising from insurance contracts and helps users of those financial statements understand the amount, timing and uncertainty of future cash flows from insurance contracts.
2. MCA has issued amendments to IND AS 116 concerning sale and leaseback contracts. The amendment specifies the requirements for a seller-lessee in measuring the lease liability arising from a sale and leaseback transaction. It ensures that the seller-lessee does not recognize any amount of the gain or loss related to the right of use it retains.

Rosmerta Digital Services Limited  
(Formerly known as Rosmerta Digital Services Private Limited)  
(CIN U74999DL2021PLC386542)  
Notes to restated financial statements  
(All amounts in ₹ thousand, unless otherwise stated)

3 Property, plant and equipment and right of use asset

Particulars	Computer	Plant and machinery	Furniture and fixtures	Office Equipment	Total	Right of use assets	Grand total
<b>Gross Block</b>							
As at September 14, 2021	-	-	-	-	-	-	-
Addition	4,482	-	18	-	4,500	-	4,500
Deletions	-	-	-	-	-	-	-
As at March 31, 2022	4,482	-	18	-	4,500	-	4,500
Addition	276	502	284	-	1,062	-	1,062
Disposal/adjustment	-	-	-	-	-	-	-
As at March 31, 2023	4,758	502	302	-	5,562	-	5,562
Addition	304	95	-	-	399	807	1,206
Disposal/adjustment	-	-	-	-	-	-	-
As at March 31, 2024	5,062	597	302	-	5,961	807	6,768
Addition	-	-	-	123	123	-	123
Disposal/adjustment	-	-	-	-	-	-	-
As at September 30, 2024	5,062	597	302	123	6,084	807	6,891
<b>Accumulated depreciation</b>							
As at September 14, 2021	-	-	-	-	-	-	-
Depreciation charge for the year	19	-	-	-	19	-	19
Disposals	-	-	-	-	-	-	-
As at March 31, 2022	19	-	-	-	19	-	19
Depreciation charge for the year	1,482	74	23	-	1,579	-	1,579
Disposals	-	-	-	-	-	-	-
As at March 31, 2023	1,501	74	23	-	1,598	-	1,598
Depreciation charge for the year	1,545	101	29	-	1,675	90	1,765
Disposals	-	-	-	-	-	-	-
As at March 31, 2024	3,046	175	52	-	3,273	90	3,363
Depreciation charge for the period	799	57	14	3	873	134	1,007
Disposals	-	-	-	-	-	-	-
As at September 30, 2024	3,845	232	66	3	4,146	224	4,370
<b>Net Block</b>							
As at March 31, 2022	4,463	-	18	-	4,481	-	4,481
As at March 31, 2023	3,257	428	279	-	3,964	-	3,964
As at March 31, 2024	2,016	422	250	-	2,688	717	3,405
As at September 30, 2024	1,217	365	236	120	1,938	583	2,521

(a) There are no impairment losses recognised during the year/period.

(b) There are no exchange differences adjusted in property, plant & equipment or right of use assets.

(c) Refer note no 34 for capital commitments.

(d) The Company has not carried out any revaluation of property, plant and equipment or right of use assets for the respective year/periods.



**Rosmerita Digital Services Limited**  
(Formerly known as Rosmerita Digital Services Private Limited)  
(CIN U74999DL2021PLC386542)  
Notes to restated financial statements  
(All amounts in ₹ thousand, unless otherwise stated)

**4 Other financial assets**

Particulars	As at September 30, 2024		As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	Non Current	Current	Non Current	Current	Non Current	Current	Non Current	Current
Security deposits	60	8,275	58	7,448	-	7,457	-	298
Other recoverable *	-	1,82,684	-	1,11,956	-	73,135	-	27,535
<b>Total</b>	<b>60</b>	<b>1,90,959</b>	<b>58</b>	<b>1,19,404</b>	<b>-</b>	<b>80,592</b>	<b>-</b>	<b>27,833</b>

\* Other recoverable amounts are related with RTO fees paid on behalf of customer

**5 Deferred tax assets/(liability) (Net)**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Deferred tax (liability)</b>				
Property, plant and equipment	-	(93)	(421)	(183)
Right of use assets	(147)	(180)	-	-
Unrealised gain on current investment	(523)	-	-	-
<b>Deferred tax assets</b>				
Lease Liability	146	176	-	-
Provision for doubtful debts	1,514	1,010	-	-
Provision for defined benefit obligation	1,946	1,415	747	-
Others	659	658	556	-
Property, plant and equipment	31	-	-	-
<b>Deferred Tax [Asset/(liability)] (Net)</b>	<b>3,626</b>	<b>2,985</b>	<b>882</b>	<b>(183)</b>
<b>Reconciliation of deferred tax assets/(liability)</b>				
Opening deferred tax asset/(liability) (Net)	2,985	882	(183)	-
Deferred tax credit/(charge) recorded in statement of profit and loss	676	2,293	1,042	(183)
Deferred tax credit/(charge) recorded in OCI	(35)	(190)	24	-
<b>Closing deferred tax asset/ (liability) (Net)</b>	<b>3,626</b>	<b>2,985</b>	<b>882</b>	<b>(183)</b>
<b>Deferred Tax recognised in profit and loss</b>				
Deferred tax (credit)/charge recorded in statement of profit and loss	(676)	(2,293)	(1,042)	183
Deferred tax (credit)/charge recorded in OCI	35	190	(24)	-
<b>Total expense recognised in profit and loss</b>	<b>(641)</b>	<b>(2,103)</b>	<b>(1,066)</b>	<b>183</b>

**6 Non current tax assets**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Advance income-tax and tax deducted at source (net of provisions)	-	-	-	187
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>187</b>

**7 Inventories**

(Valued at lower of cost and net realizable value)

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Stock in trade	12,421	3,518	6,015	241
<b>Total</b>	<b>12,421</b>	<b>3,518</b>	<b>6,015</b>	<b>241</b>

**8 Current Investments**

Particulars	As at September 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Investments in mutual fund</b>				
<b>Investment carried at fair value through profit or loss.</b>				
<b>Quoted</b>				
DSP Arbitrage Fund	5,467	-	-	-
(No of units September 30, 2024: 3,69,160, March 31, 2024: nil , March 31, 2023: nil, March 31, 2022: nil)				
Edelweiss Arbitrage fund	50,618	-	-	-
(No of units September 30, 2024: 25,75,385, March 31, 2024: nil , March 31, 2023: nil, March 31, 2022: nil)				
ICICI Arbitrage Fund	50,624	-	-	-
(No of units September 30, 2024: 14,55,413, March 31, 2024: nil , March 31, 2023: nil, March 31, 2022: nil)				
SBI arbitrage Fund	50,602	-	-	-
(No of units September 30, 2024: 14,88,694, March 31, 2024: nil , March 31, 2023: nil, March 31, 2022: nil)				
Kotak Equity Arbitrage Fund	50,605	-	-	-
(No of units September 30, 2024: 13,37,604, March 31, 2024: nil, March 31, 2023: nil, March 31, 2022: nil)				
<b>Total</b>	<b>2,07,916</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Aggregate amount of unquoted investments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Aggregate amount of quoted investments</b>	<b>2,07,916</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Aggregate market value of quoted investments</b>	<b>2,07,916</b>	<b>-</b>	<b>-</b>	<b>-</b>

**9 Trade Receivables**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Trade receivables - others	3,99,990	1,65,696	73,161	19,490
Trade receivables - from related parties	82,051	69	7,417	-
<b>Total</b>	<b>4,82,041</b>	<b>1,65,765</b>	<b>80,578</b>	<b>19,490</b>
<b>Break-up of trade receivables:</b>				
Trade receivables considered good - secured	-	-	-	-
Trade receivables considered good - unsecured	4,82,041	1,65,765	80,578	19,490
Trade receivables which have significant increase in credit risk	-	-	-	-
Trade receivables - credit impaired	6,015	4,015	-	-
	<b>4,88,056</b>	<b>1,69,780</b>	<b>80,578</b>	<b>19,490</b>
<b>Less: Loss allowance</b>				
Trade receivables considered good - secured	-	-	-	-
Trade receivables considered good - unsecured	-	-	-	-
Trade receivables which have significant increase in credit risk	-	-	-	-
Trade receivables - credit impaired	6,015	4,015	-	-
	<b>6,015</b>	<b>4,015</b>	<b>-</b>	<b>-</b>
<b>Net trade receivables</b>	<b>4,82,041</b>	<b>1,65,765</b>	<b>80,578</b>	<b>19,490</b>

Note : Trade receivables are non interest bearing and are generally on terms from 30 - 60 days.

9.1 The detail of ageing for trade receivables for the respective year are given below:

A As on September 30, 2024

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	more than 3 years	
Undisputed Trade receivables- considered good	1,16,901	3,43,948	14,768	5,278	1,147	-	4,82,041
Undisputed Trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables- credit impaired	-	-	-	4,868	1,147	-	6,015
Disputed Trade receivables- considered good	-	-	-	-	-	-	-
Disputed Trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables- credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>1,16,901</b>	<b>3,43,948</b>	<b>14,768</b>	<b>10,146</b>	<b>2,294</b>	-	<b>4,88,056</b>
							Less: Credit impaired
							6,015
							Net
							4,82,041

B As on March 31, 2024

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	more than 3 years	
Undisputed Trade receivables- considered good	1,906	1,42,965	17,121	3,773	-	-	1,65,765
Undisputed Trade receivables- which have significant increase in credit risk	-	-	-	4,015	-	-	4,015
Undisputed Trade receivables- credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables- considered good	-	-	-	-	-	-	-
Disputed Trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables- credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>1,906</b>	<b>1,42,965</b>	<b>17,121</b>	<b>7,788</b>	-	-	<b>1,69,780</b>
							Less: Credit impaired
							4,015
							Net
							1,65,765

C As on March 31, 2023

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	more than 3 years	
Undisputed Trade receivables- considered good	-	74,660	5,918	-	-	-	80,578
Undisputed Trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables- credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables- considered good	-	-	-	-	-	-	-
Disputed Trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables- credit impaired	-	-	-	-	-	-	-
<b>Total</b>	-	<b>74,660</b>	<b>5,918</b>	-	-	-	<b>80,578</b>
							Less: Credit impaired
							-
<b>Net</b>	-	<b>74,660</b>	<b>5,918</b>	-	-	-	<b>80,578</b>

D As on March 31, 2022

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	more than 3 years	
Undisputed Trade receivables- considered good	-	19,490	-	-	-	-	19,490
Undisputed Trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables- credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables- considered good	-	-	-	-	-	-	-
Disputed Trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables- credit impaired	-	-	-	-	-	-	-
<b>Total</b>	-	<b>19,490</b>	-	-	-	-	<b>19,490</b>
							Less: Credit impaired
							-
<b>Net</b>	-	<b>19,490</b>	-	-	-	-	<b>19,490</b>

10 Cash and cash equivalents

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Balance with banks		12,667	43,871	15,712
In current accounts		1,000	51	473
Cash on hand		-	-	-
<b>Total</b>		<b>13,667</b>	<b>43,922</b>	<b>16,185</b>

10.1 Other bank balance

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Bank deposits with more than three months but less than twelve months maturity		108	106	100
<b>Total</b>		<b>108</b>	<b>106</b>	<b>100</b>

**Rosmerta Digital Services Limited**  
**(Formerly known as Rosmerta Digital Services Private Limited)**  
**(CIN U74999DL2021PLC386542)**  
**Notes to restated financial statements**  
(All amounts in ₹ thousand, unless otherwise stated)

**11 Other current assets**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Non-current:</b>				
Capital advances *	10,000	-	-	-
<b>Total</b>	<b>10,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Current:</b>				
Prepaid expenses	13,209	43	5	6
Advance to suppliers	8,043	3,358	46	1,498
Advances to employees	2,844	1,991	2,718	723
Balance with government authorities	53,892	29,898	2,158	872
<b>Total</b>	<b>77,988</b>	<b>35,290</b>	<b>4,927</b>	<b>3,099</b>

\* An advance of Rs. 10,000,000 has been provided to Locomav India Pvt Ltd for acquiring a proprietary software license. This transaction is contingent upon the completion of due diligence on the software, and the advance amount is refundable.

**12 Equity share capital**

(i) Particulars	As at September 30, 2024		As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
<b>Authorised share capital</b>								
5,50,00,000 Equity Shares of Rs.2/- each (1,00,000 as on March 31, 2024, March 31, 2023 and March 31, 2022 equity Shares of Rs.10/- each)	5,50,00,000	1,10,000	1,00,000	1,000	1,00,000	1,000	1,00,000	1,000
<b>Total authorised share capital</b>								
<b>Issued, subscribed and fully paid-up</b>								
3,50,50,000 Equity Shares of Rs.2/- each (10,000 as on March 31, 2024, March 31, 2023 and March 31, 2022 equity Shares of Rs.10/- each)	3,50,50,000	70,100	10,000	100	10,000	100	10,000	100
40,00,000 Equity Shares of Rs.2/- each	40,00,000	8,000	-	-	-	-	-	-
<b>Total subscribed and fully paid up share capital</b>	<b>3,90,50,000</b>	<b>78,100</b>	<b>10,000</b>	<b>100</b>	<b>10,000</b>	<b>100</b>	<b>10,000</b>	<b>100</b>

**Notes:**

- a. On June 21, 2024, the board proposed the issue of bonus shares of 70,00,000 equity shares of Rs.10/- each in the proportion of 1:700, i.e. 700 (Seven Hundred) Bonus Equity Shares of Rs. 10/- each for every 1 (one) fully paid-up Equity Share of Rs. 10/- each held by the existing shareholders of Company and the same has been approved in Annual General Meeting dated June 21, 2024. Further the bonus shares has been allotted by the Company on June 25, 2024.
- b. The Board of Directors, at their meeting held on June 25, 2024, recommended for the sub-division of equity shares of the Company from existing face value of INR. 10/- each into face value of INR. 2/- each (i.e. split of 1 equity share of INR. 10/- each into 5 equity shares of INR. 2/- each), and the same has been approved by the shareholders in the Extraordinary General Meeting of the Company held on June 25, 2024. Accordingly, face value of the equity shares of the Company now stand at INR. 2/- each w.e.f the record date namely June 25, 2024.
- c) **Terms/rights attached to equity shares**
- (i) The Company has only one class of equity shares, having a par value of Rs. 2 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. Each shareholder is eligible to one vote per share held. The equity shareholders are entitled to receive dividend as declared from time to time .
- (ii) In the event of liquidation of the company, the equity shareholder are eligible to receive the remaining assets of the Company
- (iii) The aggregate number of equity shares allotted as fully paid up by way of bonus shares in immediately preceding five years ended September 30, 2024 are 70,00,000 (previous period of five years ended March 31, 2024: NIL)

**(ii) Reconciliation of shares outstanding at the beginning and at the end of the reporting year/period**

Issued share capital Equity Shares	As at september 30, 2024		As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Share outstanding at beginning of the year/period	10,000	100	10,000	100	10,000	100	-	-
Shares issued during the year/period	40,00,000	8,000	-	-	-	-	10,000	100
Bonus Shares issued during the year/period	70,00,000	70,000	-	-	-	-	-	-
Stock Split (in the ratio 1:5)	2,80,40,000	-	-	-	-	-	-	-
Share outstanding at end of the year/period	<b>3,90,50,000</b>	<b>78,100</b>	<b>10,000</b>	<b>100</b>	<b>10,000</b>	<b>100</b>	<b>10,000</b>	<b>100</b>

**(iii) The details of Shareholders holding more than 5% of a class of shares**

Name of Shareholders	As at September 30, 2024		As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	No. of shares held	% Holding	No. of shares held	% Holding	No. of shares held	% Holding	No. of shares held	% Holding
Rosmerta Technologies Limited*	2,97,74,975	76.25%	8,490	84.90%	9,990	99.99%	9,990	99.90%
Shree Bankey Bihari Family Trust	52,57,500	13.46%	1,500	15.00%	-	-	-	-

\*Excluding 17,525 shares held by nominees of Rosmerta Technologies Limited

**(iv) Shareholding of Promoters of the Company**

As at September 30, 2024							
Particulars	Promoter Name	No. of shares at the commencement of the period	Change during the year	No. of shares at the end of the period	% of total shares	% change during the year	
Equity shares of INR 2 each fully paid-up	Rosmerta Technologies Limited	8,490	2,97,66,485	2,97,74,975	76.25%	350606%	
Equity shares of INR 2 each fully paid-up	Shree Bankey Bihari Family Trust	1,500	52,56,000	52,57,500	13.46%	350400%	
As at March 31, 2024							
Particulars	Promoter Name	No. of shares at the commencement of the period	Change during the year	No. of shares at the end of the period	% of total shares	% change during the year	
Equity shares of INR 10 each fully paid-up	Rosmerta Technologies Limited	9,990	(1,500)	8,490	84.90%	-15.02%	
Equity shares of INR 10 each fully paid-up	Shree Bankey Bihari Family Trust	-	1,500	1,500	15.00%	100.00%	
As at March 31, 2023							
Particulars	Promoter Name	No. of shares at the commencement of the period	Change during the year	No. of shares at the end of the period	% of total shares	% change during the year	
Equity shares of INR 10 each fully paid-up	Rosmerta Technologies Limited	9,990	-	9,990	99.90%	0.00%	
Equity shares of INR 10 each fully paid-up	Shree Bankey Bihari Family Trust	-	-	-	0.00%	NA	
As at March 31, 2022							
Particulars	Promoter Name	No. of shares at the commencement of the period	Change during the year	No. of shares at the end of the period	% of total shares	% change during the year	
Equity shares of INR 10 each fully paid-up	Rosmerta Technologies Limited	-	9,990	9,990	99.90%	100.00%	
Equity shares of INR 10 each fully paid-up	Shree Bankey Bihari Family Trust	-	-	-	0.00%	NA	

**Rosmerita Digital Services Limited**  
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(CIN U74999DL2021PLC386542)  
Notes to restated financial statements  
(All amounts in ₹ thousand, unless otherwise stated)

**13 Other equity**

Particulars	As at	As at	As at	As at
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Retained Earnings</b>				
Balance at beginning of the year	1,22,032	15,816	(301)	-
Add: Profit/(loss) for the period/year	1,48,372	1,05,652	16,187	(301)
Add: Other comprehensive income/(loss)	105	564	(70)	-
Less: Dividend paid	(3,505)	-	-	-
Less: Dividend distribution to Holding Company	(2,627)	-	-	-
<b>Closing balance</b>	<b>2,64,377</b>	<b>1,22,032</b>	<b>15,816</b>	<b>(301)</b>
<b>Securities premium</b>				
Balance at beginning of the year	-	-	-	-
Add: Premium on issue of equity shares	4,32,000	-	-	-
Less: Utilised for issuing bonus shares	(70,000)	-	-	-
<b>Closing balance</b>	<b>3,62,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Deemed equity reserve</b>				
Balance at beginning of the year	-	-	-	-
Addition for the period/year	2,627	-	-	-
<b>Closing balance</b>	<b>2,627</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Share based payment reserve</b>				
Balance at beginning of the year	-	-	-	-
Add: Share based payment expenses	2,830	-	-	-
<b>Closing balance</b>	<b>2,830</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>6,31,834</b>	<b>1,22,032</b>	<b>15,816</b>	<b>(301)</b>

**Nature and purpose of reserves:**

- a. **Retained Earnings**  
Retained earning are profit/loss that the company has earned till date less transfer to other reserve, dividend or other distribution or transaction with shareholder.
- b. **Revaluations of net defined benefit plans**  
Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income and are adjusted to retained earnings.
- c. **Share based payment reserve**  
The Share options outstanding account is used to record the value of equity-settled share-based payment transactions with employees of Company. The amounts recorded in share options outstanding account are transferred to securities premium upon exercise of stock options and restricted stock unit options by employees.
- d. **Deemed equity reserve**  
It represents employee stock options issued by the Company to the employee of the Holding Company. The employee stock option expenses related to the employees of the Holding Company has been shown dividend distribution to Holding Company.

**14 Lease Liabilities**

Particulars	As at September 30, 2024		As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	Non Current	Current	Non Current	Current	Non Current	Current	Non Current	Current
	Lease Liability (Refer note 38)	279	300	398	300	-	-	-
<b>Total</b>	<b>279</b>	<b>300</b>	<b>398</b>	<b>300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**15 Provisions**

Particulars	As at September 30, 2024		As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	Non Current	Current	Non Current	Current	Non Current	Current	Non Current	Current
	Provision for gratuity	7,578	15	5,614	9	2,964	4	378
<b>Total</b>	<b>7,578</b>	<b>15</b>	<b>5,614</b>	<b>9</b>	<b>2,964</b>	<b>4</b>	<b>378</b>	<b>-</b>

**16 Borrowing**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
	<b>Loan from related party (Also refer note 28)</b>			
Rosmerita Technologies Limited*	-	1,49,901	1,31,828	40,346
Rosmerita Safety System Limited*	-	-	-	3,575
<b>Total</b>	<b>-</b>	<b>1,49,901</b>	<b>1,31,828</b>	<b>43,921</b>
<b>The above amount includes</b>				
Secured borrowings	-	-	-	-
Unsecured borrowings	-	1,49,901	1,31,828	43,921

\* Loan taken from related parties carry interest rate of 8% p.a repayable on demand and also includes interest accrued.

**Reconciliation of movements of liabilities to cash flows arising from financing activities**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
	Opening balances	1,49,901	1,31,828	43,921
Interest accrued	2,992	9,604	5,890	301
(Repayment)/Proceeds from borrowings (net)	(1,49,901)	14,358	82,017	43,620
Interest repayment	(2,992)	(5,889)	-	-
<b>Closing balance as at reporting date</b>	<b>-</b>	<b>1,49,901</b>	<b>1,31,828</b>	<b>43,921</b>

**17 Trade payable**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
	Total outstanding dues of micro enterprise and small enterprises*	1,647	436	200
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,57,477	55,977	18,036	1,867
<b>Total</b>	<b>2,59,125</b>	<b>56,413</b>	<b>18,236</b>	<b>2,092</b>

**Rosmerita Digital Services Limited**  
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(CIN U74999DL2021PLC386542)  
**Notes to restated financial statements**  
(All amounts in ₹ thousand, unless otherwise stated)

MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with and filings made by the Company. The Company has not received any claim for interest from any supplier as at the balance sheet date. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the MSMED Act 2006 is not expected to be material. The disclosure pursuant to the said Act is as under:

**Disclosure as per the MSMED Act, 2006**

The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
The Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the period/year	1,647	436	200	225
Interest due on above	-	-	-	-
The amount of interest paid by the buyer in terms of Section 16, of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the period/year.	-	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting period/year.	-	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-

The detail of ageing for trade payables for the respective year are given below:

**A Trade payable ageing schedule- as on September 30, 2024**

Particulars	Outstanding for following periods from due date of payment					
	Not dues	Less than one year	1-2 years	2-3 years	More than 3years	Total
Total outstanding dues of micro enterprises and small enterprises	-	1,647	-	-	-	1,647
Total outstanding dues of creditors other than micro enterprises and small enterprises	11,244	2,41,723	3,769	742	-	2,57,478
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
<b>Total</b>	<b>11,244</b>	<b>2,43,370</b>	<b>3,769</b>	<b>742</b>	<b>-</b>	<b>2,59,125</b>

**B Trade payable ageing schedule- as on March 31, 2024**

Particulars	Outstanding for following periods from due date of payment					
	Not dues	Less than one year	1-2 years	2-3 years	More than 3years	Total
Total outstanding dues of micro enterprises and small enterprises	-	436	-	-	-	436
Total outstanding dues of creditors other than micro enterprises and small enterprises	11,049	44,353	575	-	-	55,977
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
<b>Total</b>	<b>11,049</b>	<b>44,789</b>	<b>575</b>	<b>-</b>	<b>-</b>	<b>56,413</b>

**C Trade payable ageing schedule- as on March 31, 2023**

Particulars	Outstanding for following periods from due date of payment					
	Not dues	Less than one year	1-2 years	2-3 years	More than 3years	Total
Total outstanding dues of micro enterprises and small enterprises	-	200	-	-	-	200
Total outstanding dues of creditors other than micro enterprises and small enterprises	13,220	4,781	35	-	-	18,036
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
<b>Total</b>	<b>13,220</b>	<b>4,981</b>	<b>35</b>	<b>-</b>	<b>-</b>	<b>18,236</b>

**D Trade payable ageing schedule- as on March 31, 2022**

Particulars	Outstanding for following periods from due date of payment					
	Not dues	Less than one year	1-2 years	2-3 years	More than 3years	Total
Total outstanding dues of micro enterprises and small enterprises	-	225	-	-	-	225
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	1,867	-	-	-	1,867
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>2,092</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,092</b>

**18 Other current financial liabilities**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31,2023	As at March 31,2022
Employees benefits payable	15,890	13,983	13,886	6,980
Provision for Corporate Social Responsibility Expenditure	600	-	-	-
<b>Total</b>	<b>16,490</b>	<b>13,983</b>	<b>13,886</b>	<b>6,980</b>

**19 Other current liabilities**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31,2023	As at March 31,2022
Balance with government authorities	2,854	3,107	7,631	2,361
Advance from customers	2,606	2,295	-	-
<b>Total</b>	<b>5,460</b>	<b>5,402</b>	<b>7,631</b>	<b>2,361</b>

**20 Current tax (assets)/liabilities (net)**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Provision for income tax (net of advance income tax)	2,127	20,301	2,778	-
<b>Total</b>	<b>2,127</b>	<b>20,301</b>	<b>2,778</b>	<b>-</b>

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Notes to restated financial statements  
(All amounts in ₹ thousand, unless otherwise stated)

<b>21 Revenue from operation</b>				
Particulars	For the six months period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the period ended Sep 14, 2021 to March 31, 2022
<b>Revenue from operation includes</b>				
Sale of services	3,85,566	4,16,278	2,39,751	20,207
Sale of products	5,36,857	4,25,622	58,140	63
<b>Total</b>	<b>9,22,423</b>	<b>8,41,900</b>	<b>2,97,891</b>	<b>20,270</b>
<b>i) Timing of revenue recognition</b>				
Services transferred at a point in time	3,85,566	4,16,278	2,39,751	20,207
Goods transferred at a point in time	5,36,857	4,25,622	58,140	63
<b>Total revenue from contracts with customers</b>	<b>9,22,423</b>	<b>8,41,900</b>	<b>2,97,891</b>	<b>20,270</b>
<b>ii) Revenue by location of customers</b>				
India	9,22,423	8,41,900	2,97,891	20,270
<b>Total revenue from contracts with customers</b>	<b>9,22,423</b>	<b>8,41,900</b>	<b>2,97,891</b>	<b>20,270</b>
<b>iii) Reconciliation of revenue recognised in Statement of profit and loss with contracted price</b>				
Revenue as per contracted price	9,22,423	8,41,900	2,97,891	20,270
Less: Discounts	-	-	-	-
<b>Total revenue from contracts with customers</b>	<b>9,22,423</b>	<b>8,41,900</b>	<b>2,97,891</b>	<b>20,270</b>
<b>iv) Contract balances</b>				
	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Trade receivables:-</b>				
- Current (gross)	4,88,056	1,69,780	80,578	19,490
- Impairment allowance	6,015	4,015	-	-
<b>Advance from customers:-</b>				
- Current	2,606	2,295	-	-
<b>22 Other income</b>				
Particulars	For the six months period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the period from Sep 14, 2021 to March 31, 2022
<b>Interest income on</b>				
Fixed deposits	2	5	-	-
Security deposit carried at amortised cost	2	2	-	-
Unrealised gain on change in fair value of investment measured at FVTPL	2,516	-	-	-
Profit on sale of current investment	400	-	-	-
Unrealised gain on foreign exchange fluctuation (net)	14	-	-	-
<b>Total</b>	<b>2,934</b>	<b>7</b>	<b>-</b>	<b>-</b>
<b>23 Purchase of traded goods</b>				
Particulars	For the six months period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the period from Sep 14, 2021 to March 31, 2022
Purchase of traded goods	5,14,842	4,07,992	53,572	464
<b>Total</b>	<b>5,14,842</b>	<b>4,07,992</b>	<b>53,572</b>	<b>464</b>
<b>23.1 Change in inventory in traded goods</b>				
Particulars	For the six months period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the period from Sep 14, 2021 to March 31, 2022
Opening stock in trade	3,518	6,015	241	-
Closing stock in trade	(12,421)	(3,518)	(6,015)	(241)
<b>Total</b>	<b>(8,903)</b>	<b>2,497</b>	<b>(5,774)</b>	<b>(241)</b>
<b>24 Employee benefit expense</b>				
Particulars	For the six months period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the period from Sep 14, 2021 to March 31, 2022
Salary, wages & allowance	76,658	1,28,212	1,13,893	14,116
Contribution to provident and other fund	5,931	4,319	3,259	295
Gratuity expenses (Also refer to note no. 37)	2,110	3,409	2,496	378
Shares based payment expenses	2,830	-	-	-
Staff welfare	218	582	859	123
<b>Total</b>	<b>87,747</b>	<b>1,36,522</b>	<b>1,20,507</b>	<b>14,912</b>
<b>25 Finance cost</b>				
Particulars	For the six months period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the period from Sep 14, 2021 to March 31, 2022
Interest cost of financial liabilities measured at amortised cost	2,992	10,671	6,549	334
Interest on lease liability	31	24	-	-
<b>Total</b>	<b>3,023</b>	<b>10,695</b>	<b>6,549</b>	<b>334</b>

**Rosmerita Digital Services Limited**  
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(CIN U74999DL2021PLC386542)  
Notes to restated financial statements  
(All amounts in ₹ thousand, unless otherwise stated)

**26 Other expenses**

Particulars	For the six months period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the period from Sep 14, 2021 to March 31, 2022
Power and fuel	-	3,266	3,526	1,313
<b>Repairs and maintenance on</b>				
- machinery	-	-	53	-
- other	161	74	139	50
Rent	13,740	29,110	16,440	343
Travelling and conveyance	4,665	6,269	8,961	2,320
Communication expenses	3,433	4,411	4,587	604
Provision for expected credit loss	2,000	4,015	-	-
Bank charges	11	16	47	15
Consultancy expenses	6,636	4,376	5,202	534
Postage and courier charges	1,296	674	379	19
Consumables expenses	1,169	380	815	12
Printing and stationery	933	1,503	1,550	141
Fitment expenses	128	157	664	385
Wages to contractor	5,791	10,937	41,445	-
Registration services expenses	22,845	20,357	5,464	-
HSRP Delivery Charges	40,871	-	-	-
Service expenses	6,289	10,529	3,996	-
Advertisement expenses	6,641	7,276	5,446	-
Business support expenses	3,426	35,796	-	-
Corporate social responsibility expense	600	-	-	-
Misc expenses	4,469	1,107	2,369	76
Sitting fees to independent directors	158	-	-	-
Payment to auditors*	705	750	250	250
<b>Total</b>	<b>1,29,233</b>	<b>1,41,262</b>	<b>99,120</b>	<b>4,862</b>
<b>*Payment to auditors</b>				
Audit fee	680	700	200	200
Tax audit fee	25	50	50	50
<b>Total</b>	<b>705</b>	<b>750</b>	<b>250</b>	<b>250</b>

**27 Income tax expenses**

Particulars	For the six months period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the period ended Sep 14, 2021 to March 31, 2022
<b>A. Income tax expenses recognized in statement of profit and loss</b>				
<b>Current income tax:</b>				
Current income tax charge	50,739	37,815	7,193	38
Tax expenses pertaining to earlier year	(27)	-	-	-
<b>Total current tax expense</b>	<b>50,712</b>	<b>37,815</b>	<b>7,193</b>	<b>38</b>
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(676)	(2,293)	(1,042)	183
<b>Total deferred tax expense recognized</b>	<b>(676)</b>	<b>(2,293)</b>	<b>(1,042)</b>	<b>183</b>
<b>Total Income tax expenses charged in Statement of Profit and Loss</b>	<b>50,036</b>	<b>35,522</b>	<b>6,151</b>	<b>221</b>
<b>B. Reconciliation of effective tax rate</b>				
<b>Profit before tax</b>	<b>1,98,408</b>	<b>1,41,174</b>	<b>22,338</b>	<b>(80)</b>
Enacted income tax rate	25.17%	25.17%	25.17%	26.00%
Income tax expense	<b>49,935</b>	<b>35,531</b>	<b>5,622</b>	<b>(21)</b>
<b>Add/(deduct) impact of:</b>				
Expenses not allowable in income tax	292	3,561	2,006	292
Others	(190)	(3,569)	(1,477)	(50)
<b>Total tax expense</b>	<b>50,036</b>	<b>35,522</b>	<b>6,151</b>	<b>221</b>

**28 Earnings per share ('EPS')**

Basic EPS is calculated by dividing the profit/(loss) for the period/years attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period / years. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period / years. The weighted average number of equity shares outstanding during the period/ years is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS is calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the period / years plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following table reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the six months period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the period ended Sep 14, 2021 to March 31, 2022
Face value of equity shares (₹ per share)	2	10	10	10
Profit / (loss) attributable to equity shareholders (a)	1,48,372	1,05,652	16,187	(301)
Number of equity shares at the beginning of the reporting period	10,000	10,000	10,000	-
Add : Bonus shares issued during the year/period	70,00,000	70,00,000	70,00,000	70,00,000
Add : Shares issued during the year/period	40,00,000	-	-	10,000
Add : Stock split ratio 1:5	2,80,40,000	2,80,40,000	2,80,40,000	2,80,40,000
Add : Weighted average number of equity shares issued during the year	18,34,208	-	-	-
<b>Total weighted average number of equity shares used as denominator for calculating basic and diluted EPS (b)</b>	<b>3,68,84,208</b>	<b>3,50,50,000</b>	<b>3,50,50,000</b>	<b>3,50,50,000</b>
Add: weighted average number of potential equity shares on account of employee stock option	77,448	-	-	-
<b>Closing weighted average number of equity shares used as denominator for calculating diluted EPS (c)</b>	<b>3,69,61,656</b>	<b>3,50,50,000</b>	<b>3,50,50,000</b>	<b>3,50,50,000</b>
<b>EPS- Basic (d=a/b) *</b>	<b>4.02</b>	<b>3.01</b>	<b>0.46</b>	<b>(0.00)</b>
<b>EPS- diluted (e=a/c) *</b>	<b>4.01</b>	<b>3.01</b>	<b>0.46</b>	<b>-0.01</b>

**NOTES :**

(a) The Board of Directors, at their meeting held on June 25, 2024, recommended for the sub-division of equity shares of the Company from existing face value of INR. 10/- each into face value of INR. 2/- each (i.e. split of 1 equity share of INR. 10/- each into 5 equity shares of INR. 2/- each), and the same has been approved by the shareholders in the Extraordinary General Meeting of the Company held on June 25, 2024.

(b) Earnings per share for the six months period ended September 30, 2024 is not annualised.

(c) On June 21, 2024, the board proposed the issue of bonus shares of 70,00,000 equity shares of Rs.10/- each in the proportion of 1:700, i.e. 700 (Seven Hundred) Bonus Equity Shares of Rs. 10/- each for every 1 (one) fully paid-up Equity Share of Rs. 10/- each held by the existing shareholders of Company and the same has been approved in Annual General Meeting dated June 21, 2024. Further the bonus shares has been allotted by the Company on June 25, 2024.

\*In line with the requirements of Ind AS 33, the basic and diluted earnings per share for the current period and previous year presented have been calculated/ restated after considering the share split and bonus issue.

**Rosmerta Digital Services Limited**  
**(Formerly known as Rosmerta Digital Services Private Limited)**  
**(CIN U74999DL2021PLC386542)**  
**Notes to restated financial statements**  
(All amounts in ₹ thousand, unless otherwise stated)

**29 RELATED PARTY DISCLOSURES**

Related party disclosure, as required by Indian Accounting Standard-24, is as below:

**List of Related Parties:-**

**Enterprises which control the entity (Ultimate Controlling Entity)**

**I. Motilal Nagpal Family Trust**

**Enterprises which control the Holding Company (Ultimate Holding Company)**

**II. KKH Technologies Private Limited**

**Enterprises which control the entity ( Holding Company)**

**III. Rosmerta Technologies Limited**

**IV. Fellow Subsidiaries**

- 1 Absolute Infracon Private Limited ( up to 30-03-2024)
- 2 Albireo Telematics Private Limited ( up to 30-03-2024)
- 3 Auctus Support Private Limited ( up to 30-03-2024)
- 4 JSK Technologies Solutions Private Limited ( up to 30-03-2024)
- 5 Konnet Vian Private Limited
- 6 Rosmerta Auto Inspection Private Limited ( up to 30-03-2024)
- 7 Rosmerta Auto Recycling Private Limited
- 8 Rosmerta Autotech Limited (Formerly known as Rosmerta Autotech Private Limited)
- 9 Rosmerta Solutions Private Limited ( up to 01-06-2024)
- 10 Rosmerta Engineering Private Limited
- 11 Rosmerta Healthcare Solutions Private Limited ( up to 30-03-2024)
- 12 Rosmerta Holdings Private Limited ( up to 30-03-2024)
- 13 Rosmerta Inspection Private Limited ( up to 30-03-2024)
- 14 Rosmerta Logistics Private Limited
- 15 Rosmerta Mobility Solutions Private Limited
- 16 Rosmerta Recycling Industries Private Limited ( up to 30-03-2024)
- 17 Rosmerta Road Safety Private Limited
- 18 Rosmerta Securedot Private Limited ( up to 30-03-2024)
- 19 Rosmerta Visionlabs Private Limited ( up to 30-03-2024)
- 20 Rosmerta HSRP Ventures Private Limited ( up to 30-03-2024)
- 21 Rosmerta Safety Systems Limited (Formerly known as Rosmerta Safety Systems Private Limited)
- 22 Rosmerta Registration Plates Private Limited (Formerly known as Link Utsav Registration Plates Private Limited) (w.e.f. 01-03-2022)
- 23 Rosmerta HSRP Private Limited (Formerly Link utsav HSRP Private Limited ( up to 30-03-2024)
- 24 Nano Impex Private Limited ( up to 14-05-2023)
- 25 KKH Finvest Private Limited
- 26 Shreyas E-commerce Private Limited ( up to 14-05-2023)
- 27 Rosmerta Auto Plates Pvt Ltd (Formerly Link Autotech Private Limited) (w.e.f. 04-07-2024)
- 28 Rosmerta Ventures Private Limited (Formerly Link Utsav Ventures Private Limited) ( up to 30-03-2024)
- 29 Rosmerta Auto Systems Pvt Ltd (Formerly Link Utsav Auto Systems Private Limited) ( up to 30-03-2024)
- 30 Sensorise Smart Solutions Private Limited (w.e.f. 09-05-2022) ( up to 27-03-2024)
- 31 Sensorise Digital Services Private Limited (w.e.f.09-05-2022) ( up to 27-03-2024)
- 32 SIM.Things Private Limited (w.e.f. 09-05-2022) ( up to 30-03-2024)
- 33 Sensorise Smart Solutions Nepal Private Limited (w.e.f.27-12-2022) ( up to 27-03-2024)

**V. Key Management Personnel**

	<b>Designation</b>
(a) Mr. Brijesh Singh	Director
(b) Mr. Mukesh Malhotra	Director
(c) Mr. Sanjay Sharma (w.e.f. April 26, 2024)	Director
(d) Mr. Ashok Kacker (w.e.f. June 29, 2024)	Independent Director
(e) Mr. Dilip Harel Mitra Chenoy (w.e.f. June 29, 2024)	Independent Director
(f) Mr. Suneeta Trivedi (w.e.f. June 29, 2024)	Independent Director
(g) Mr. Akhil Gupta (w.e.f. June 21, 2024)	Chief executive officer
(h) Mr. Kuntal Kar (w.e.f. June 21, 2024)	Company Secretary
(i) Mr. Amit Kumar Somani (w.e.f. June 21, 2024)	Chief financial officer

**VI. Controlling trustee of the ultimate controlling entity i.e Trust**

- a) Mrs. Aarti Nagpal, Trustee (Till 14 June 2024)
- b) Mr. Karn Nagpal, Trustee (w.e.f. 14 June 2024)
- c) Mr. Kartick Nagpal, Trustee (w.e.f. 14 June 2024)

**VII Trustees and relatives having significant /control influence on entity with whom transactions has been taken place**

- (a) Raasta Autotech Private Limited
- (b) Shree Bankey Bihari Family Trust

**VIII The following transactions were carried out with related parties in the ordinary course of business:**

Nature of Transaction	For the six months period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the period ended Sep 14, 2021 to March 31, 2022
<b>Proceeds from Borrowings</b>				
Rosmerta Technologies Limited	29,612	1,81,600	1,90,638	42,380
Rosmerta Safety System Limited	-	-	-	3,575
<b>Interest</b>				
Rosmerta Technologies Limited	2,992	10,671	6,544	310
Rosmerta Safety System Limited	-	-	-	24
<b>Re-Payment of Principal ( included Interest)</b>				
Principal (Rosmerta Technologies Limited)	1,79,513	2,01,198	1,05,055	2,303
Interest (Rosmerta Technologies Limited)	2,693	5,889	-	-
Principal (Rosmerta Safety System Limited)	-	-	3,599	-
Interest (Rosmerta Safety System Limited)	-	-	-	-
<b>Sales</b>				
Rosmerta Safety System Limited	1,60,119	14,226	6,849	63
Rosmerta Autotech Limited	619	2,114	379	-
Rosmerta Technologies Limited	65	308	-	-
Rosmerta Auto Recycling Private Limited	1,811	1,022	-	-
Raasta Autotech Private Limited	-	-	44	-



**Rosmerta Digital Services Limited**  
(Formerly known as Rosmerta Digital Services Private Limited)  
(CIN U74999DL2021PLC386542)

**Notes to restated financial statements**

(All amounts in ₹ thousand, unless otherwise stated)

<b>Purchase</b>				
Rosmerta Road Safety Private Limited	49	334	-	
Rosmerta Safety System Limited	-	56	-	48
Rosmerta Technologies Limited	-	-	-	2
Rosmerta Auto Plates Pvt Ltd (Formerly Link Autotech Private Limited)	-	-	1,756	-
Rosmerta Autotech Limited	12,426	-	-	-
<b>Other</b>				
Rosmerta Safety Systems Limited	1,042	-	-	-
Rosmerta Autotech Limited	414	-	-	-
Rosmerta Auto Plates Pvt Ltd (Formerly Link Auto)	-	460	-	-
Rosmerta Registration Plate Private Limited	-	467	-	-
<b>Remuneration paid to key management personnel</b>				
Mr. Sanjay Sharma (w.e.f. April 26, 2024)	2,197	-	-	-
Mr. Amit Kumar Somani (w.e.f. June 21, 2024)	1,138	-	-	-
<b>Sitting fees to independent directors</b>				
Mrs. Suneeta Trivedi	113	-	-	-
Mr. Ashok Kacker	45	-	-	-
<b>Rent</b>				
Rosmerta Safety Systems Limited	52	-	-	-
Rosmerta Technologies Limited	1,800	-	-	-
<b>Business support expenses</b>				
Rosmerta Technologies Limited	666	33,956	-	-
<b>Dividend distribution to Holding Company</b>				
Rosmerta Technologies Limited	2,627	-	-	-

Outstanding Balances	For the six months period ended September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Borrowings</b>				
Rosmerta Technologies Limited	-	1,49,901	1,31,828	40,355
Rosmerta Safety System Private Limited	-	-	-	3,599
<b>Trade Payable</b>				
Rosmerta Autotech Limited	15,151	-	12	-
Rosmerta Auto Plates Pvt Ltd (Formerly Link Autotech Private Limited)	-	-	446	-
Rosmerta Registration Plate Private Limited	131	-	209	-
Rosmerta Safety System Limited	6,324	-	-	-
Rosmerta Technologies Limited	376	-	-	-
<b>Trade Receivable</b>				
Rosmerta Safety System Limited	78,317	-	4,589	-
Rosmerta Technologies Limited	69	69	107	-
Rosmerta Autotech Limited	880	-	3	-
Raasta Autotech Private Limited	572	-	2,717	-
Rosmerta Auto Plates Pvt Ltd (Formerly Link Autotech Private Limited)	34	-	-	-
Rosmerta Road Safety Private Limited	43	-	-	-
Rosmerta Auto Recycling Private Limited	2,137	-	-	-

**Terms & Conditions**

Sale, purchase, borrowings and interest are made on terms equivalent to those that prevail in arms length transaction. Outstanding balances at the period end are unsecured and settlement occurs in cash. For the year/period ended on September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 the Company has not recorded any impairment of receivables relating to amount owed by related parties. This assessment is undertaken through out the financial year through examining the financial position of the related parties and the market in which the related parties operate.

**30 Disclosures on Financial instrument**

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2.

**Financial instruments – Fair values and risk management**

**Financial assets and liabilities**

1) The fair value of trade receivables, cash and cash equivalents, other balances with bank, other financial assets, trade payables, borrowings and other financial liabilities are approximate their carrying amount, largely due to the short-term nature of these instruments.

2) Lease liabilities and security deposit are discounted using an appropriate discounting rate where the time value of money is material.

**A. Financial instruments by category**

Particulars	As at September 30, 2024		
	FVTOCI	FVTPL*	Amortised
<b>Financial assets</b>			
(i) Trade receivables	-	-	4,82,041
(ii) Cash and cash equivalents	-	-	13,667
(iii) Other bank balances	-	-	108
(iv) Other financial assets	-	-	1,91,019
(v) Investment	-	2,07,916	-
<b>Total</b>	-	2,07,916	6,86,835
<b>Financial liabilities</b>			
(i) Borrowings	-	-	-
(ii) Lease liabilities	-	-	579
(iii) Trade payables	-	-	2,59,125
(iv) Other financial liabilities	-	-	16,490
<b>Total</b>	-	-	2,76,194

**Rosmerta Digital Services Limited**  
(Formerly known as Rosmerta Digital Services Private Limited)  
(CIN U74999DL2021PLC386542)  
**Notes to restated financial statements**  
(All amounts in ₹ thousand, unless otherwise stated)

Particulars	As at March 31, 2024		
	FVTOCI	FVTPL	Amortised
<b>Financial assets</b>			
(i) Trade receivables	-	-	1,65,765
(ii) Cash and cash equivalents	-	-	43,922
(iii) Other bank balances	-	-	106
(iv) Other financial assets	-	-	1,19,462
<b>Total</b>	-	-	<b>3,29,255</b>
<b>Financial liabilities</b>			
(i) Borrowings	-	-	1,49,901
(ii) Lease liabilities	-	-	698
(iii) Trade payables	-	-	56,413
(iv) Other financial liabilities	-	-	13,983
<b>Total</b>	-	-	<b>2,20,995</b>
<b>Particulars</b>	<b>As at March 31, 2023</b>		
	<b>FVTOCI</b>	<b>FVTPL</b>	<b>Amortised</b>
<b>Financial assets</b>			
(i) Trade receivables	-	-	80,578
(ii) Cash and cash equivalents	-	-	16,185
(iii) Other bank balances	-	-	100
(iv) Other financial assets	-	-	80,592
<b>Total</b>	-	-	<b>1,77,455</b>
<b>Financial liabilities</b>			
(i) Borrowings	-	-	1,31,828
(ii) Trade payables	-	-	18,236
(iii) Other financial liabilities	-	-	13,886
<b>Total</b>	-	-	<b>1,63,950</b>
<b>Particulars</b>	<b>As at March 31, 2022</b>		
	<b>FVTOCI</b>	<b>FVTPL</b>	<b>Amortised</b>
<b>Financial assets</b>			
(i) Trade receivables	-	-	19,490
(ii) Cash and cash equivalents	-	-	383
(iii) Other financial assets	-	-	27,833
<b>Total</b>	-	-	<b>47,706</b>
<b>Financial liabilities</b>			
(i) Borrowings	-	-	43,921
(ii) Trade payables	-	-	2,092
(iii) Other financial liabilities	-	-	6,980
<b>Total</b>	-	-	<b>52,993</b>

\* Fair value through profit and loss

#### Fair value measurement

The Company uses the following hierarchy for fair value measurement of the company's financial assets and liabilities:

Level 1: Quoted prices/NAV (unadjusted) in active markets for identical assets and liabilities at the measurement date.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

#### The following methods and assumptions were used to estimate the fair values:

The section explains the judgement and estimates made in determining the fair values of the financial instruments that are:

a) recognized and measured at fair value

b) measured at amortized cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is mentioned below:

For assets and liabilities which are measured at fair value as at balance sheet date, the classification of fair value calculations by category is summarised below:

Particulars	Level 1	Level 2	Level 3	Total
<b>As at September 30, 2024</b>				
Investment in mutual fund	2,07,916	-	-	2,07,916
<b>As at March 31, 2024</b>				
Investment in mutual fund	-	-	-	-
<b>As at March 31, 2023</b>				
Investment in mutual fund	-	-	-	-
<b>As at March 31, 2022</b>				
Investment in mutual fund	-	-	-	-

### 31 Financial risk management

#### Risk management framework

The Chief Operating Decision Maker (CODM) being the Board of Directors (Board) has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risk faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management systems are reviewed regularly to effect changes in market conditions and Companies' activities. The Company, through its standards and procedures, aims to maintain discipline and constructive control environment in which all employees understand their roles and obligations. The Company's Chief Operating Decision Maker (CODM) monitors compliance with Company's procedures and reviews the adequacy of the risk management framework in relation to risk faced by the Company.

**Rosmerta Digital Services Limited**  
**(Formerly known as Rosmerta Digital Services Private Limited)**  
**(CIN U74999DL2021PLC386542)**

**Notes to restated financial statements**

(All amounts in ₹ thousand, unless otherwise stated)

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

- Credit risk ;
- Liquidity risk ; and
- Market risk

As at the reporting date, the Management is of the opinion that the Company is not exposed to any substantial credit risk, liquidity risk and market risk. The Company's board of directors has the overall responsibility for the management of these risks.

i. **Credit risk**

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk arises from trade receivables, other financial assets and cash and bank balance.

The Company is exposed to credit risk on its financial assets, which comprise cash and cash equivalents, bank deposits, trade receivables and other financial assets. The exposure to credit risks arises from the potential failure of counter parties to meet their obligations. The maximum exposure to credit risk at the reporting date is the carrying amount of the financial instruments.

- ii. The Company has an established process to evaluate the creditworthiness of its customers to minimise potential credit risk. Credit evaluations are performed by the Company before agreements to render services are entered into with prospective customers. One customer of the Company individually accounted 15% of the outstanding trade receivable as at September 30, 2024 (March 31, 2024 : One customer, March 31, 2023 : One customer and March 31, 2022 : One customer).

The Company's credit period generally ranges from 30 - 60 days. The amounts outstanding in the statement of assets and liabilities represent the maximum exposure to credit risk. There is a concentration risk with respect to trade receivables since they are concentrated in one customer individually.

Outstanding customer receivables are regularly monitored. The Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical data and ageing of accounts receivable. The Company creates allowance for unsecured receivables based on historical credit loss experience, industry practice and business environment in which the entity operates and is adjusted for forward looking information. Subsequently when the Company is satisfied that no recovery of such losses is possible, the financial asset is considered irrecoverable and the amount charged to the allowance account is then written off against the carrying amount of the impaired financial asset.

Refer table below for movement in the provision for expected credit losses:

**Expected credit loss allowance**

<b>Outstanding Balances</b>	<b>For the six months period ended September 30, 2024</b>	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>	<b>For the period from Sep 14, 2021 to March 31, 2022</b>
<b>At the beginning of the period / year</b>	4,015	-	-	-
Provision made during the period / year	2,000	4,015	-	-
(Utilised) / (reversed) during the period / year	-	-	-	-
<b>At the end of the period / year</b>	<b>6,015</b>	<b>4,015</b>	-	-

**Cash and cash equivalents, deposits with banks:**

The Company considers that its cash and cash equivalents and Deposits with banks have low credit risk based on good external credit ratings of counterparties. Impairment on cash and cash equivalents and deposits with banks has been measured on the 12-month expected credit loss basis and reflects the short maturities of the exposures.

**Exposure to credit risk:**

The gross carrying amount of financial assets, net of impairment loss(if any) recognised represent the maximum credit exposure. The maximum exposure to credit risk as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 were as follows.

<b>Particular</b>	<b>As at September 30,</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Investment	2,07,916	-	-	-
Trade receivables	4,82,041	1,65,765	80,578	19,490
Cash and cash equivalents	13,667	43,922	16,185	383
Bank balances other than above	108	106	100	-
Other financial Assets	1,91,019	1,19,462	80,592	27,833
<b>Total</b>	<b>8,94,751</b>	<b>3,29,255</b>	<b>1,77,455</b>	<b>47,706</b>

**Rosmerta Digital Services Limited**  
**(Formerly known as Rosmerta Digital Services Private Limited)**  
**(CIN U74999DL2021PLC386542)**  
**Notes to restated financial statements**  
(All amounts in ₹ thousand, unless otherwise stated)

**ii. Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirement. The Chief Operating Decision Maker (CODM) being the Board of Directors (Board) Management manages the liquidity risk by monitoring cash flow forecasts on a periodic basis and maturity profiles of financial assets and liabilities.

The Company monitors its risk of shortage of funds on a regular basis. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no significant liquidity risk is perceived.

**Maturities of financial liabilities:**

The following table shows a maturity analysis of the anticipated cash flows excluding interest obligations for the Company's financial liabilities on an undiscounted basis, which may differ from both carrying value and fair value.

Particulars	Contractual cash flows					
	Carrying amount	< 1 year	1-2 year	2-5 year	More than-5 years	Total
<b>As at September 30, 2024</b>						
Borrowings	-	-	-	-	-	-
Lease liabilities	579	300	300	100	-	700
Trade payable	2,59,125	2,59,125	-	-	-	2,59,125
Other financial liabilities	16,490	16,490	-	-	-	16,490
	<b>2,76,194</b>	<b>2,75,915</b>	<b>300</b>	<b>100</b>	<b>-</b>	<b>2,76,315</b>

Particulars	Contractual cash flows					
	Carrying amount	< 1 year	1-2 year	2-5 year	More than-5 years	Total
<b>As at March 31, 2024</b>						
Borrowings	1,49,901	1,49,901	-	-	-	1,49,901
Lease liabilities	698	300	300	175	-	775
Trade payable	56,413	56,413	-	-	-	56,413
Other financial liabilities	13,983	13,983	-	-	-	13,983
	<b>2,20,995</b>	<b>2,20,597</b>	<b>300</b>	<b>175</b>	<b>-</b>	<b>2,21,072</b>

Particulars	Contractual cash flows					
	Carrying amount	< 1 year	1-2 year	2-5 year	More than-5 years	Total
<b>As at March 31, 2023</b>						
Borrowings	1,31,828	1,31,828	-	-	-	1,31,828
Trade payable	18,236	18,236	-	-	-	18,236
Other financial liabilities	13,886	13,886	940	-	-	14,826
	<b>1,63,950</b>	<b>1,63,950</b>	<b>940</b>	<b>-</b>	<b>-</b>	<b>1,64,890</b>

Particulars	Contractual cash flows					
	Total	< 1 year	1-2 year	2-5 year	More than-5 years	Total
<b>As at March 31, 2022</b>						
Borrowings	43,921	43,921	-	-	-	43,921
Trade payable	2,092	2,092	-	-	-	2,092
Other financial liabilities	6,980	6,980	-	-	-	6,980
	<b>52,993</b>	<b>52,993</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>52,993</b>

**iii. Market risk**

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

**Foreign Currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The functional currency of the Company is Indian Rupees and its revenue is generated from operations in India. The Group does not enter into any derivative instruments for trading or speculative purposes. The Company borrowings are all in Indian rupees. The impact of foreign currency risk on the Company is not material

**Interest rate risk**

Interest rate is the risk that the fair value of future cash flow of a financial instrument will fluctuate because of change in market interest rate. The Company's exposure to the risk of change in market interest rate relates primarily to the Company's debt obligation with floating interest rate. Thus profits and cash flow from financing activities are dependent on market interest rate.

The exposure of the Company borrowing to interest rate changes as reported at the end of the reporting period are as follows:

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Fixed rate borrowings- From related party	-	1,49,901	1,31,828	43,921
Floating rate borrowings	-	-	-	-
Interest Free borrowings- From related party	-	-	-	-
Interest Free borrowings- From others	-	-	-	-
<b>Total borrowings (fixed, floating and interest free)</b>	<b>-</b>	<b>1,49,901</b>	<b>1,31,828</b>	<b>43,921</b>

**Interest rate sensitivity**

**Rosmerta Digital Services Limited**  
**(Formerly known as Rosmerta Digital Services Private Limited)**  
**(CIN U74999DL2021PLC386542)**

**Notes to restated financial statements**

(All amounts in ₹ thousand, unless otherwise stated)

Since the Company is only having fixed rate interest, hence the risk is not applicable.

**Price risk**

The Company is not exposed to any price risk as at the reporting date.

**Rosmerta Digital Services Limited**  
**(Formerly known as Rosmerta Digital Services Private Limited)**  
**(CIN U74999DL2021PLC386542)**  
Notes to restated financial statements  
(All amounts in ₹ thousand, unless otherwise stated)

### 32 Operating Segment

The Company has engaged in the business of providing "Digitally Enabled Service and Automotive Components/Accessories" and has only one reportable segment in accordance with IND AS-108 'Operating Segment'. The information relating to this operating segment is reviewed regularly by the Board of Directors to make decisions about resources to be allocated and to assess its performance. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in the segment, and are as set out in the material accounting policies.

#### Other information

Total revenue from three customer constitute of 50 % of the total revenue of the company (March 31, 2024: 82%, March 31, 2023: 56% and March 31, 2022: 99.69%).

### 33 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The primary objective of the Company's Capital management is to maximise shareholder's value. The Company manages its capital and makes adjustment to it in light of the changes in economic and market conditions.

The objective of the Company's capital management structure is to ensure that there remains sufficient liquidity within the Company's to carry out committed work programme requirements. The Company's monitors the long term and short term cash flow requirements of the business in order to assess the requirement for changes to the capital structure to meet that objective and to maintain flexibility.

The Company's manages its capital structure and makes adjustments to it, in light of changes to economic conditions. To maintain or adjust the capital structure, the Company's may adjust the dividend payment to shareholders, return capital, issue new shares for cash, repay debt, put in place new debt facilities or undertake other such restructuring activities as appropriate. No changes were made in the objectives, policies or processes during the period/years.

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Borrowings	-	1,49,901	1,31,828	43,921
Lease liabilities	579	698	-	-
<b>Total Debt</b>	<b>579</b>	<b>1,50,599</b>	<b>1,31,828</b>	<b>43,921</b>
Less : Cash and cash equivalent	13,667	43,922	16,185	383
<b>Net debts</b>	<b>(13,088)</b>	<b>1,06,677</b>	<b>1,15,643</b>	<b>43,538</b>
<b>Total Equity</b>	<b>7,09,934</b>	<b>1,22,132</b>	<b>15,916</b>	<b>-201</b>
<b>Total Debt and Equity</b>	<b>6,96,846</b>	<b>2,28,809</b>	<b>1,31,559</b>	<b>43,337</b>
<b>Gearing ratio (%)</b>	<b>-1.88%</b>	<b>46.62%</b>	<b>87.90%</b>	<b>100.46%</b>

### 34 Dividends

The Board of Directors of the Company in their meeting held on June, 21,2024 proposed dividend of Rs 0.50 (5% of face value of share) per equity share in respect of the financial year ended March 31, 2024, same has been approved by the shareholders of the Company at the annual general meeting held on June 21, 2024.

35 As per the information available with the Management, there is no outstanding Capital and other Commitment as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022.

36 The Company does not have any contingent liability as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022.

**Rosmerta Digital Services Limited**  
**(Formerly known as Rosmerta Digital Services Private Limited)**  
**(CIN U74999DL2021PLC386542)**  
**Notes to restated financial statements**  
(All amounts in ₹ thousand, unless otherwise stated)

**37 Financial ratios**

S.No	Ratio	Numerator	Denominator	As at September 30, 2024*	As at March 31, 2024	Variance	Reason for variance of more than +/- 25%
1	Current Ratio	Current Assets	Current liabilities	3.47	1.49	132.56%	Refer Note 2
2	Debt - Equity Ratio	Total Debt	Share holders' Equity	0.00	1.23	-100.00%	Refer Note 2
3	Debt Service Coverage Ratio	Earning available for debt service	Debt Service	1.00	0.59	69.73%	Refer Note 2
4	Return on Equity (ROE)	Net Profit after taxes	Average Shareholders' Equity	0.36	1.53	-76.70%	Refer Note 2
5	Inventory Turnover Ratio	Cost of Goods sold	Average Closing Inventory	63.49	86.12	-26.28%	Refer Note 2
6	Trade receivables turnover ratio	Net Sales	Average Accounts Receivables	2.85	6.84	-58.34%	Refer Note 2
7	Trade payables turnover ratio	Net Purchases	Average Trade payables	3.26	10.93	-70.15%	Refer Note 2
8	Net Capital turnover ratio	Net Sales	Average Working Capital	2.24	12.41	-81.94%	Refer Note 2
9	Net Profit ratio	Net Profit	Net Sales	0.16	0.13	28.17%	Refer Note 2
10	Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed	0.28	1.03	-72.45%	Refer Note 2
11	Return on investment	Income generated from investments	Time weighted average investments	0.01	-	0.00%	Refer Note 2

S.No	Ratio	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	Variance	Reason for variance of more than +/- 25%
1	Current Ratio	Current Assets	Current liabilities	1.49	1.08	38.28%	Due to increase in current assets
2	Debt - Equity Ratio	Total Debt	Share holders' Equity	1.23	8.28	-85.18%	Due to increase in net worth
3	Debt Service Coverage Ratio	Earning available for debt service	Debt Service	0.59	0.22	162.10%	Due to increase in profit
4	Return on Equity (ROE)	Net Profit after taxes	Average Shareholders' Equity	1.53	2.06	-25.70%	Due to increase in net worth
5	Inventory Turnover Ratio	Cost of Goods sold	Average Closing Inventory	86.12	15.28	463.62%	Due to increase in cost of goods sold
6	Trade receivables turnover ratio	Net Sales	Average Accounts Receivables	6.84	5.95	14.88%	Due to increase in revenue from operation
7	Trade payables turnover ratio	Net Purchases	Average Trade payables	10.93	5.27	107.39%	Due increase in net purchases
8	Net Capital turnover ratio	Net Sales	Average Working Capital	12.41	61.26	-79.75%	Due to increase in working capital
9	Net Profit ratio	Net Profit	Net Sales	0.13	0.05	150.99%	Due to increase in profit
10	Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed	1.03	0.22	368.18%	Due to increase in profit

S.No	Ratio	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Variance	Reason for variance of more than +/- 25%
1	Current Ratio	Current Assets	Current liabilities	1.08	0.92	17.86%	Refer Note 1
2	Debt - Equity Ratio	Total Debt	Share holders' Equity	8.28	0.00	100.00%	Refer Note 1
3	Debt Service Coverage Ratio	Earning available for debt service	Debt Service	0.22	0.00	100.00%	Refer Note 1
4	Return on Equity (ROE)	Net Profit after taxes	Average Shareholders' Equity	2.06	0.00	100.00%	Refer Note 1
5	Inventory Turnover Ratio	Cost of Goods sold	Average Closing Inventory	15.28	0.93	1543.09%	Refer Note 1
6	Trade receivables turnover ratio	Net Sales	Average Accounts Receivables	5.95	1.04	472.48%	Refer Note 1
7	Trade payables turnover ratio	Net Purchases	Average Trade payables	5.27	8.91	-40.84%	Refer Note 1
8	Net Capital turnover ratio	Net Sales	Average Working Capital	61.26	0.00	100.00%	Refer Note 1
9	Net Profit ratio	Net Profit	Net Sales	0.05	0.00	100.00%	Refer Note 1
10	Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed	0.22	0.01	2100.00%	Refer Note 1

**Notes:**

- (1) The ratios as on March 31, 2022 are not comparable as the Company was incorporated on September 14, 2021.  
(2) The ratios for the period ended on September 30, 2024 have not been annualised. Hence, not comparable.

### 38 Employees benefits expenses

#### a) Defined contribution plans:

Company makes contribution in the form of provident funds as considered defined contribution plans and contribution to Employees Provident Fund Organisation. The Company has no further payment obligations once the contributions have been paid. Following are the schemes covered under defined contributions plans of the Company:

**Provident fund plan & employee pension scheme:** The Company makes monthly contributions at prescribed rates towards Employee Provident Fund and Employee Pension Scheme fund administered and managed by Ministry of Labour & Employment, Government of India.

**Employee state insurance:** The Company makes prescribed monthly contributions towards employees state insurance scheme and payment made to employee state insurance corporation, Ministry of Labour & Employment, Government of India.

The Company has charged the following costs in contribution to provident and other funds in the statement of profit and loss:

Particulars	For the six months period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the period from Sep 14, 2021 to March 31, 2022
Company's contribution to provident fund	3,853	2,344	1,273	-
Company's contribution to employee state insurance scheme	1,189	1,975	1,984	295
<b>Total</b>	<b>5,042</b>	<b>4,319</b>	<b>3,257</b>	<b>643</b>

#### b) Defined benefit plan

(i) The Company provides for gratuity obligations through a defined benefit retirement plan (the 'Gratuity Plan') covering all company employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement termination of employment or death of an employee, based on the respective employees' salary and years of employment with the Company.

#### (ii) Changes in defined benefit obligation

Particulars	For the six months period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the period from Sep 14, 2021 to March 31, 2022
Present value of obligation as at the beginning of the period	5,623	2,968	378	-
Acquisition adjustment	-	-	-	-
Interest Cost	203	218	27	-
Service Cost	1,906	3,190	2,469	378
Past Service Cost including curtailment Gains/Losses	-	-	-	-
Benefits Paid	-	-	-	-
Total Actuarial (Gain)/Loss on Obligation	(139)	(754)	94	-
<b>Present value of obligation as at the End of the period</b>	<b>7,593</b>	<b>5,622</b>	<b>2,968</b>	<b>378</b>

#### Other comprehensive (income)/expenses (Remeasurement)

Actuarial (gain)/ loss arising form	-	-	-	-
-Changes in financial assumptions	144	104	(71)	-
-Changes in demographic assumptions	-	-	-	-
-Changes in experience adjustments	(284)	(858)	165	-

#### c) Fair value of plan assets

Fair value of plan assets at the beginning of the period	-	-	-	-
Actual return on plan assets	-	-	-	-
Employer	-	-	-	-
Benefits paid	-	-	-	-
Fair value of plan assets at the end of the period	-	-	-	-

#### d) Amount recognised in balance sheet

Defined benefit obligation at the end of the year	7,593	5,622	2,968	378
Fair value of plan assets at the end of the year	-	-	-	-
<b>Recognised in the balance sheet</b>	<b>7,593</b>	<b>5,622</b>	<b>2,968</b>	<b>378</b>
Current portion of above	15	9	4	-
<b>Non Current portion of above</b>	<b>6,572</b>	<b>5,614</b>	<b>2,964</b>	<b>-</b>

#### e) Expense recognised in the statement of profit & loss

Total Service Cost	1,906	3,190	2,469	378
Net Interest Cost	203	218	27	-
Expense recognized in the Income Statement	<b>2,109</b>	<b>3,408</b>	<b>2,496</b>	<b>378</b>

#### f) The significant actuarial assumptions used for the purposes of the actuarial valuation were as follows:

Discounting rate	7.15	7.25	7.36	7.18
Future salary growth rate	9	9	9	9
Life expectancy/ Mortality rate*	100% of IALM	100% of IALM	100% of IALM	100% of IALM
Withdrawal rate	(2012-14)	(2012-14)	(2012-14)	(2012-14)
Method used	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit

\* Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics (i.e. IALM 2012-14 ultimate/PY-IALM 2012-14 ultimate). These assumptions translate into an average life expectancy in years at retirement age.



**Rosmerta Digital Services Limited**  
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(CIN U74999DL2021PLC386542)

Notes to restated financial statements

(All amounts in ₹ thousand, unless otherwise stated)

**g) Sensitivity analysis**

Changes in liability for 0.5% increase in discount rate	(718)	(533)	(287)	(47)
Changes in liability for 0.5% decrease in discount rate	816	607	327	47
Changes in liability for 0.5% increase in salary growth rate	797	594	320	46
Changes in liability for 0.5% decrease in salary growth rate	(709)	(528)	(284)	(40)

**39 Leases**

(i) The Company's lease asset primarily consist of leases of buildings for offices having the various lease terms. The Company also has most of the leases with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

(ii) The carrying value of right to use assets and movement thereof are disclosed in note 3.

iii) The following is the carrying value lease liability and movement thereof;

Particulars	Amount
<b>Balance as at September 14, 2021</b>	-
Addition during the year	-
Finance cost accrued during the year	-
Payment of lease liabilities including interest	-
<b>Balance as at March 31, 2022</b>	-
Addition during the year	-
Finance cost accrued during the year	-
Payment of lease liabilities including interest	-
<b>Balance as at March 31, 2023</b>	-
Addition during the year	787
Finance cost accrued during the year	24
Payment of lease liabilities including interest	113
<b>Balance as at March 31, 2024</b>	<b>698</b>
Addition during the year	-
Finance cost accrued during the year	31
Payment of lease liabilities including interest	150
<b>Balance as at September 30, 2024</b>	<b>579</b>

Particulars	As at	As at	As at	As at
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Current maturity of lease liability	300	300	-	-
Non Current lease liability	279	398	-	-

iv) Amounts recognised in the statement of profit and loss during the year

Particulars	As at	As at	As at	As at
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Depreciation charge of right-of-use assets - leasehold assets	134	90	-	-
Finance cost accrued during the year (included in finance cost)	31	24	-	-
	<b>165</b>	<b>114</b>	-	-

v) The Company has applied a single discount rate to a portfolio of leases of a similar assets in similar economic environment with similar end date.

**40 Corporate social responsibility expenditure**

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year/period on these activities which are specified in Schedule VII of the Companies Act, 2013:

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
i) Gross amount required to be spent by the Company during the period/year	600	-	-	-
(ii) Amount approved by the Board to be spent during the period/year	600	-	-	-
(iii) Amount spent during the period/year (in cash)				
- construction/ acquisition of any asset	-	-	-	-
- on purpose other than above	-	-	-	-
(iv) Shortfall / (Excess) at the end of the period/year	600	-	-	-
(v) Total of previous years/period shortfall	-	-	-	-
(vi) Details of related party transactions	-	-	-	-
(vii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the period/year should be shown separately	-	-	-	-
Opening provision	-	-	-	-
Addition during the year/period	600	-	-	-
Utilisation	-	-	-	-
<b>Closing provision</b>	<b>600</b>	-	-	-

**Rosmerta Digital Services Limited**  
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**(CIN U74999DL2021PLC386542)**

Notes to restated financial statements  
(All amounts in ₹ thousand, unless otherwise stated)

**41 Share Based Payment**

**Rosmerta Digital Services Limited Stock Option Plan 2024**

The establishment of the Rosmerta Digital Services Limited ESOP Scheme 2024 ('Plan'/ 'ESOP 2024') was approved by the Board of Directors in the meeting held on June 29, 2024 and by the members in the Extra Ordinary General Meeting held on July 01, 2024 . The plan is designed to provide incentives to the eligible employees.

Participation in the plan is at the Board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits. The maximum number of options available for grant under the plan shall be 13,43,000.

Options are granted under the plan for no consideration and carry no dividend or voting rights. The options granted shall vest in a graded manner between completion of 1 year up to 4 years of service from the grant date. The exercise price of the share underlying an option shall be ₹ 110 per share. When exercised, each option is convertible into one equity share.

Employees of the Group receive remuneration in the form of share-based payments in consideration of the services rendered. Under the equity settled share based payment, the fair value on the grant date of the award given to employees is recognised as 'employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated by an independent valuer basis scenario based method and Black Scholes model. At the end of each reporting period, apart from the non-market vesting conditions, the expense is reviewed and adjusted to reflect changes to the level of options expected to vest.

**Exercise Period**

Scheme	No of option	Year 1(25%)	Year 2(25%)	Year 3(25%)	Year 4(25%)
ESOP 2024	13,43,000	3,35,750	3,35,750	3,35,750	3,35,750

Scheme	Date of grant	No of option granted	No. of Years vesting	Exercise price	Weighted average fair value of option at grant date
ESOP 2024	July 01,2024	13,43,000	4 years	110	31.24

**Details of the share options outstanding during the period/ year are as follows:**

Particulars	Number of options	Weighted average exercise price
Balance as at April 1, 2024	-	-
Granted during the period	13,43,000	31.24
Forfeited / lapsed during the year	-	-
Exercised during the year	-	-
<b>Balance as at September 30, 2024</b>	<b>13,43,000</b>	<b>31.24</b>

**The fair value has been calculated using the black scholes options pricing model and the significant assumptions made in this regard are as follows :**

Particular	Grant
Risk free rate	6.84%
Volatility	24.09%
Dividend yield	0.00%
Share price	110
Exercise price	110

In respect of options granted under the Employee Stock Option Plan the accounting is done as per requirements of Ind AS 102. Consequently, employee benefit expenses includes Rs. 2,830 thousands ( March 31, 2024 : Rs. nil, March 31, 2023 : Rs. nil, March 31, 2022 : Rs. nil) .

**42 Other Statutory Information**

- (i) The Company do not have any immovable property which is not held in the name of Company.
- (ii) The Company has not provided any loan or advances to specified persons
- (iii) The Company do not have any benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (iv) The Company has not availed any facilities from banks on the basis of security of current assets.
- (v) The Company is not declared wilful defaulter by any bank or any financial institution.
- (vi) The Company does not have any transactions with struck-off companies.
- (vii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (viii) The Company have not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
  - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries,
- (ix)The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries); or
  - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- (x) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (xi) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- (xii)The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial years.

**43 Statement of adjustment to audited financial statement**

**Part A: Reconciliation between audited equity and restated equity**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Equity share capital	78,100	100	100	100
Other equity	6,31,834	1,22,032	15,816	(301)
<b>Total equity (as per audited financial statements) (A)</b>	<b>7,09,934</b>	<b>1,22,132</b>	<b>15,916</b>	<b>(201)</b>
<b>Adjustments :</b>				
Adjustment for audit qualification	-	-	-	-
<b>Total impact on adjustments (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity as per restated statement of assets and liabilities</b>	<b>7,09,934</b>	<b>1,22,132</b>	<b>15,916</b>	<b>(201)</b>

**Part B: Reconciliation between audited profit/(Loss) and restated profit/(Loss)**

Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Total comprehensive income/(expenses) (as per audited financial statements) (A)</b>	<b>1,48,477</b>	<b>1,06,216</b>	<b>16,117</b>	<b>(301)</b>
<b>Adjustments:</b>				
Adjustment for audit qualification	-	-	-	-
<b>Total impact on adjustments (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Restated profit/(Loss) (A+B)</b>	<b>1,48,477</b>	<b>1,06,216</b>	<b>16,117</b>	<b>(301)</b>

**Notes to adjustments :**

**1) Non adjusting items**

**a) Audit qualifications for the respective years/period, which do not require any adjustments in the Restated Financial Information:**

There are no audit qualifications in the auditor's report on the financial statements of the Company for the year ended March 31, 2024 apart from the below:

The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023:

**b) Statements/comments included in the Companies (Auditor's Report) Order, 2016 or Companies (Auditor's Report) Order, 2020, which do not require any corrective adjustments in the restated standalone financial information**

NIL

**c) Emphasis of matters not requiring adjustments to restated financial statements**

**1. Emphasis of matter given in the auditor's report for the financial year ending March 31, 2022**

NIL

**2. Emphasis of matter given in the auditor's report for the financial year ending March 31, 2023.**

NIL

**3. Emphasis of matter given in the auditor's report for the financial year ending March 31, 2024.**

NIL

**4. Emphasis of matter given in the auditor's report for the period ending September 30, 2024.**

NIL

**3) Material regrouping/reclassification**

Appropriate regrouping/reclassification have been made in the Restated Statement of Assets and Liabilities, Restated Statement of Profit and Loss and Restated Statement of Cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the Audited Special Purpose Ind AS Financial Statements of the company prepared in accordance with Schedule III (Division II) of the Act, requirements of Ind AS 1 - 'Presentation of financial statements' and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended.

**4) Material errors**

There are no material errors that require any adjustment in the restated financial information.

**For S S Kothari Mehta & Co. LLP**

Chartered Accountants  
Firm's Registration No.000756N/N500441

**Sunil Wahal**  
Membership No. 087294  
Partner  
Place :New Delhi  
Date :October 28, 2024

**For and on behalf of Board of Directors**

**Rosmerta Digital Services Limited**  
(Formerly known as Rosmerta Digital Services Private Limited)

**Akhil Gupta**  
Chief Executive Officer  
DIN : 09285050

**Amit Kumar Somani**  
Chief Financial Officer

**Brijesh Singh**  
Director  
DIN : 03217960

**Mukesh Malhotra**  
Director  
DIN : 01345153

**Kuntal Kar**  
Company Secretary  
M. No. A16927

**OTHER FINANCIAL INFORMATION**
*(INR in thousands)*

Particulars	For the three months period ended September 30, 2024	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023	For the period from September 14, 2021 to March 31, 2022
<b>Earnings per equity share (Face Value of ₹ 10 /- each)</b>				
Basic EPS (in ₹) <sup>1</sup>	4.02	3.01	0.46	(0.00)
Diluted EPS (in ₹) <sup>2</sup>	4.01	3.01	0.46	(0.00)
Return on net worth (%) <sup>3</sup>	20.72%	86.51%	101.70%	0.00
Net asset value per equity share (₹) <sup>4</sup>	18.18	12,213.20	1,591.58	(20.10)
Reserves (other equity), as restated	6,31,834	1,22,032	15,816	(301)
Net worth, as restated	7,09,934	1,22,132	15,916	(201)
EBITDA <sup>5</sup>	1,99,504	1,53,634	30,466	273

The ratios on the basis of Restated Financial Statements have been computed as below:

1. *Basic Earnings per share (₹): Net profit as restated, attributable to equity shareholders divided by weighted average number of equity shares*
2. *Diluted Earnings per share (₹): Net profit as restated, attributable to equity shareholders divided by Weighted average number of dilutive equity shares*
3. *Return on net worth (%): Net profit after tax to the owner of the Company, as restated divided by Net worth (Share Capital+ Other Equity- Capital Reserve) at the end of the period. Further, for the period from September 14, 2021 to March 31, 2022, The Company's Net worth is in negative, Hence it has been shown as Nil.*
4. *Net Asset Value (NAV) per equity share (₹): Net assets at the end of the period divided by weighted average numbers of equity shares outstanding at the end of the period*
5. *EBITDA: Profit / (loss) after tax + tax expense + finance cost + depreciation and amortization expense + Exceptional Item.*

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## **MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION**

*The following discussion is intended to convey management’s perspective on our financial condition and results of operations for the period ended September 30, 2024 and financial year ended March 31, 2024, March 31 2023 and March 31, 2022. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled “Financial Statements” and the chapter titled “Restated Financial Statements” on page 288 of the Red Herring Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled “Risk Factors” on page 28 of this Red Herring Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer the chapter titled “Forward-Looking Statements” on page 19 of this Red Herring Prospectus. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12-month period ended March 31 of that year.*

*In this section, unless the context otherwise requires, any reference to “we”, “us” or “our” refers to Rosmerta Digital Services Limited (Formerly Known as Rosmerta Digital Services Private Limited), our Company. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for the period September 30, 2024, and Financial Years 2024, 2023 and 2022 included in this Red Herring Prospectus beginning on page 288 of this Red Herring Prospectus.*

### ***Company Overview***

Our Company was incorporated as a private limited company with the name of “Rosmerta Digital Service Private Limited” under the Companies Act, 2013 vide certificate of incorporation dated September 14, 2021, issued by Registrar of Companies, Delhi, bearing CIN U74999DL2021PTC386542. Further, our company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra- Ordinary General Meeting held on April 30, 2024 & name of our Company changed from “Rosmerta Digital Services Private Limited” to “Rosmerta Digital Services Limited” & Registrar of Companies, CPC has issued a new certificate of incorporation consequent upon conversion dated June 03, 2024, bearing CIN: U74999DL2021PLC386542.

### ***Business Overview***

Rosmerta Digital Services Limited, a subsidiary of Rosmerta Technologies Limited (“RTL”), has been engaged in providing digitally enabled services and digitally enabled channel sales of automotive component & accessories. Our company initially offered vehicle registration services to Original Equipment Manufacturers (OEMs) and has since diversified into a comprehensive range of services, including garage services, last-mile delivery service, selling of automotive components and accessories, etc. Our company is engaged in both the B2B and B2C segments. In the B2B segment, it serves automotive OEMs, online marketplaces and garages among others, through its Vehicle Ownership Experience vertical, and other product manufacturers through Last Mile Delivery Service. In the B2C

segment, Rosmerta Digital serves vehicle owners through vehicle registration services, garage services and automotive spare parts and accessories. Automotive components and accessories are sold through a combination of channel partners and direct to consumer through Rosmerta Digital's MyRaasta application.

## **SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "*Risk Factor*" beginning on page 28 of this Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Our ability to successfully implement our strategy, our growth and expansion, technological changes.
- Fail to attract, retain and manage the transition of our management team and other skilled employees.
- Our ability to protect our intellectual property rights and not infringing intellectual property rights of other parties.
- Ability to respond to technological changes.
- Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate.
- Inability to successfully obtain registrations in a timely manner or at all.
- General economic and business conditions in the markets in which we operate and in the local, regional and national economies.
- Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations.
- Recession in the market.
- Changes in laws and regulations relating to the industries in which we operate.
- Effect of lack of infrastructure facilities on our business.
- Failure to obtain any approvals, licenses, registrations and permits in a timely manner.
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices.
- Uncertainty in relation to continuing effect of the COVID-19 pandemic on our business and operations.
- Occurrence of natural disasters or calamities affecting the areas in which we have operations.
- Conflicts of interest with affiliated companies, the promoter group and other related parties.
- The performance of the financial markets in India and globally.
- Our ability to expand our geographical area of operation.
- Concentration of ownership among our Promoters.

## **SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "*Risk Factor*" beginning on page 28 of this Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance.
- Company's results of operations and financial performance;
- Performance of Company's competitors;
- Significant developments in India's economic and fiscal policies;

- Failure to adapt to the changing needs of industry and in particular Sector may adversely affect our business and financial condition;
- Volatility in the Indian and global capital market;

**MANAGEMENT'S DISCUSSION ON RESULTS OF OPERATION**
*(Rs. In Thousand)*

Particulars	For the Period ended		For the Period ended		For the Period ended		For the Period ended	
	September 30, 2024	%age of Total Income	March 31, 2024	%age of Total Income	March 31, 2023	%age of Total Income	March 31, 2022	%age of Total Income
<b>INCOME:</b>								
Revenue from operations	9,22,423	99.68%	8,41,900	100.00%	2,97,891	100.00%	20,270	100.00%
Other income	2,934	0.32%	7	0.00%	-	0.00%	-	0.00%
<b>Total Income (A)</b>	<b>9,25,357</b>	<b>100.00%</b>	<b>8,41,907</b>	<b>100.00%</b>	<b>2,97,891</b>	<b>100.00%</b>	<b>20,270</b>	<b>100.00%</b>
<b>EXPENSES :</b>								
Purchase of traded goods & services	5,14,842	55.64%	4,07,992	48.46%	53,572	17.98%	464	2.29%
Change in inventory in traded goods	(8,903)	(0.96)%	2,497	0.30%	(5774)	(1.94)%	(241)	(1.19)%
Employee benefits expense	87,747	9.48%	1,36,522	16.22%	1,20,507	40.45%	14,912	73.57%
Finance costs	3,023	0.33%	10,695	1.27%	6,549	2.20%	334	1.65%
Depreciation and amortization expense	1,007	0.11%	1,765	0.21%	1,579	0.53%	19	0.09%
Other expenses	1,29,233	13.97%	1,41,262	16.78%	99,120	33.27%	4,862	23.99%
<b>Total expenses (B)</b>	<b>7,26,949</b>	<b>78.56%</b>	<b>7,00,733</b>	<b>83.23%</b>	<b>2,75,553</b>	<b>92.50%</b>	<b>20,350</b>	<b>100.39%</b>
<b>Profit/ Loss before tax for the year (C) = (A-B)</b>	<b>1,98,408</b>	<b>21.44%</b>	<b>1,41,174</b>	<b>16.77%</b>	<b>22,338</b>	<b>7.50%</b>	<b>(80)</b>	<b>(0.39)%</b>
<b>Tax expense</b>								
(i) Current tax	50,739	5.48%	37,815	4.49%	7,193	2.41%	38	0.19%
(ii) Deferred tax assets	(676)	(0.07)%	(2293)	(0.27)%	(1042)	(0.35)%	183	0.90%
(iii) Tax expenses pertaining to earlier year	(27)	Negligible	-	-	-	-	-	-
<b>Total tax expense for</b>	<b>50,036</b>	<b>5.41%</b>	<b>35,522</b>	<b>4.22%</b>	<b>6,151</b>	<b>2.06%</b>	<b>221</b>	<b>1.09%</b>

the year/ period (D)								
Profit/ Loss for the year/ period (E)=(C-D)	1,48,372	16.03%	1,05,652	12.55%	16,187	5.43%	(301)	(1.48)%

### ***Our Significant Accounting Policies***

For Significant accounting policies please refer “ Significant Accounting Policies”, under Chapter titled “*Restated Financial Statements*” beginning on page 288 of the Red Herring Prospectus.

### **Overview of Revenue & Expenditure**

The following discussion on results of operations should be read in conjunction with the Restated Financial statements for the Financial years 2023-24, Financial Year 2022- 2023, Financial Year 2021-22. Our revenue and expenses are reported in the following manner:

#### **Revenues**

◆ **Revenue of operations**

Our Company’s revenue is primarily generated from Sale of services and sale of products.

◆ **Other Income**

Other Income includes interest income on fixed deposit and others.

#### **Expenditure**

Our total expenditure primarily consists of Purchases of traded goods, Change in inventory in traded goods, Employee benefit expense, Finance Costs, Depreciation and amortization expense, and Other Expenses.

◆ **Cost of Good Sold (COGS)**

The Cost of good sold (COGS) means Purchases of traded goods includes purchases of goods in which we are dealing means automobiles and spare parts plus opening Inventory subtracting the Closing Inventory of the traded goods (Change in Inventory).

◆ **Employee benefit expense**

The Employee benefit expense includes Salaries and wages for employees, directors and KMPs, and Staff welfare expenses.

◆ **Finance Cost**

Finance cost expense include interest on Financial Liabilities, Interest on lease Liability.

◆ **Depreciation and Amortization Expenses**

Depreciation Expenses majorly includes depreciation on Furniture & Fixtures, Vehicles, Computers and Office Equipment’s and Amortization expenses includes on intangible assets.



◆ **Other Expenses**

Other Expenses include major expenses on Business Support Expenses, RTO Services, Wages to contractor, Consultancy Fees, Rent, Travelling Expenses and other expenses.

**HALF YEARLY ENDED SEPTEMBER 30, 2024**

**Revenues**

◆ **Total Income**

Total Income which includes Revenue from Operations & other income for the Half Yearly ended September 30, 2024, stands at Rs. 9,25,357 Thousands representing 100.00% of Total Income.

◆ **Revenue of operations**

Net revenue from operations for the Half Yearly ended September 30, 2024 was Rs. 9,22,423 Thousands representing almost 99.68% of Total Income.

**Reason:** The revenue from operations includes

<b>Particulars</b>	<b>Half Yearly ending 30<sup>th</sup> September 2024</b>
Sale of Services	3,85,566
Sale of Products	5,36,857
<b>Total</b>	<b>9,22,423</b>

Sale from services include income from registration services given to OEM's which have increased in the periods as stated below:

<b>Particulars</b>	<b>Half Yearly ending 30<sup>th</sup> September 2024</b>
Vehicle Registered	1,47,762

◆ **Other Income**

Other Income for the Half Yearly ending September 30, 2024, stood at Rs. 2,934 Thousands which represents 0.32% of Total Income.

**Expenditure**

◆ **Total Expenses**

Total Expenses for the Half Yearly ending September 30, 2024, stood at Rs. 7,26,949 Thousands which represents 78.56% of Total Income

◆ **Cost of Good Sold**

Cost of Good Sold which is the sum of Purchase of Traded Goods & Change in Inventory. Thus, for the Half Yearly ending September 30, 2024 it stood at Rs. 5,05,939 Thousands which represents 55.64% of Total Income.

*(Rupees In Thousand)*

<b>Particulars</b>	<b>Half Yearly ending 30<sup>th</sup> September 2024</b>
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Purchases Cost	5,14,842
Add: Opening stock	3,518
Less: Closing Stock	(12,421)
<b>COGS</b>	<b>5,05,939</b>

◆ **Employee benefit expense**

The Employee benefit expense for the Half Yearly ending September 30, 2024 stands at Rs. 87,747 Thousands representing 9.48% of Total Income.

The Total Employee Expenses constitutes of:

*(Rupees In Thousand)*

Particulars	Half Yearly ending 30 <sup>th</sup> September 2024
Salary ,wages & allowance	76,658
Contribution to provident and other fund	5,931
Gratuity expenses	2,110
Shares based payment expenses	2,830
Staff welfare	218
<b>Total</b>	<b>87,747</b>

◆ **Finance Cost**

The Finance Cost for the Half Yearly ending September 30, 2024, stood at Rs. 3,023 Thousands which represents 0.33% of Total Income. This includes Interest cost of Financial Liabilities measured at amortized cost i.e. Rs. 2,992 Thousands & Interest on Lease Liability i.e. Rs. 31 Thousands.

◆ **Depreciation and Amortization Expenses**

The Depreciation and Amortization Expenses for the Half Yearly ending September 30, 2024 stood at Rs. 1,007 Thousands representing 0.13% of Total Income.

◆ **Other Expenses**

The Other Expenses for the Half Yearly ending September 30, 2024, stood at Rs. 1,29,233 Thousands which represents 14.04% of Total Income

Other Expenses constitutes of:

Particulars (Rs. Thousands)	Half Yearly ending 30th September 2024
Payment to auditors	705
Power and fuel	3,266
Repairs and maintenance on Other	161
Rent	13,740
Travelling and conveyance	4,665
Communication expenses	3,433
Provision for expected credit loss	2,000
Bank charges	11
Consultancy expenses	6,636
Postage and courier charges	1,296
Consumables expenses	1,169

Printing and stationery	933
Fitment expenses	128
Wages to contractor	5,791
Registration services expenses	22,845
Service expenses	6,289
Advertisement expenses	6,641
Business support expenses	3,426
Corporate social responsibility expense	600
HSRP Delivery Charges	40,871
Sitting fees to Independent Directors	158
Misc expenses	4,469
<b>Total</b>	<b>1,29,233</b>

◆ **Restated Profit before Tax**

The restated profit before tax for the Half Yearly ending September 30, 2024 was Rs. 1,98,408 Thousands representing 21.44% of Total Income

◆ **Tax Expense**

Tax Expense for the Half Yearly ending September 30, 2024 stood at 50,036 Thousand representing 5.41% of Total Income

◆ **Restated Profit after Tax**

The restated profit after tax for the Half Yearly ending September 30, 2024 stood at Rs. 1,48,372 Thousand which is 16.03% of Total income.

**FISCAL YEAR ENDED MARCH 31, 2024, COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2023 (BASED ON RESTATED STANDALONE FINANCIAL STATEMENTS)**

**Revenues**

◆ **Total Income**

Total Income for the year ended March 31, 2024, stood at Rs. 8,41,907 Thousands whereas for the year ended March 31, 2023 it stood at Rs 2,97,891 Thousands representing an increase of 182.62%.

**Reason:** The increase in total income of the company is due to a significant increase in revenue from operations of the company.

◆ **Revenue of operations**

Net revenue from operations for the year ended March 31, 2024, stood at Rs. 8,41,900 Thousands whereas for the year ended March 31, 2023 it stood at Rs. 2,97,891 Thousands representing an increase of 182.62%.

**Reason:** The significant increase in company revenue because increase in the company revenue from service and product.

*(Rupees In Thousand)*

Particulars	FY 2023-24	FY 2022-23	%age Increase
Sale of Services	4,16,278	2,39,751	73.63%
Sale of Products	4,25,622	58,140	632.06%
<b>Total</b>	<b>8,41,900</b>	<b>2,97,891</b>	<b>182.62%</b>

It should be noted that the Sale of Products i.e Stores & Spares segment was initiated in mid of FY 2022-23.

Sale from services include income from registration services given to OEM's which have increased in the periods as stated below:

Particulars	FY 2023-24	FY 2022-23
Vehicle Registered	2,50,329	1,01,430

◆ **Other Income**

Other Income for the year ended March 31, 2024, stood at Rs. 7 Thousands whereas in the Financial Year 2021-22 it stood at Rs. Nil.

**Reason:** The Increase in other income is due to Interest on deposits company has made with banks.

**Expenditure**

◆ **Total Expenses**

Total Expenses for the year ended March 31, 2024 stood at Rs. 7,00,733 Thousands which is 83.23% of Total Income for the year. For the year ended March 31, 2023 it stood at Rs. 2,75,553 Thousands which represents 92.50% of Total Income for the year. There is an increase of 154.30% Y-o-Y from year 2023 to 2024.

◆ **Cost of Good Sold**

Cost of Good Sold constitutes of Purchase of Traded Goods & Change in Inventory. For the year ending 31<sup>st</sup> March 2024 the COGS stood at Rs. 4,10,489 Thousands which represent 48.76% of Total Income for the year. For the year ending 31<sup>st</sup> March 2023, the COGS stood at Rs. 47,798 Thousands which represents 16.05% of Total Income. There is a total increase of 518.33% over the year.

*(Rupees In Thousand)*

Particulars	FY 2024	FY 2023
Purchases Cost	4,07,992	53,572
Opening stock	6,015	241
Closing stock	(3,518)	(6,015)
<b>COGS</b>	<b>4,10,489</b>	<b>47,798</b>

Reason:- The COGS are related to Sale of Products under revenue from operations. The revenue from Sale of product was Rs. 4,25,622 Thousands in Financial Year 2023-24. The same for the FY 2022-2023 was Rs. 58,140 Thousands. Thus, increase in COGS is in line with increase in Sale of Products.

◆ **Employee benefit expense**

The Employee benefit expense for the year ending March 31, 2024, stood at Rs. 1,36,522 Thousands whereas in year ending March 31, 2023, it stood at Rs. 1,20,507 Thousands representing an increase of 13.29%.

**Reason:** Employee expenses were fully utilized in in Employee benefit expenses in the financial year 2024 as compared to financial year 2023. The increase in the salary and wages of employees and Staff Welfare Expense is also increased.

*(Rupees In Thousand)*

Particulars	FY 2024	FY 2023
Salary ,wages & allowance	1,28,212	1,13,893
Contribution to provident and other fund	4,319	3,259
Gratuity expenses	3,409	2,496
Staff welfare	582	859
<b>Total</b>	<b>1,36,522</b>	<b>1,20,507</b>

◆ **Finance Cost**

The Finance Cost for the year ending March 31, 2024, stood at Rs. 10,695 Thousands whereas in the year ending March 31, 2023 it stood at Rs. 6,549 Thousands representing an increase of 63.31% from the previous years.

**Reason:** The increase in Financial Cost is due to the borrowings taken from holding company at the rate of 8% per annum. It could be verified from outstanding borrowings as at end of financial years.

Particulars (Rs. Thousands)	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Borrowings from Rosmerta Technologies Limited	1,49,901	1,31,828
Financial Cost	10,695	6,549

◆ **Depreciation and Amortization Expenses**

The Depreciation and Amortization Expenses for the year ending March 31, 2024, stood at Rs. 1,765 Thousands whereas at the year ending March 31, 2024 it stood at Rs. 1,579 Thousands representing an increase of 11.79%.

**Reason:** There has been an addition of Rs. 1062 thousand in Financial Year 2022-23 and addition of Rs. 1206 Thousands in Financial year 2023-24. This addition has a direct effect on the depreciation schedule of the company.

◆ **Other Expenses**

The Other Expenses for the year ended March 31, 2024, stood at Rs. 1,41,262 Thousands whereas for the year ending March 31, 2023 it stood at Rs. 99,120 Thousands representing an increase of 42.52%.

**Reason:** Major increase in other expenses could be seen in due to increase Power & Fuel, Rent, Business Support Expenses, RTO Services Charges and Services Expenses. Are as follows-

*(Rupees In Thousand)*

Particulars	March 31, 2024	March 31, 2023	%age Increase
Payment to auditors*	750	250	200%
Power and fuel	3,526	1,313	169%
Repairs and maintenance	74	192	-61%
Rent	29,110	16,440	77%
Travelling and conveyance	6,269	8,961	-30%
Communication expenses	4,411	4,587	-4%
Provision for Doubtful debts	4,015	-	0%
Bank charges	16	47	-66%
Consultancy expenses	4,376	5,202	-16%
Postage and courier charges	674	379	78%
Consumables expenses	380	815	-53%
Printing and stationery	1,503	1,550	-3%
Fitment expenses	157	664	-76%
Wages to contractor	10,937	41,445	-74%
Registration services expenses	20,357	5,464	273%
Service expenses	10,529	3,996	163%
Business promotion expenses	7,276	5,446	34%
Business Support Expenses	35,796	-	0%
Misc expenses	1,107	2,369	-53%
<b>Total</b>	<b>1,41,262</b>	<b>99,120</b>	<b>43%</b>

◆ **Restated Profit before Tax**

The restated profit before tax for the year ending March 31, 2024, stood at Rs. 1,41,174 Thousands which is 16.77% of Total income for the year whereas for the year ending March 31, 2023 it stood at Rs. 22,338 Thousands which represents 7.50% of Total Income for the year. This shows an overall increase of 531.99% from year to year.

◆ **Tax Expense**

Tax Expense for the year ending March 31, 2024, stood at Rs. 35,522 Thousands out of which Current Tax being Rs. 37,815 Thousands and Deferred Tax being negative Rs. 2,293 Thousands. The Tax expense represents 4.22% of Total Income for the year. The same in year ending March 31, 2023 stood at Rs. 6,151 Thousands out of which Current Tax being Rs. 7,193 and Deferred Tax being Rs. (1,042) Thousands which represents 2.06% of Total Income for the year. There is an increase of 477.50% from year to year.

◆ **Restated Profit after Tax**

The restated profit after tax for the year ending March 31, 2024, stood at Rs. 1,05,652 Thousands which is 12.55% of Total income for the year. For the year ending March 31, 2023, it stood at Rs. 16,187 Thousands which is 5.43% of the Total Income for the year. There is an overall increase of 552.70%

**Reason:** Major increase is due to increase in Sale from services which forms major portion of company's bottomline. The sale of spares actually started from August 2022 in full set that has increased many fold in financial year 2023-24.

**FISCAL YEAR ENDED MARCH 31, 2023, COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2022 (BASED ON RESTATED FINANCIAL STATEMENTS)**

**Revenues**

◆ **Total Income**

Total Income for the year ended March 31, 2023 it stood at Rs. 2,97,891 Thousands whereas for the year ended March 31, 2022 it stood at Rs. 20,270 Thousands representing an increase of 1369.62%

**Reason:** The company was incorporated on 14<sup>th</sup> September 2021 but revenue booking had started on 29<sup>th</sup> January 2021. Thus, the Total revenue for the Financial Year 2021-22 is for a quarter period only.

◆ **Revenue of operations**

Net revenue from operations for the year ended March 31, 2023 it stood at Rs. 2,97,891 Thousands whereas for the year ended March 31, 2022 it stood at Rs. 20,270 Thousands representing an increase of 1369.62%

**Reason:** The increase in company revenue because increase in the company revenue from service and product.

*(Rupees In Thousand)*

Particulars	FY 2023-24	FY 2022-23	%age Increase
Sale of Services	2,39,751	20,207	1086.47%
Sale of Products	58,140	63	92185.47%
<b>Total</b>	<b>2,97,891</b>	<b>20270</b>	<b>1369.62%</b>

Sale from services include income from registration services given to OEM's which have increased in the periods as stated below:

Particulars	FY 2022-23	FY 2021-22
Vehicles Registered	1,01,430	13,555

◆ **Other Income**

Other Income for the year ending March 31, 2023 and the year ending March 31, 2022, stood at Rs. Nil

**Expenditure**

◆ **Total Expenses**

Total Expenses for the year ended March 31, 2023 stood at 2,75,553 Thousands which is 92.50% of Total Income for the year. For the year ended March 31, 2022 it stood at Rs. 20,350 Thousands which represents 100.39% of Total Income for the year. There is an increase year on year of 1254.07%

◆ **Cost of Good Sold**

Cost of Good Sold constitutes of Purchase of Traded Goods & Change in Inventory. For the year ending 31<sup>st</sup> March 2023, the COGS stood at Rs. 47,798 Thousands which represents 16.05% of Total

Income for the year. For the year ending 31<sup>st</sup> March 2022, the COGS stood at Rs. 223 Thousands which represents 1.10% of Total Income. There is a total increase of 13,741.54% over the year.

Particulars	FY 2023	FY 2022
Purchases Cost	53,572	464
Opening stock	241	0
Closing stock	(6,015)	(241)
<b>COGS</b>	<b>47,798</b>	<b>223</b>

Reason:- The COGS are related to Sale of Products under revenue from operations. The revenue from Sale of product was Rs. 58,140 Thousands in Financial Year 2022-23. The same for the FY 2021-22 was Rs. 63 Thousands. Thus, increase in COGS is in line with increase in Sale of Products.

#### ◆ Employee benefit expense

The Employee benefit expense for the year ending March 31, 2023, it stood at Rs. 1,20,507 Thousands whereas in year ending March 31, 2022, it stood at Rs. 14,912 Thousands representing an increase of 708.12%.

**Reason:** Employee expenses were fully utilized in in Employee benefit expenses in the financial year 2022-23 as compared to financial year 2023. The overall increase in Employee benefit is as follows:

Particulars	FY 2023	FY 2022
Salary ,wages & allowance	1,13,893	14,116
Contribution to provident and other fund	3,259	295
Gratuity expenses	2,496	378
Staff welfare	859	123
<b>Total</b>	<b>1,20,507</b>	<b>14,912</b>

#### ◆ Finance Cost

The Finance Cost for the year ending March 31, 2023, stood at Rs. 6,549 Thousands whereas in the year ending March 31, 2022 it stood at Rs. 334 Thousands representing an increase of 1860.78% from the previous years.

**Reason:** The increase in Financial Cost is due to the borrowings taken from holding company at the rate of 8% per annum. It could be verified from outstanding borrowings as at end of financial years.

Particulars (Rs. Thousands)	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Borrowings from group companies	1,31,828	43,921
Financial Cost	6,549	334

#### ◆ Depreciation and Amortization Expenses

The Depreciation and Amortization Expenses for the year ending March 31, 2023, stood at Rs. 1,579 Thousands whereas at the year ending March 31, 2022 it stood at Rs. 19 Thousands representing an increase of 8210.53%.



**Reason:** The company was incorporated on 14<sup>th</sup> September 2021 and the machinery was bought post that to a tune of Rs. 4500 Thousand. The same were put to use in Financial year 2021-22 and the depreciation was thus calculated as per days of put to use.

◆ **Other Expenses**

The Other Expenses for the Period ended March 31, 2023, stood at Rs. 99,120 Thousands whereas in year ending March 31, 2022 it stood at Rs. 4,862 Thousands representing an increase of 1938.67%.

**Reason:** Major increase in other expenses could be seen in due to increase Power & Fuel, Rent, Business Support Expenses, RTO Services Charges and Services Expenses are as follows:

Particulars	March 31, 2023	March 31, 2022	%age Increase
Payment to auditors*	250	250	0.00%
Power and fuel	1,313	113	1061.95%
Repairs and maintenance	192	50	284.00%
Rent	16,440	343	4693.00%
Travelling and conveyance	8,961	2,320	286.25%
Communication expenses	4,587	604	659.44%
Bank charges	47	15	213.33%
Consultancy expenses	5,202	534	874.16%
Postage and courier charges	379	19	1894.74%
Consumables expenses	815	12	6691.67%
Printing and stationery	1,550	141	999.29%
Fitment expenses	664	385	72.47%
Wages to contractor	41,445	-	0.00%
Registration services expenses	5,464	-	0.00%
Service expenses	3,996	-	0.00%
Advertisement expenses	5,446	-	0.00%
Misc expenses	2,369	76	3017.11%
<b>Total</b>	<b>99,120</b>	<b>4,862</b>	<b>1938.67%</b>

◆ **Restated Profit before Tax**

The restated profit before tax for the year ending March 31, 2023 it stood at Rs. 22,338 Thousands which represents 7.50% of Total Income for the year whereas for the year ending March 31, 2022 it stood at Rs. (80) Thousands which represents (0.39)% of Total Income for the year.

◆ **Tax Expense**

Tax Expense for the year ending March 31, 2023 stood at Rs. 6,151 Thousands out of which Current Tax being Rs. 7,193 and Deferred Tax being Rs. (1,042) Thousands which represents 2.06% of Total Income for the year. Tax Expense for the year ending March 31, 2022, stood at Rs. 221 Thousands out of which Current Tax being Rs. 38 Thousands and Deferred Tax being Rs. 183 Thousands. The Tax expense represents 1.09% of Total Income for the year.

◆ **Restated Profit after Tax**

The restated profit after tax for the year ending March 31, 2023, stood at Rs. 16,187 Thousands which

is 5.43% of Total income for the year. For the year ending March 31, 2022, it stood at Rs. (301) Thousands which is (1.48)% of the Total Income for the year.

**Reason:** The company was incorporated on 14<sup>th</sup> September 2021. The operations of business in regards to Sale from Services started during the period and company served for almost 13,555 vehicles during the year. FY 2021-22 being the first half year of operations company was still setting up the infrastructure which would give benefit to the company in future years.

**INFORMATION REQUIRED AS PER ITEM (II) (C) (I) OF PART A OF SCHEDULE VI TO THESEBI REGULATIONS:**

**1. Unusual or infrequent events or transactions**

Except as described in this Red Herring Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

**2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

Other than as described in the section titled Risk Factors beginning on page 28 of this Red Herring Prospectus, to our knowledge there are no known significant economic changes that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

**3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Other than as described in this Red Herring Prospectus, particularly in the sections Risk Factors and Management's Discussion and Analysis of Financial Condition and Results of Operations on pages 28 and 290, respectively, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations.

**4. Income and Sales on account of major product/main activities**

The income and sales of our Company on account of major activities derives from the business of Vehicle Registration Services, Sale of Automotive components & Other Vehicle Services related Activities.

**5. Future changes in the relationship between costs and revenues, in case of events such as future increase in cost of service, manpower or products that will cause a material change are known.**

Our Company's future costs and revenues can be indirectly impacted by an increase in the cost of services, manpower & cost of products.

**6. Future relationship between Costs and Income**

Our Company's future costs and revenues will be determined by competition, demand/supply situation, interest rates quoted by banks & others.

**7. The extent to which material increases in net sales or revenue are due to increased sales**

**volume, introduction of new products or services or increased sales prices.**

Increases in our revenues are by and large linked to increases in the volume of business.

**8. Total turnover of each major industry segment in which the issuer company operates.**

The Company operates in the Services Industry. Relevant industry data, as available, has been included in the chapter titled “*Our Industry*” beginning on page 143 of this Red Herring Prospectus.

**9. Status of any publicly announced new products or business segments.**

Our Company has not announced any new services and segment / scheme, other than disclosure in this Red Herring Prospectus.

**10. The extent to which the business is seasonal.**

Our business is not seasonal in nature. However, customers preferences are high on festive seasons, thus impacting our sales.

**11. Competitive Conditions**

We face competition from existing and potential competitors, which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in the section titled Our Business on page 170 of this Red Herring Prospectus.

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## FINANCIAL INDEBTEDNESS

In terms of the Articles of Association of the Company, the Board is authorized to accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum of moneys to be borrowed together with the moneys already borrowed including acceptance of deposits apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, exceeding the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) or up to such amount as may be approved by the shareholders from time to time.

Our Company has obtained the necessary consents required under the relevant loan documentation with banks and financial institutions for undertaking activities, such as change in its capital structure, change in its shareholding pattern and change in promoter's shareholding which has a possible change in the management control of our Company.

As on September 30, 2024, our Company has no outstanding secured borrowings from banks and financial institutions thousand for Unsecured Loan, on the basis of restated financials, as per the certificate issued by M/s A Y & Company, Chartered Accountants, dated October 28, 2024.

Set forth below is a brief summary of our aggregate borrowings from banks and financial institutions as of September 30, 2024:

### Secured

*(Rupees In Thousand)*

Name of persons/companies	Loan Amounts	Rate of Interest	Tenure	Outstanding
Not Applicable				

### Unsecured

*(Rupees In Thousand)*

Name of persons/companies	Loan Amounts	Rate of Interest	Outstanding on 30.09.2024	Period of repayment
NIL				

*This space is left blank intentionally.*

## SECTION VII - LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except, as stated in this section and mentioned elsewhere in this Red Herring Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters or Group Companies.*

Except as disclosed below there are no:

- a) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years;
- b) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action;
- c) pending proceedings initiated against our Company for economic offences;
- d) default and non-payment of statutory dues by our Company;
- e) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years against our Company, including fines imposed or compounding of offences done in those five years;
- f) Material frauds committed against our Company in the last five years.

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, Promoters, Directors and Group Companies/entities, would be considered material for the purposes of disclosure if:

- a) the monetary amount of the claim made by or against the Company, its joint venture(s) and directors in any such pending litigation is equal to or in excess of 10% of the consolidated revenue of the Company or 25% of the profits before tax of the Company (whichever is lower) as per the last audited financial statements of the Company for a complete financial year, as included in the Offer Documents; or
- b) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation does not exceed the amount determined as per clause (a) above, and the amount involved in all of such cases taken together exceeds the amount determined as per clause (a) above; and

- c) Any such litigation which does not meet the criteria set out in (a) above and an adverse outcome which would materially and adversely affect the operations or financial position of the Company.
- d) Our Board, in its meeting held on July 09, 2024, determined that outstanding legal proceedings involving the Company, its Directors and Promoters will be considered as material litigation (“Material Litigation”) if the aggregate amount involved in such individual litigation exceeds 2% of the consolidated revenue of the Company, as per the last audited standalone financial statements of the Company or such litigations outcome could have a material impact on the business, operations, prospects or reputations of the Company.

Accordingly, we have disclosed all outstanding litigations involving our Company, Promoters, Directors and Group Companies which are considered to be material. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been considered material only in the event that the outcome of such litigation has an adverse effect on the operations or performance of our Company. Unless otherwise stated to the contrary, the information provided is as of date of this Red Herring Prospectus.

#### **I. Litigations involving our Company**

##### **B. CASES FILED AGAINST OUR COMPANY**

- |   |            |
|---|------------|
| <b>1. Litigation involving Criminal Matters:</b>                            | <b>NIL</b> |
| <b>2. Litigation involving Civil Matters:</b>                               | <b>NIL</b> |
| <b>3. Litigation Involving Actions by Statutory/Regulatory Authorities:</b> | <b>NIL</b> |
| <b>4. Disciplinary Actions by Authorities:</b>                              | <b>NIL</b> |
| <b>2. Litigation/Matters involving Tax Liabilities:</b>                     |            |
| (i) Direct Tax:   | <b>NIL</b> |
| (ii) Indirect Tax:  | <b>NIL</b> |

##### **II. CASES FILED BY OUR COMPANY**

- |   |            |
|---|------------|
| <b>1. Litigation involving Criminal Matters:</b>                            | <b>NIL</b> |
| <b>2. Litigation involving Civil Matters:</b>                               | <b>NIL</b> |
| <b>3. Litigation Involving Actions by Statutory/Regulatory Authorities:</b> | <b>NIL</b> |
| <b>4. Disciplinary Actions by Authorities:</b>                              | <b>NIL</b> |

**5. Litigation/Matters involving Tax Liabilities:**

(i) Direct Tax:

**NIL**

(ii) Indirect Tax:

**NIL**

**2. Litigations involving our Individual Promoters**

**B. CASES FILED AGAINST OUR INDIVIDUAL PROMOTERS**

- |   |            |
|---|------------|
| <b>1. Litigation involving Criminal Matters:</b>                            | <b>NIL</b> |
| <b>2. Litigation involving Civil Matters:</b>                               | <b>NIL</b> |
| <b>3. Litigation Involving Actions by Statutory/Regulatory Authorities:</b> | <b>NIL</b> |
| <b>4. Disciplinary Actions by Authorities:</b>                              | <b>NIL</b> |
| <b>5. Litigation/Matters involving Tax Liabilities:</b>                     | <b>NIL</b> |

(i) Direct Tax:

**1. KARN VIVEK NAGPAL**

**CENTRALIZED PROCESSING CENTER, INCOME TAX DEPARTMENT**

**Case Brief:** Karn Vivek Nagpal (“Assessee”) filed his annual returns on 20.12.2023. Basis the said filing, an intimation u/s 143 (1) of the Income Tax Act, 1961 dated 12.01.2024 was issued by the Centralized Processing Center, Income Tax Department (“CPC”).

Pursuant thereto, a demand of INR 96,57,830/- on account of disallowances made in relation to TDS deductions filed by the Assessee. This demand has been followed by a Notice under Section 143 (2) of the Income Tax Act, 1961 wherein the Assessee has been asked to prepare all supporting documents in relation to the transactions undertaken in AY 2023-24 which shall be required during the proceedings to be conducted on the ‘e-Proceedings’ facility.

**Case Status:** The CPC raised the aforesaid demand notice which is currently under process.

**Financial Exposure:** The maximum financial exposure of Mr. Karn Vivek Nagpal in relation to the above matter could be to the extent of INR 96,57,830/.

(ii) Indirect Tax:

**NIL**

**B. CASES FILED BY OUR INDIVIDUAL PROMOTERS**

- |  |            |
|--|------------|
| <b>1. Litigation involving Criminal Matters:</b> | <b>NIL</b> |
|--|------------|

2. **Litigation involving Civil Matters:** **NIL**

3. **Litigation Involving Actions by Statutory/Regulatory Authorities:**  
**NIL**

4. **Disciplinary Actions by Authorities:**

5. **Litigation/Matters involving Tax Liabilities:** **NIL**

(i) Direct Tax:

**NIL**

(ii) Indirect Tax:

**NIL**

## 2. **Litigations involving our Corporate Promoters**

### **A. CASES FILED AGAINST OUR CORPORATE PROMOTER**

#### **1. Litigation involving Criminal Matters:**

#### **1. SENIOR LABOUR INSPECTOR VS. M/S ROSMERTA TECHNOLOGIES LIMITED C.C. – CRIMINAL CASES/1133/2023**

#### **BEFORE THE JUDICIAL MAGISTRATE FIRST CLASS – II COURT MYSURU KARNATAKA**

**Case Brief:** The Senior Labour Inspector, 2nd Circle, Mysore, visited the Regional Transport Office (RTO), Mysore (West), Chamarajapuram, Mysore on 28.06.2023 to obtain information about the employees which have been outsourced by firms such as M/s Rosmerta Technologies Limited and M/s Keonics Limited (“**Contractors**”) to investigate the alleged violations of the Minimum Wages Act, 1948, and associated Karnataka Rules, 1958 for paying less than the government mandated minimum wages to such employees Rosmerta Technologies Limited was informed of the said investigation *vide* notice dated 03.07.2023 issued by Regional Transport Office (RTO), Mysore and a Show Cause Notice was issued by the Senior Labour Inspector, Labour Department to:

(i) rectify the said violations;

(i) submit the necessary compliance reports and registers along with payment of outstanding wages of INR 1,03,818/-; and

(iii) submit appropriate documentation to the Labour Inspector's office within 5 days of receipt of the notice.

Rosmerta Technologies Limited issued a response dated 10.08.2023 to the Regional Transport Office (RTO), Mysore stating their adherence to the provisions of the Minimum Wages Act, 1948 and associated Karnataka Rules, 1958 for all its employees. Rosmerta Technologies Limited also submitted proof of Provident Fund (PF) remittances made to the authorities for each of its employee along with its response to the RTO, Mysore.



**Case Status:** Pending Adjudication.

**Next Date of Hearing:** We have been informed by the Rosmerta Technologies Limited and its representatives that the next date of hearing is 10.12.2024.

**Financial Exposure:** The maximum financial exposure of Rosmerta Technologies Limited in relation to the above matter could be to the extent of INR 1,03,818/-.

## 2. Litigation involving Civil Laws:

### 2.1 NAVI MUMBAI MUNICIPAL CORPORATION VS. ROSMERTA TECHNOLOGIES LIMITED AND ITS DIRECTOR, MR. SATJIT SINGH; S.C.C./1102601/2010

**LD. 7TH JT. C.J.J.D AND J.M.F.C., BELAPUR (MAHARASHTRA)**

**Case Brief:** Navi Mumbai Municipal Corporation (“**Complainant**” / “**Corporation**”), being the authority empowered to collect cess tax from dealers within its jurisdiction, filed a complaint against Rosmerta Technologies Limited and its Director, Mr. Satjit Singh Dhillon on 04.08.2010, for running their business without registering under the Bombay Provincial Municipal Corporation Act, 1949 (“**BPMC Act**”) and thereby failing to pay the cess and contravening the provisions of the BPMC Act and liable for prosecution under the BPMC Act.

**Case Status:** The matter is disposed of by the 5th Jt. C.J.J.D and J.M.F.C Belapur vide Order dated 23.07.2024.

**Financial Exposure:** It is clarified that Mr. Satjit Singh is no longer the director of Rosmerta Technologies Limited.

### 2.2 COMMISSIONER OF TRANSPORT & ORS. VS. ROSMERTA TECHNOLOGIES LTD. & ORS.

**C.A. NO. 14004/2015 [ARISING OUT OF SLP (C) NO. 030911/2015]**

**AND**

**M/S SMART CHIP PVT. LTD. (THROUGH ITS DIRECTOR) VS. ROSMERTA TECHNOLOGIES LTD. & ORS**

**C.A. NO. 14006/2015 [ARISING OUT OF SLP (C) NO. 31195/2015]**

**HON’BLE SUPREME COURT OF INDIA**

<b>Parties in C.A. NO. 14004/2015 [ARISING OUT OF SLP (C) NO. 030911/2015]</b>	<b>Parties in C.A. NO. 14006/2015 [ARISING OUT OF SLP (C) NO. 31195/2015]</b>
1. Commissioner of Transport (“ <b>Petitioner</b> ”)	Smart Chip Pvt. Ltd. (“ <b>Petitioner</b> ”) Rosmerta Technologies Ltd. (“ <b>Respondent No.1</b> ”) Commissioner of Transport (“ <b>Respondent No. 2</b> ”)
2. Rosmerta Technologies Ltd. (“ <b>Respondent No.1</b> ”)	
Gujarat Info Petroleum Ltd. (“ <b>Respondent No.2</b> ”)	
4. Smart Chip Pvt. Ltd. (“ <b>Respondent No.3</b> ”)	

	Gujarat Info Petroleum Ltd. (“ <b>Respondent No. 3</b> ”)
--	---

1. Commissioner of Transport Limited filed C.A. No. 14004/2015 [Arising out of SLP (C) No. 030911/2015 wherein Rosmerta Technologies Ltd. is arrayed as Respondent No.1; and  
 2. Smart Chip Pvt. Ltd, have filed C.A. No. 14006/2015 [Arising out of SLP (C) No. 31195/2015] where Rosmerta Technologies Ltd. is arrayed as Respondent No.1.

**Case Brief:** C.A. No. 14006/2015 (arising out of SLP (C) No. 31195/2015) and C.A. No. 14004/2015 (arising out of SLP (C) No. 030911/2015) have been filed by M/s Smart Chip Pvt. Ltd. and the Commissioner of Transport respectively.

The SLPs, as detailed herein above, have been filed by the respective Petitioners under Article 136 of the Constitution of India challenging the order dated 06.10.2015 passed by Hon’ble High Court of Gujarat in Special Leave Application No. 12306 of 2015 which was filed by Rosmerta Technologies Ltd. In the said Special Leave Application filed by Rosmerta Technologies Ltd. before the Hon’ble High Court of Gujarat, a favourable order was passed in its favour whereby Hon’ble High Court quashed: (i) the LOI dated 30.06.2015 issued by the Commissioner of Transport, Government of Gujarat in favour of M/s. Smart Chip Pvt. Ltd.; and (ii) the award of contract issued to M/s Smart Chip Pvt. Ltd. The Hon’ble High Court of Gujarat directed the Commissioner of Transport, Government of Gujarat, through Gujarat Info Petro Limited to conduct and complete the process of tender afresh.

The Hon’ble Supreme Court of India *vide* a common order dated 16.11.2015 allowed the SLP (C) No. 31195/2015 and SLP (C) No. 030911/2015 and stayed the judgment dated 06.10.2015 passed by the Hon’ble High Court of Gujarat.

Consequently, the present Civil Appeals (in the respective SLPs) are currently pending adjudication before the Hon’ble Supreme Court of India.

**Case Status:** Pending adjudication.

**Next Date of Hearing:** Not available on the website of the Hon’ble Supreme Court of India.

**Financial Exposure:** No financial exposure for Rosmerta Technologies Limited.

**2.3 M/S M TECH INNOVATIONS LTD. VS. STATE OF RAJASTHAN & ORS.; SLP (C) NO. 4536/2019  
 AND  
 STATE OF RAJASTHAN & ANR. VS. ROSMERTA TECHNOLOGIES LTD. & ANR.; SLP (C) NO. 8104/2019**

<b>Parties in SLP (C) No. 4536/2019:</b> 1. M/s M Tech Innovations Ltd. (“ <b>Petitioner</b> ”) 2. State of Rajasthan (“ <b>Respondent No.1</b> ”) The Transport Secretary cum Commissioner (“ <b>Respondent No.2</b> ”) 4. Rosmerta Technologies Limited (“ <b>Respondent No.3</b> ”)	<b>Parties in SLP (C) No. 8104/2019:</b> State of Rajasthan (“ <b>Petitioner No.1</b> ”) The Transport Secretary cum Commissioner (“ <b>Petitioner No.2</b> ”) Rosmerta Technologies Limited (“ <b>Respondent No. 1</b> ”) M/s M Tech Innovations Ltd. (“ <b>Respondent No. 2</b> ”)
--	--

**Financial Exposure:**

1. M-Tech Innovations Limited filed SLP (C) No. 004536/2019 wherein Rosmerta Technologies Ltd. is arrayed as Respondent No.3; and
2. State of Rajasthan along with the Transport Secretary cum Commissioner have filed SLP (C) No. 008104/2019 where Rosmerta Technologies Ltd. is arrayed as Respondent No.1.

**Case Brief:** The above SLPs have been filed by the respective Petitioners under Article 136 of the Constitution of India challenging the judgment dated 05.02.2019 passed in favour of Rosmerta Technologies Ltd. by Hon'ble High Court of Rajasthan in D.B. Special Appeal Writ No. 1699/ 2018 titled "*Rosmerta Technologies Ltd. Vs. State of Rajasthan & Ors.*", wherein the acceptance of technical bid of M-Tech Innovations Ltd. by Transport Department of Govt. of Rajasthan to issue smart card-based driving license / registration certificates, was dismissed by the Hon'ble High Court.

It may be noted that the abovementioned appeal before the D.B. High Court of Rajasthan was filed by Rosmerta Technologies Ltd., challenging an order passed in S.B Civil Writ No. 15176/2018 by the Single Judge Bench of the Hon'ble High Court on 30.11.2018 dismissed the Writ Petition filed by Rosmerta Technologies Ltd.

In the present SLPs, the Hon'ble Supreme Court of India *vide* its order dated 22.02.2019 has directed the parties to maintain *status-quo* as on date of the order i.e., on 22.02.2019.

**Case Status:** Pending adjudication.

**Next Date of Hearing:** Not available on the website of the Hon'ble Supreme Court of India.

**Financial Exposure:** No financial exposure for Rosmerta Technologies Limited.

**2.4 M-TECH INNOVATIONS LTD. VS. STATE OF TRIPURA & ORS.; W.P. (C) 715 OF 2023 HON'BLE HIGH COURT OF TRIPURA, AGARTALA****Parties in the Matter**

1. M-Tech Innovations Limited ("**Petitioner**")
2. State of Tripura through its Secretary, Transport Department ("**Respondent No. 1**")
3. The Deputy Secretary, Govt. of Tripura ("**Respondent No. 2**")
4. The Transport Commissioner, West Tripura ("**Respondent No. 3**")
5. The Additional Transport Commissioner, West Tripura ("**Respondent No. 4**")
6. The Joint Transport Commissioner, West Tripura ("**Respondent No. 5**")
7. Rosmerta Technologies Ltd. ("**Respondent No.6**")

**Case Brief:** The instant Writ Petition was filed by M-Tech Innovations Ltd. under Article 226 of the Constitution of India seeking issuance of Writ of Mandamus quashing / setting aside of the technical evaluation summary dated 09.06.2023 and issuance of further directions to the Respondents to take fresh decision as regards the tender, among other reliefs, on the ground that the application of M-Tech Innovations Ltd. for the tender which was refused by the Transport Department of Tripura for being "non-responsive" is invalid.

Rosmerta Technologies Ltd. has been arrayed as Respondent No.6 in the Petition as it was the successful bidder in the tender issued by the Transport Department of Tripura. The Department of Transport arrayed as Respondent No.4 had invited proposals by an RFP dated 28.12.2022 for service provider for personalization of smart card-based driving license and vehicle registration certificate project on BOOT basis on public private basis. Pursuant to completion of the bidding process on 09.06.2023, the tender of Rosmerta Technologies Ltd. was accepted, and it was selected as L-1 bidder.

In furtherance to the same, Rosmerta Technologies Ltd. and Department of Transport entered into an agreement on 16.11.2023 whereby Rosmerta Technologies Ltd. was acting as the service provider to the Department of Transport for the execution of the Project. That, I.A. No. 3 of 2024 was filed by M-Tech Innovations Ltd. in the present Writ Petition seeking permission to withdraw the Writ Petition. The matter was mentioned on 22.05.2024 before the Hon'ble High Court of Tripura, Agartala. However, when the matter was called out, the counsel appearing for M-Tech Innovations Ltd. sought time from the Hon'ble Court to obtain instructions from M-Tech Innovations Ltd. On 29.05.2024, the said I.A. No. 3 of 2024 itself was withdrawn by M-Tech Innovations Ltd.

**Case Status:** Pending adjudication.

**Next Date of Hearing:** Not available on the website of the High Court.

**Financial Exposure:** No financial exposure for Rosmerta Technologies Limited.

## **2.5 M/S DIESEL ENGINE SALES & SERVICE VS. ROSMERTA TECHNOLOGIES PRIVATE LTD. & ORS.; CS SCJ NO. 422 OF 2021**

### **SENIOR CIVIL JUDGE CUM RC, NORTH DISTRICT, ROHINI NEW DELHI**

**Case Brief:** The present recovery suit was filed by M/s Diesel Engine Sales & Service against Rosmerta Technologies Private Ltd. & Ors.

We have been informed by Rosmerta Technologies Ltd. and its representatives that the dispute has now been settled and a Settlement Deed dated 01.08.2023 has been executed between the parties.

That, pursuant to the settlement, the parties are in the process of filing an application for withdrawal of the suit.

**Case Status:** The matter is disposed of as settled before the Court of Learned ACJ, Rohini Court vide order dated 11.09.2024.

**Financial Exposure:** No financial exposure for Rosmerta Technologies Limited.

## **2.6 SUBHASH VS. STATE OF RAJASTHAN AND ORS.; S.B. CIVIL WRIT PETITION NO. 5603/2024**

**AND**

## **MEGH SINGH RATHORE VS. STATE OF RAJASTHAN AND ORS.; S.B. CIVIL WRIT PETITION NO. 5605/2024**

### **HON'BLE HIGH COURT OF JUDICATURE FOR RAJASTHAN (JODHPUR)**

**Case Brief:** The present Writ Petitions have been filed by Mr. Subhash and Mr. Megh Singh Rathore seeking absorption in the Transport Department, Rajasthan in lieu of change in government policy with

respect to issuance of electronic driving license and registration certificates for vehicles. Rosmerta Technologies Ltd. was arrayed as Respondent in the Petitions due to it being empanelled as a member of the Transport Department.

The Hon’ble High Court of Judicature for Rajasthan (Jodhpur) *vide* its order dated 04.04.2024 issued notice only to the Transport Department and directed a copy of the Petition to be served on the counsel of the Transport Department.

No notice was issued to any other Respondents, and hence, Rosmerta Technologies Ltd. had no occasion to participate in the proceedings.

**Next Date of Hearing:** 11.09.2024

**Financial Exposure:** There is no financial exposure of Rosmerta Technologies Ltd. in this matter.

## **2.7 CERISETECH SOLUTIONS PRIVATE LIMITED V/S ROSMERTA TECHNOLOGIES LIMITED AND ORS.**

**SPECIAL LEAVE PETITION (CIVIL) 20289 OF 2024  
HON’BLE SUPREME COURT OF INDIA**

**AND**

**SAIDHAM SUPER SERVICES SOLUTIONS PRIVATE LIMITED V/S ROSMERTA TECHNOLOGIES LIMITED AND ORS.  
SPECIAL LEAVE PETITION (CIVIL) 21623 OF 2024  
HON’BLE SUPREME COURT OF INDIA**

<b>Parties in SLP (C) No. 20289/2024:</b>	<b>Parties in SLP (C) No. 21623/2024:</b>
1. Cerisetech Solutions Private Limited (“ <b>Petitioner/CSPL</b> ”)	1. Saidham Super Services Solutions Private Limited (“ <b>Petitioner/Saidham</b> ”)
2. Rosmerta Technologies Limited (“ <b>Respondent No. 1/RTL</b> ”)	2. Rosmerta Technologies Limited (“ <b>Respondent No. 1/RTL</b> ”)
3. State of Odisha (“ <b>Respondent No. 2</b> ”)	3. State of Odisha (“ <b>Respondent No. 2</b> ”)
4. The Chief Secretary, Govt. of Odisha (“ <b>Respondent No. 3</b> ”)	4. The Chief Secretary, Govt. of Odisha (“ <b>Respondent No. 3</b> ”)
5. The Commissioner of Transport (“ <b>Respondent No. 4</b> ”)	5. The Commissioner of Transport (“ <b>Respondent No. 4</b> ”)
6. Saidham Super Services Solutions Private Limited (“ <b>Respondent No. 5</b> ”)	Cerisetech Solutions Private Limited (“ <b>Respondent</b> ”)

*(Cerisetech Solutions Private Limited and Saidham Super Services Solutions Private Limited shall hereinafter collectively be referred to as “**Petitioners**”)*

**Case Brief:** The present Special Leave Petitions have been filed by the Petitioners against the Order dated 18.06.2024 of the Hon’ble High Court of Orissa in Writ Petition (Civil) No. 7776 of 2024 (“**2024 Order**”), wherein the Writ Petition filed by RTL against an illegal and unconstitutional pre-qualification condition in the Request for Bid (“**RFB**”), was allowed.

The grounds for the filing this SLP arises as the Hon’ble High Court in its 2024 Order failed to decide the main issue in the Writ Petition i.e., being challenge to the rejection of the technical bid of RTL by the State on the ground of non submission of bid processing fee. Instead, the Hon’ble High Court went on to declare the prequalification condition (at Sr.No.23 of Table2 read with Form (S)) as unconstitutional and directed fresh issuance of the tender inspite of the fact that the State had already taken a stand that the said clause had nothing to do with the evaluation of the technical bid.

The contention raised by the Petitioners is that the effect of the passing of the 2024 Order gives a complete relief to the RTL without any adjudication on its rejection of the technical bid. RTL’s technical bid was never rejected on the ground of noncompliance of the clause prequalification condition at Sr.No.23 of Table-2 read with Form (S), but on the ground of non-submission of Bid Processing Fee of Rs. 1,800/- which was to be submitted in a demand draft format, which was changed from online format on the last day of bid submission i.e. 11.03.2024.

The Hon’ble Supreme Court vide its Order dated 30.09.2024 ordered for SLP (C) 24795 of 2024 (The SLP filed by RTL against the 2024 Order) to be connected and heard together and had issued notices to all Parties.

**Next Date of Hearing:** 05.11.2024

**Financial Exposure:** There is no financial exposure of Rosmerta Technologies Ltd. in this matter.

### 3. Litigation Involving Actions by Statutory/Regulatory Authorities:

#### 3.1 Inspection by Office of Joint Director (Northern Region), Ministry of Corporate Affairs, New Delhi

**Matter Brief:** The Office of Joint Director (Northern Region), Ministry of Corporate Affairs, New Delhi issued a letter bearing no.1704/JDI/1/2019/ROSMERTA TECHNOLOGIES/U.S 206(5)/25189 dated 15.05.2019 regarding an inspection u/s 206(5) of the Companies Act, 2013 (“Act”). In furtherance of the aforementioned letter, another inspection notice bearing no. 1704/JDI/1/2019/206(5)/7453 dated October 04, 2021 was issued by the Office of Joint Director (Northern Region), Ministry of Corporate Affairs, New Delhi (“**Inspection Notice**”) to Rosmerta Technologies Limited (“**Noticee Company**”) and the Defaulting Parties (*as defined hereinafter*), seeking inspection of financial statements, books of accounts, documents records and information (through questions) of the Noticee Company by exercising powers as provided under Section 206 (5) of the Act.

In compliance with the Inspection Notice, the Noticee Company provided all the information as demanded under the Inspection Notice, vide its reply dated 03.03.2022 wherein the Noticee Company described its business operations and financials through its balance sheets, XBRL documents, corporate and secretarial filings, bank statements, inventory lists, gratuity/ESI/PF filings etc (“**Inspection Reply**”). Upon inspection of the documents and information provided through the Inspection Reply, a show cause notice bearing no. 1704/JDI/I/2019/206(5)/(2360-2363) dated 23.05.2022 (“**SCN**”) was served upon the Noticee Company along with the Defaulting Parties alleging the following violations under the Act along with its Rules:

KEY PARTICULARS OF PARTIES INVOLVED		
S. No.	Party Name	Address
1.	Rosmerta Technologies Limited	Khasra No. 19/28, Kapashera, New Delhi - 110037

2.	Mr. Pankaj Madan	QP-100, 1 <sup>st</sup> Floor, Pitampura, Mother Dairy, Pitampura, New Delhi 110034
3.	Mr. Sandeep Malik	70-B, Second Floor, Single Storey, Ramesh Nagar, Delhi - 110015
4.	Mr. Sahendra Pal Singh (Resigned on June 30, 2022)	House No. 261, Hiralal, Mavana, Meerut, Uttar Pradesh - 250401
<i><b>Note: The Parties mentioned at Sr. Nos. 1-4 shall hereinafter be referred to as “Defaulting Parties”</b></i>		

S.No.	Alleged Violations under the SCN	Notice Company Response to the SCN dated May 25, 2022 (“SCN Response”)	Case Status
	Violation of Section 129 r/w Schedule – III of the Act due to a difference in value of trade payables reflecting in financial statements of FY 2016-17 and the comparative figure of preceding year i.e FY 2017 -18.	<p>The SCN Response by the Noticee Company states that there is no inconsistency of amount of trade payable mentioned in financial statement for FY 2016-17 and the comparative figure of trade payable disclosed in the previous year of FY 2017-18 as the spotted difference is due to regrouping of previous year figure of trade payable for FY 2017-18.</p> <p>We further note that in the SCN Response, the Noticee Company stated that the amount of short-term provision – bills payable in 2016-17 which was regrouped and shown under the head of trade payable in 2017-18 led to the alleged difference.</p>	Appropriate clarification provided <i>vide</i> the SCN Response
	Violation of Section 129 r/w Schedule – III of the Act due to a difference in value of short-term provision reflecting in financial statements of FY 2016-17 and the comparative figure of preceding year i.e FY 2017 -18.	<p>The SCN Response by the Noticee Company states that there is no inconsistency of amount of short-term provision mentioned in financial statement for FY 2016-17 and the comparative figure of short-term provision disclosed in the previous year of FY 2017-18, as the spotted difference is due to regrouping of previous year figure of short-term provision for FY 2017-18.</p> <p>We further note that under the SCN Response, the Noticee Company stated that the amount of short-term provision –</p>	Appropriate clarification provided <i>vide</i> the SCN Response

		bills payable in 2016-17 which was regrouped and shown under the head short term provision in 2017-18 led to the alleged difference.	
Violation of Section 129 r/w Schedule – III of the Act due to a difference in value of long-term loans and advances reflecting in financial statements of FY 2016-17 and the comparative figure of preceding year i.e. FY 2017 -18.	<p>The SCN Response by the Noticee Company states that there is no inconsistency of amount of long-term loans and advances mentioned in financial statement for FY 2016-17 and the comparative figure of long-term loans and advances in the previous year of FY 2017-18, as the spotted difference is due to regrouping of previous year figure of long term loans for FY 2017-18.</p> <p>We further note that under the SCN Response, the Noticee Company stated that the amount of shown term loans and advances in 2016-17 which was regrouped and shown under the head long term loans and advances in 2017-18 led to the alleged difference.</p>	Appropriate clarification provided <i>vide</i> the SCN Response	
Violation of Section 129 r/w Schedule – III of the Act due to a difference in value of long-term loans and advances reflecting in financial statements of FY 2016-17 and the comparative figure of preceding year i.e. FY 2017 -18.	<p>The SCN Response by the Noticee Company states that there is no inconsistency of amount of long-term loans and advances mentioned in financial statement for FY 2016-17 and the comparative figure of long-term loans and advances in the previous year of FY 2017-18, as the spotted difference is due to regrouping of previous year figure of long term loans for FY 2017-18.</p> <p>We further note that under the SCN Response, the Noticee Company stated that the amount of shown term loans and advances in 2016-17 which was regrouped and shown under the head long term loans and advances in 2017-18 led to the alleged difference.</p>	Appropriate clarification provided <i>vide</i> the SCN Response	
Violation of Section 73 of the Act r/w Rule 16 of Companies (Acceptance of Deposits) Rule, 2014	The Noticee Company under the SCN Responses put on record that it has filed e-form DPT -3 for FY 2019-20 and 2020-21 on MCA -21 portal vide SRN T55751960	Compounding under process.	



	<p>triggered by non-filing of return of deposit in e-form DPT – 3 for FY 2019-20 and 2020-21 on MCA – 21 portal.</p>	<p>dated October 25, 2021 and SRN F02794998 dated June 26, 2022, respectively.</p> <p>The Noticee Company in the SCN Response further stated that in case any default occurs in procedural part of the complying with Section 73 of the Companies Act, 2013 r/w Rule 16 of Companies (Acceptance of Deposits) Rule, 2014, Mr. Pankaj Madan, director of the Noticee Company shall be responsible being an officer in default as per the board resolution passed on 04.04.2016.</p>	
	<p>Clarification sought on a sub-lease deed executed between Rosmerta Autotech Private Limited and the Noticee Company.</p>	<p>Under the SCN Response, the Noticee Company clarified by stating that Clause 9 of the lease deed executed between the lessor and Rosmerta Autotech Private Limited on 05.07.2023 allowed the lessee to provide the tenanted premises for use to its sister concerns/group companies, whereby, there was no need to execute a sub-lease deed between Rosmerta Autotech Private Limited and the Noticee Company.</p>	<p>Appropriate clarification provided <i>vide</i> the SCN Response.</p>
	<p>Violation of Section 12 (3) (c) of the Act on account of not mentioning the CIN on its financial statements for FY 2016-17. (Penal action for this violation is provided under Section 12 (8) of the Act.</p>	<p>This violation was denied by the Noticee Company as Section 12 (3) (c) of the Act requires every company to get its name, address, CIN, telephone number, fax number (if any), e-mail and website address printed in all its business letters, billheads, letter papers and in all its notices and other official publications, which the Noticee Company complied with. Under the SCN Response, it was clarified that since Section 12 (3) (c) of the Act does not require the aforementioned details to be furnished on the financial statements, it cannot be held in violation of this provision.</p> <p>The Noticee Company further replied that in case any default occurs in procedural</p>	<p>Adjudication under process</p>

		part of the complying with Section 12 (3) (c) of the Act, Mr. Pankaj Madan, director of the Noticee Company shall be responsible being an officer in default as per the board resolution passed on 04.04.2016.	
	Violation of Section 118 of the Act for not continually numbering the minutes book of board meetings from FY 2014-15 to FY 2016-17.	<p>Under the SCN Response, the Noticee Company denied this allegation by quoting Para 7.1.4 of Secretarial Standards – I wherein the requirement to consecutively number the pages of minutes book of board meetings does not state that such numbering cannot be started afresh on a year to year basis, hence, the Noticee Company is in compliance with the requirement.</p> <p>The Noticee Company, under the SCN Notice, further stated that in case any default occurs in procedural part of the complying with Para 7.1.4 of Secretarial Standards – I, Mr. Pankaj Madan, director of the Noticee Company shall be responsible being an officer in default as per the board resolution passed on 04.04.2016.</p>	Adjudication under process
	Violation of Section 118 of the Act for not continually numbering the minutes book of general meetings from FY 2014-15 to FY 2016-17.	<p>Under the SCN Response, the Noticee Company denied this allegation by quoting Para 17.1.4 of Secretarial Standards – II wherein the requirement to consecutively number the pages of minutes book of general meetings does not state that such numbering cannot be started afresh on a year-to-year basis, whereby, the Noticee Company is in compliance with the requirement.</p> <p>The Noticee Company, under the SCN Response, further stated that in case any default occurs in procedural part of the complying with Para 17.1.4 of Secretarial Standards – II, Mr. Pankaj Madan, director of the Noticee Company shall be responsible being an officer in default as per the board resolution passed on</p>	Adjudication under process

		04.04.2016.	
	Clarification sought on whether the Noticee Company has made the TDS deductions on the consulting expenses incurred by it during FY's 2016-2020.	The Noticee Company submitted tax audit reports u/s 44AB of Income Tax Act, 1961 along with Form No. 3CD filed by Noticee Company with Income Tax Department, which was duly certified by the Statutory Auditor, and which evidences deduction of TDS by the Noticee Company on the incurred consultation expenses.	Appropriate clarification provided <i>vide</i> the SCN Response
	Clarification sought on 26AS filing made by the Noticee Company wherein the revenue earned from sale of smart cards and HSRP materials etc during FY 2016-17 has not been accounted for in the financial statements of the Noticee Company.  Along with this, a clarification is also sought on why the information provided in 26AS does not match with the financial statements for FY 2014-15.	The clarification which was sought was provided by the Noticee Company by providing copy of financial statements for FY 2016-17 wherein the revenue was reflecting as claimed, however, the same had been bifurcated into two sub heads under revenue from operations, which was missed by the inspecting officer during their inspection.  Furthermore, in respect of the clarification sought in relation to financial statement for FY 2014-15, the Noticee Company informed that the the information provided in 26AS was matching with the financial statements for FY 2014-15.	Appropriate clarification provided <i>vide</i> the SCN Response.
	Violation of Section 129 of the Act as the 'Other Current Liabilities' head under the financials statements for FY 2018-19 does not separately reflect the balance of advances from customers.	The Company under the SCN Response represented that the company had shown a cumulative figure under the sub head of current maturities of long-term debt under the main head of other current liabilities which included the advance from customers in the financial statements for FY 2018-19 filed on MCA- 21 portal <i>vide</i> form AOC-4 XBRL bearing SRN's R33086885 and T26730119. Inadvertently, the advance from customers was cumulated under current maturities from long term debt instead of having a separate sub head under other current liabilities. The same was repeated in the financial statement for FY 2019-20	Compounding application filed.  The Company filed Form GNL – 1 along with the compounding application under Section 441 of the Act on 04.07.2023 seeking compounding of violations under Section 129 of the Act.

		<p>wherein a separate sub-head was created for 'advance from customers'.</p> <p>The Noticee Company, under the SCN Response, further stated that in case any default occurs in procedural part of this compliance, Mr. Pankaj Madan, director of the Noticee Company shall be responsible being an officer in default as per the board resolution passed on 04.04.2016.</p>	<p>The Company inadvertently mentioned 'advance from customers' under the head of 'Current maturities of long-term debt' instead of recording the same under the head of 'Other Current Liabilities' in the Financial Statements for FY 2018-19.</p> <p>This omission of the Company has been corrected in the financials for FY 2019-20 and FY 2020-21 by uploading form AOC – 4 XBLR having SRN T26730119 on 28.06.2021.</p>
<p>Violation of Section 129 of the Act as the 'Other Current Liabilities' head under the financial statement for FY 2018-19 does not separately reflect the balance of other payables.</p>		<p>The Noticee Company under the SCN Response represented that the company had shown a cumulative figure under the sub head of current maturities of long-term debt under the main head of other current liabilities which included the other payable in the financial statements for FY 2018-19 filed on MCA- 21 portal vide form AOC-4 XBLR bearing SRN's R33086885 T26730119. It was represented by the Noticee Company that inadvertently, the other payable head was cumulated under current maturities from long term debt instead of having a separate sub head under other current</p>	<p>Compounding application filed.</p> <p>The Company filed Form GNL – 1 along with a compounding application under Section 441 of the Act dated 04.07.2023 seeking compounding of violations under Section 129 of the</p>

		<p>liabilities. The same was repeated in the financial statement for FY 2019-20 wherein a separate sub-head was created for 'advance from customers'.</p> <p>The Noticee Company further stated that in case any default occurs in procedural part of this compliance, Mr. Pankaj Madan, director of the Noticee Company shall be responsible being an officer in default as per the board resolution passed on 04.04.2016.</p>	<p>Act.</p> <p>The Company inadvertently mentioned 'other payables' under the head of 'Current maturities of long-term debt' instead of recording the same under the head of 'Other Current Liabilities' in the Financial Statements for FY 2018-19.</p> <p>This omission of the Company has been corrected in the financials for FY 2019-20 and FY 2020-21 by uploading form AOC – 4 XBLR having SRN T26730119 on 28.06.2021.</p>
	<p>Violation of Section 206(7) of the Act as the Noticee Company failed to answer all the questions asked vide the Inspection Notice.</p>	<p>The Noticee Company denied this allegation by stating that all questions asked <i>vide</i> the Inspection Notice have been duly answered, whereby, there is no violation under Section 206(7) of the Act.</p> <p>The Noticee Company further stated that in case any default occurs in procedural</p>	<p>Appropriate clarification provided <i>vide</i> the SCN Response</p>

		part of this compliance, Mr. Pankaj Madan, director of the Noticee Company shall be responsible being an officer in default as per the board resolution passed on 04.04.2016	
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**Financial Exposure:** There is no financial exposure of Rosmerta Technologies Limited in this matter.

**4. Disciplinary Actions by Authorities: NIL**

**5. Litigation/Matters involving ax Liabilities:**

(i) Direct Tax **NIL**

(ii) Indirect Tax: **NIL**

**B. CASES FILED BY OUR CORPORATE PROMOTER**

**1. Litigation involving Criminal Laws:**

**1. M/S ROSMERTA TECHNOLOGIES LTD. V. M/S VASUNDHARA ENTERPRISES  
NACT-26113, 26117-2018**

**JUDICIAL MAGISTRATE FIRST CLASS, GURUGRAM (HARYANA)**

**Details of the Parties**

1. M/s Vasundhara Enterprises (“**Accused No.1**”)
2. Sunita Wazir (“**Accused No.2**”)
3. Naresh Wazir (“**Accused No.3**”)

**Case Brief:** Rosmerta Technologies Ltd. filed the Complaint Cases under Section 138 of the Negotiable Instrument Act, 1881 against the dishonour of cheques issued by M/s Vasundhara Enterprises for an amount of INR 28,00,000/- and INR 50,00,000/- respectively.

**Case Status:** Pending adjudication.

**Next Date of Hearing:** 11.11.2024

**Financial Exposure:** Rosmerta Technologies Ltd can be granted a sum of INR 78,00,000/- in lieu of the dishonoured cheques.

**2. Litigation involving Civil Laws:**

**2.1. Rosmerta Technologies Ltd. Vs. State Of Punjab & Ors. ; C.W.P. No. 12168 Of 2015  
AND**

**Rosmerta Technologies Ltd. Vs. State Of Punjab & Ors.; C.W.P. No. 15294 Of 2017**

**HON’BLE HIGH COURT OF PUNJAB & HARYANA**

**Parties in C.W.P. No. 12168 of 2015:**

1. State of Punjab through its Chief Secretary (“**Respondent No. 1**”)
2. Punjab Infrastructure Development Board (“**Respondent No. 2**”)
3. The Principal Secretary, Department of Transport (“**Respondent No. 3**”)
4. M/s Smart Chip Pvt. Ltd. (“**Respondent No. 4**”)

**Case Brief:** Civil Writ Petition No. 12168 of 2015 has been preferred by Rosmerta Technologies Ltd. under Articles 226/227 of the Constitution of India seeking issuance of a Writ in the nature of:

(i) Certiorari for quashing the decision of “Sectoral Sub Committee” dated 24.04.2015 and order dated 20.05.2015 passed by Punjab Infrastructure Development Board whereby the bidding process with respect to implementation of project “*Development of Automated Driving Test Tracks*” has been annulled in an arbitrary manner despite Rosmerta Technologies Ltd. being declared L-1 bidder under the tender notice and fulfilling all other eligibility and qualifying conditions; and

(ii) Mandamus directing the Respondents to award the contract in Rosmerta Technologies Ltd.’s favour.

During the pendency of C.W.P No. 12168 of 2015, Rosmerta Technologies Ltd. filed CWP No. 15294 of 2017 challenging the letter dated 01.06.2018 whereby the Respondent State extended the contract for the implementation of E-governance Project (DL/RC) for 5 years along with granting of Development of Automated Driving Test Tracks project under the guise of CSR to Smart Chip Pvt. Ltd. *vide* letter dated 01.06.2015.

Both Writ Petitions are being heard together as connected matter.

**Case Status:** The CWP No. 15294 of 2017 has been dismissed by the Hon’ble Court of Punjab and Haryana *vide* its Order dated 22.05.2023.

**Financial Exposure:** No financial exposure for Rosmerta Technologies Limited.

**2.2 ROSMERTA TECHNOLOGIES LTD. VS. UNION OF INDIA & ORS.; WRIT PETITION NO. 7684 OF 2022 (GM-MV)****HON’BLE HIGH COURT OF KARNATAKA AT BENGALURU**

Parties in the Matter:

1. Union of India (“**Respondent No. 1**”)
2. State of Karnataka through its Principal Secretary, Transport Department (“**Respondent No. 2**”)
3. Commissioner for Transport and Road Safety, Bengaluru (“**Respondent No. 3**”)
4. State of Karnataka through its Deputy Secretary, Transport Department (“**Respondent No. 4**”)
5. State of Karnataka through its Under Secretary, Transport Department (“**Respondent No. 5**”)

**Case Brief:** The instant Writ Petition has been filed by Rosmerta Technologies Ltd. under Article 226 of the Constitution of India seeking relief of setting aside of following:

(i) Letter dated 14.03.2022 issued by the Respondent State to Rosmerta Technologies Ltd. whereby they had unilaterally changed the scope of work of the Statutory Concession Agreement dated 25.02.2009 entered into between Rosmerta Technologies Ltd. and the Transport Department of Karnataka. In terms of the changes to the scope of work, Rosmerta Technologies Ltd. was required to provide for “*centralized printing of Driving license & Registration Certificate with QR based laminated cards without chip*”. The Transport Department of Karnataka further requested Rosmerta Technologies Ltd. to quote revised rates for printing of RC and DL cards without chip, with QR code as per specification; and

(ii) Letter dated 28.03.2022 issued by the Respondent State to Rosmerta Technologies Ltd. informing about new decision as regards “*Centralized printing of DL and RC Smart cards without chip*” from first week of April 2022.

(iii) Government order dated 03.10.2021 pursuant to which the Respondent State decided to forego the issuance of chip-based vehicle registration certificate in Karnataka.

Further directions have been sought to allow Rosmerta Technologies Limited, being Public Private Partner to continue with the implementation of Statutory Concession Agreement dated 25.02.2009 till 2024 in terms of the Affidavit wherein State had deposed that it will continue the Statutory Concessions Agreement in favour of Rosmerta Technologies Limited as filed in W.P. No. 20736 of 2021 titled “*Rosmerta Technologies Ltd. vs. Union of India & Ors.*” which was disposed of by the Hon’ble High Court of Karnataka at Bengaluru on 03.03.2022.

In the present Writ Petition, the Hon’ble High Court of Karnataka *vide* its order dated 21.04.2022 has granted an interim relief in favour of Rosmerta Technologies Ltd. by directing that no action shall be taken to implement the directions contained in the communication dated 14.03.2022 [*serial number (i) above*] and 28.03.2022 [*serial number (ii) above*] till the next date of hearing.

**Case Status:** that this matter has been dismissed on account of withdrawal by RTL by the Hon’ble High Court of Karnataka at Bengaluru *vide* Order dated 05.09.2024.

**Financial Exposure:** No financial exposure for Rosmerta Technologies Limited.

### **2.3. ROSMERTA TECHNOLOGIES LTD. & ANR. VS. STATE OF RAJASTHAN & ORS.; S.B. CIVIL WRIT PETITION NO. 11115 OF 2018**

#### **HON’BLE HIGH COURT OF RAJASTHAN, JAIPUR BENCH**

##### **Parties in the matter:**

1. State of Rajasthan through its Chief Secretary (“**Respondent No. 1**”)
2. The Transport Secretary cum Commissioner, Govt. of Rajasthan (“**Respondent No. 2**”)
3. M/s Smart Chip Private Limited (“**Respondent No. 3**”)
4. Silver Touch Technologies Limited (“**Respondent No. 4**”)

**Case Brief:** Rosmerta Technologies Ltd. filed the instant Writ Petition seeking:

- (i) Quashing and setting aside the orders dated 27.03.2018 and 16.05.2018 passed by the First Appellate Authority (Joint Secretary, Transport Department, Rajasthan); and Second Appellate



Authority (The Transport Secretary cum Commissioner) respectively under Rajasthan Transparency in Public Procurement Act, 2012, in relation to the Notice Inviting Tender (“NIT”) dated 18.08.2017 inviting bids for setting up of Automated Driving Test Track (“ADTT”) Centres at 14 RTOs in Rajasthan;

(ii) Quashing and setting aside the technical evaluation report dated 09.01.2018 under which the bids of Respondent Nos. 3 (Smart Chip Private Limited and Respondent No.4 (Silver Touch Technologies Limited) were selected; and

(iii) Directing and declaring the Rosmerta Technologies Ltd. to be technically qualified in the said NIT; and other consequential reliefs

Pertinently, Rosmerta Technologies Ltd. approached the First Appellate Authority to reconsider the decision of technical evaluation committee, however, the same was not considered in the decision dated 27.03.2018 passed by the First Appellate Authority. Aggrieved by the same, Rosmerta Technologies Ltd. approached the Second Appellate Authority. The Second Appellate Authority upheld the decision dated 27.03.2018 passed by the First Appellate Authority.

In the present Writ Petition, Rosmerta Technologies Ltd. filed an CMS (CIVIL MISC (WRIT) STAY APPLICATION) No. 18/8467/2018, praying to restrict the Respondent Nos. 1 and 2 from enforcing NIT dated 18.08.2017. However, the said application was withdrawn.

A second stay application bearing no. CMS (CIVIL MISC (WRIT) STAY APPLICATION) No. 18/18197/2018 was filed by Rosmerta Technologies Ltd. seeking restriction against implementation of NIT dated 18.08.2017, by Respondent Nos. 1 and 2 and to restrict the aforesaid Respondent authorities from proceeding further in the said NIT. However, the said application was dismissed on 24.10.2018 as not pressed by Rosmerta Technologies Ltd.

The High Court of Rajasthan *vide* order dated 24.10.2018, recorded that the pleadings are complete in the matter and the parties submitted that the matter may be heard finally. The matter was listed on 26.11.2018 and the parties were directed to supply brief synopsis and written submission in advance, wherein Rosmerta Technologies Ltd. has filed its written submissions.

**Case Status:** this matter has been disposed of by the Hon’ble High Court of Judicature for Rajasthan, Bench at Jaipur *vide* Order dated 05.08.2024.

**Financial Exposure:** No financial exposure.

#### **2.4. ROSMERTA TECHNOLOGIES LTD. VS. UPENDRA KUMAR; A/1825/2015**

**STATE CONSUMER DISPUTE REDRESSAL COMMISSION, UTTAR PRADESH (“SCDRC, LUCKNOW”)**

**Case Brief:** Rosmerta Technologies Ltd. filed an appeal before the SCDRC, Lucknow against the order dated 20.03.2015 passed by the Consumer Forum, District Auraiya in CC/11/2015 directing it to pay INR 50,000/- to Upendra Kumar.

**Case Status:** Listed for final hearing on 20.09.2024.

**Financial Exposure:** The maximum financial exposure of Rosmerta Technologies Ltd. in relation to the above matter could be to the extent of INR 50,000/-.

## **2.5. ROSMERTA TECHNOLOGIES LTD. VS. SHIVARUDRASWAMY C & ORS.; WRIT PETITION NO. 14990 OF 2022 (GM-CPC)**

**HON'BLE HIGH COURT OF KARNATAKA AT BENGALURU  
AND**

**O.S. NO. 2957/ 2022 PENDING BEFORE CCH7 XXII ADDL. CITY CIVIL & SESSIONS  
JUDGE, BENGALURU**

**Case Brief:** The instant Writ Petition was filed by Rosmerta Technologies Ltd. under Articles 226 and 227 of the Constitution of India seeking issuance of Writ of Certiorari for quashing / setting aside the order dated 22.04.2022 passed in I.A. No. 5 filed under Order 39 Rule 1 and 2 read with Section 151 of Code of Civil Procedure, 1908 in O.S. No. 2957/ 2022, by the Ld. Trial Court at Bengaluru wherein the Ld. Trial Court granted the interim relief to freeze the bank accounts of Rosmerta Technologies Ltd.

The Original Suit bearing no. 2957 of 2022 was filed by Shivarudraswamy C and Uday R. Salimath seeking specific performance of the Agreement dated 30.05.2017, freezing of certain bank accounts and other directions, wherein, Rosmerta Technologies Ltd. was arrayed as Defendant No.6.

In the aforesaid case, Rosmerta Technologies Ltd. was not liable to pay for the ongoing contractual disputes between some third parties as Rosmerta Technologies Ltd., in pursuance to the Settlement Agreement dated 11.09.2021, as full and final settlement, paid an amount of INR 3,19,51,920/- to Defendant Nos. 1 to 4 in the original suit and it was incumbent upon the said Defendants to repay the Plaintiffs.

The Hon'ble High Court of Karnataka *vide* order dated 29.07.2022 has stayed the orders dated on 22.04.2022 and 27.07.2022 passed by the Ld. Trial Court in I.A. No. 5 and I.A. No. 7 respectively in O.S. No. 2957/ 2022, as far as Rosmerta Technologies Ltd. is concerned.

**Case Status:** Pending adjudication before the Hon'ble High Court and the Addl. City Civil & Sessions Judge, Bengaluru;

**Next Date of Hearing:** Not available on the website of the High Court; and matter before the Addl. City Civil & Sessions Judge, Bengaluru is listed on 14.11.2024.

**Financial Exposure:** No financial exposure for Rosmerta Technologies Limited.

## **2.6. IN THE MATTER OF INSOLVENCY OF SMART CARD IT SOLUTIONS LIMITED – (ACQUISITION BY ROSMERTA TECHNOLOGIES LIMITED BY WAY OF A RESOLUTION PLAN); C.P. NO. (IB) 955/MB/C-III/2020**

**NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH**

**Case Brief:** The Corporate Insolvency Resolution Process ('CIRP') under Section 7 of the Insolvency and Bankruptcy Code, 2016 ('the Code') of Smart Card IT Solutions Limited ("CD") was initiated by the Hon'ble National Company Law Tribunal, Mumbai Bench *vide* its Order dated 20.01.2022.

Rosmerta Technologies Limited in pursuance of a public notice in Form – G inviting Expression of Interest (“**EoI**”) by the RP, submitted its EoI and subsequently its Resolution Plan for the CD.

On 14.02.2023, the e-voting was concluded, and the Resolution Plan submitted by Rosmerta Technologies Limited was approved by the CoC by 100% voting.

Accordingly, the RP filed I.A. 775/2023 before the Hon’ble NCLT, Mumbai Bench seeking approval of the Resolution Plan submitted by Rosmerta Technologies Limited, which was approved by the Hon’ble NCLT, Mumbai Bench *vide* its order dated 05.04.2024.

The order dated 05.04.2024 was rectified by the Hon’ble NCLT, Mumbai Bench on 29.04.2024.

Rosmerta Technologies Limited is required to infuse funds for the implementation of the Resolution Plan as per the terms provided therein.

**Case Status:** That, presently, the monitoring committee has been constituted as per the directions of the Hon’ble NCLT, Mumbai Bench to supervise the implementation of the Resolution Plan and necessary formalities for the purposes of allotment of shares to Rosmerta Technologies Limited are being undertaken.

**Next Date of Hearing:** 28.10.2024

**2.7. ROSMERTA TECHNOLOGIES LTD. VS. AMIT AGRAWAL, RESOLUTION PROFESSIONAL; SGM WEBTECH PVT. LTD. VS. M/S. BOULEVARD PROJECTS PVT. LTD.IA. NO. 5113/2020 IN CP (IB) NO. 967(PB)/2018**

**NATIONAL COMPANY LAW TRIBUNAL, DELHI**

**Case Brief:** Rosmerta Technologies Ltd. filed an application under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 (“**Code**”) seeking appropriate directions to call a meeting of the Committee of Creditors of M/s. Boulevard Projects Pvt. Ltd. and formally present the Resolution Plan before the Committee of Creditors, submitted by the Company *vis-à-vis* the Corporate Debtor and also to provide access to other documents and information to Rosmerta Technologies Ltd.as may be necessary for consideration of the said Resolution Plan.

However, the application became infructuous and was not required to be adjudicated by the Hon’ble NCLT as a third-party namely, Max Estates Limited was declared a Successful Resolution Applicant for M/s. Boulevard Projects Pvt. Ltd.

**Case Status:** This matter has been withdrawn on 25.07.2024 by filing an Interlocutory Application titled as IA-3561/2024.

**Financial Exposure:** No financial exposure for Rosmerta Technologies Limited.

**2.8. ROSMERTA TECHNOLOGIES LIMITED VS. THE STATE OF BIHAR & ORS.; SLP (C) NO. 11758 OF 2024**

**HON’BLE SUPREME COURT OF INDIA**

**Case Brief:** Rosmerta Technologies Ltd. preferred the SLP(C) No. 11758 of 2024 seeking Special Leave to Appeal against the Judgment and Final Order dated 01.05.2024 passed by the Hon'ble High Court of Patna in Civil Writ Jurisdiction Case No. 7305 of 2024.

Rosmerta Technologies Ltd. had filed a Civil Writ Jurisdiction Case No. 7305 of 2024 challenging the notice of its disqualification dated 12.04.2024 issued by Respondent No. 2 (Secretary, Transport Department, Govt. of Bihar), Respondent No. 3 (State Transport Commissioner, Transport Department, Govt. of Bihar) and Respondent No. 4 (Deputy Secretary, Transport Department, Govt. of Bihar) in the tender relating to supply and printing of Vehicle Registration Certificate (“VRC”) and Driving License (“DL”) on laminated cards at all DTO Offices in Bihar.

Rosmerta Technologies Ltd.'s bid was rejected on the ground of a minor typographical error, even though its bid was lowest. The Hon'ble High Court of Patna erroneously dismissed the said Writ Petition *vide* order dated 01.05.2024.

In the present SLP, *vide* an Order dated 20.05.2024, notice was issued to the Respondents and liberty was granted to Rosmerta Technologies Ltd. to move for an interim relief before the vacation bench.

**Case Status:** This matter has been dismissed of by the Hon'ble Supreme Court of India *vide* Order dated 13.08.2024.

**Financial Exposure:** No financial exposure for Rosmerta Technologies Limited.

## **2.9 ROSMERTA TECHNOLOGIES LTD. VS. STATE OF ODISHA & ORS. SPECIAL LEAVE PETITION (CIVIL) 24795 OF 2024 HON'BLE SUPREME COURT OF INDIA**

### **Parties in the Matter:**

1. Rosmerta Technologies Limited (“**Petitioner/RTL**”)
2. State of Odisha (“**Respondent No. 1**”)
3. The Chief Secretary, Govt. of Odisha (“**Respondent No. 2**”)
4. The Commissioner of Transport (“**Respondent No. 3**”)
5. Cerisetech Solutions Private Limited (“**Respondent No. 4**”)
6. Saidham Super Services Solutions Private Limited (“**Respondent No. 5**”)

**Case Brief:** RTL preferred the SLP(C) No. 24795 of 2024 seeking Special Leave to Appeal against the Order dated 18.06.2024 passed by the Hon'ble High Court of Orissa in Writ Petition (Civil) No. 7776 of 2024.

On 27.01.2024, the Department of Transport, Government of Odisha, issued a Request for Bid (“**RFB**”) for the ‘Selection of Successful Bidder For Design, Construction of Automated Testing Station, Procurement, Supply, Installation of Vehicle Testing Equipment and Operation & maintenance at 21 locations in Odisha State’. This RFB contained a controversial pre-qualification condition i.e. “*no-litigation history with any Government Department/PSU any other Agency during the 10 years*”.

Since the publication of the RFB, RTL has raised its objection to the aforementioned pre-qualification condition, both during a virtual Pre-Bid meeting held on 07.02.2024 and later by made a making a detailed representation to the State Government on 05.03.2024 requesting its amendment or deletion.

However, RTL did not receive any response from the Department, hence it was constrained to file the Writ Petition (C) No. 5660 of 2024 before the Hon'ble High Court of Orissa on 07.03.2024. Through this Petition, RTL sought directions to the Department for consideration of its representation. The Hon'ble High Court disposed of this Petition vide its Order dated 11.03.2024, directing the Respondent Department to consider and dispose of RTL's representation within 3 (three) months ("**1<sup>st</sup> Writ Order**").

In pursuance of the 1<sup>st</sup> Writ Order, the Transport Department released a corrigendum dated 11.03.2024. This corrigendum extended the date of bid submission but failed to delete the said pre-qualification condition as contested by RTL. On account of such non-compliance, RTL filed another Writ Petition (C) No. 6277 of 2024 before the Hon'ble High Court of Orissa, challenging the said condition. This Writ Petition was disposed of by the Hon'ble High Court vide its Order dated 15.03.2024, directing the Respondents to consider and dispose of RTL's representation within 3 (three) months ("**2<sup>nd</sup> Writ Order**").

Without prejudice to its right to seek deletion of the said condition, RTL submitted its bid on 16.03.2024, making payments of Rs. 2,950/- digitally towards Tender Processing Fee; Rs. 10,000/- towards Form Fee by Demand Draft; and a Bank Guarantee of Rs. 80,00,000/- towards Earnest Money Deposit. However, on 18.03.2024, RTL's bid was rejected by the Department by citing a mere shortfall of Rs. 1,800/- payable towards the Bid Processing Fee. This shortfall was rectified by RTL immediately by submitting an additional demand draft of Rs. 1,800/- on 20.03.2024.

Challenging the rejection of the Bid, RTL filed another Writ Petition (C) No. 7776 of 2024 before the Hon'ble High Court of Orissa on 02.04.2024, challenging both the rejection of their bid and the validity of pre-qualification 'no-litigation' condition. A favourable Order was passed by the Hon'ble High Court on 18.06.2024, wherein the impugned pre-qualification condition was set aside, declaring it unconstitutional ("**3<sup>rd</sup> Writ Order**"). Additionally, the Hon'ble High Court directed the Commissioner of Transport to either issue a corrigendum deleting this requirement or issue a fresh RFB without this pre-qualification condition. The Hon'ble High Court further allowed eligible bidders, including RTL, to participate in the revised or new bidding process.

Two other bidders who had filed the RFB i.e. Cerisetech Solutions Private Limited (Respondent No. 4 in this SLP) and Saidham Super Services Solutions Private Limited (Respondent No. 5 in this SLP) challenged the 3<sup>rd</sup> Writ Order vide SLP (C) No. 20289 of 2024 and SLP (C) No. 21623 of 2024 respectively, before the Hon'ble Supreme Court of India.

Subsequently, the present Special Leave Petition has been preferred by RTL against paragraph 57 of the 3<sup>rd</sup> Writ Order wherein the payment of Bid Processing Fee of Rs. 1,800/- has been considered an essential condition to a successful submission of RFB. It is the contention of RTL that the Hon'ble High Court of Orissa failed to adjudicate upon the aspect of rejection of its bid for non-payment of Rs. 1,800/- as the same became academic. In the circumstances, the occasion for the Hon'ble High Court to examine the validity of the rejection did not arise. This finding has contended to be erroneous and prejudicial to RTL's being challenged by way of the present Special Leave Petition.

The Hon'ble Supreme Court of India has issued notice in the abovementioned SLPs on 10.09.2024.

**Next Date of Hearing:** 05.11.2024

**Financial Exposure:** No financial exposure for Rosmerta Technologies Limited

3. Litigation Involving Actions by Statutory/Regulatory Authorities:

**NIL**

4. Disciplinary Actions by Authorities:

**NIL**

5. Litigation involving Tax Liability:

**(i) Direct Tax:**

### **1. ROSMERTA TECHNOLOGIES LIMITED**

#### **ACIT CENTRAL CIRCLE 27, DELHI**

A demand notice dated 17.09.2019 under section 143(2) of the Income Tax Act, 1961 was issued to the Rosmerta Technologies Limited (“**Appellant Assessee**”) u/s 143(3) of the Income Tax Act, 1961 for Assessment Year 2018-2019 in relation to charging depreciation on cars amounting to INR 70,01,000/-

Subsequently, a Show Cause Notice dated 11.04.2021 was issued to the Appellant Assessee in relation to the sum of INR 59,93,463/- to show cause as to why the abovementioned sum should not be added to total income u/s 36(i)(va) read with section 2(24)(x) of the Income Tax Act, 1961.

The Appellant Assessee submitted that:

- (i) the cars owned by the Appellant Assessee were used for business purposes and not for personal purposes of one of the consultants of the Company. The disallowance by the Assessment Officer (“**AO**”) was made without bringing any tangible material on records to substantiate that cars on which depreciation was claimed were used for personal purposes.
- (ii) the employees’ contribution towards the provident fund was made before due date of filing the return of income and thus it is eligible for a deduction under Section 36(1) (va) read with Section 43B under the Income Tax Act, 1961.
- (iii) there was an error in computation of the total income since the assessment order under Section 143(3), the Appellant Assessee observed that even though no addition is made to the deemed total income under Section 115JB in the computation sheet attached to the order, deemed income was determined at INR 2,61,61,000/- instead of INR 54,18,000/- as per the return of income.
- (iv) The TDS credit to the tune of INR 1,06,237/- has not been granted though the income corresponding the said TDS credit has been offered to tax while filing the return of income.

The present Appeal has been preferred by Rosmerta Technologies Limited before the ACIT Central Circle 27, Delhi on the following grounds:

- (i) The AO, on an *ad hoc* basis disallowed depreciation amounting to INR 21,24,637/- out of the total depreciation of INR 70,01,000/- on cars without bringing on record as to how the AO concluded that the said proportion of depreciation (i.e., INR 21,24,637/-) is not allowable as business expenditure.

- (ii) AO erred in making an addition of INR 59,93,463/- to income on account of late payment of employees contribution to provident fund.
- (iii) AO erred in computation of deemed income at INR 2,61,61,000/- as against INR 54,18,000/- as per the return of income.
- (iv) AO has erred in short granting TDS credit by INR 1,06,237/-
- (v) AO has erred in increasing the interest under Section 234A, 234B and 234C of Income Tax Act, 1961 and initiating penalty proceedings under Section 270A of the Income Tax Act, 1961.

**Case Status:** Pending adjudication.

**Next Date of Hearing:** Not been provided.

**Financial Exposure:** The maximum financial exposure of Rosmerta Technologies Limited in respect of Show Cause Notice dated 11.04.2021 is INR 59,93,463/- and further a sum of INR 21,24,637/- is payable since the same has been disallowed as a deduction. However, this exposure is subject to the outcome of the above appeal.

## **2. ROSMERTA TECHNOLOGIES LIMITED**

### **DEMAND NOTICE DATED 03.05.2024 ISSUED BY THE CENTRALIZED PROCESSING CENTER, INCOME TAX DEPARTMENT**

Rosmerta Technologies Limited filed its annual return on 30.10.2023. Basis said filing, the return was processed by the Centralized Processing Centre, Income Tax Department.

Pursuant thereto, a demand notice u/s 143(1) of the Income Tax Act, 1961 dated 03.05.2024 was raised for an amount of INR 1,53,79,620/- on the ground of inconsistency in the return date filed by Rosmerta Technologies Limited.

On receipt of said notice of demand, a rectification request to the said demand notice has been filed by Rosmerta Technologies Limited on 16.05.2024 which is currently under process.

**Financial Exposure:** The maximum financial exposure of Rosmerta Technologies Ltd. in relation to the above matter could be to the extent of INR 1,53,79,620/-. However, this exposure is subject to the outcome of the rectification application.

#### **(ii) Indirect Tax:**

### **1.A ROSMERTA TECHNOLOGIES LIMITED VS. COMMISSIONER OF SERVICE TAX, DELHI-IV ST/224/2016**

#### **CUSTOMS, EXCISE AND SERVICE TAX APPELLATE TRIBUNAL, CHANDIGARH (“CESTAT”)**

**Case Brief:** The present appeal ST/224/2016 has been filed by Rosmerta Technologies Limited

challenging the order dated 31.12.2015 passed by the of Commissioner of Service Tax, Delhi-IV, Gurgaon (“**Ld. Commissioner**”).

That, before passing the impugned order in the matter, the Ld. Commissioner had issued as Show Cause Notice dated 24.04.2015 (“**SCN**”) to Rosmerta Technologies Limited for recovery of service tax amounting to INR 47,01,49,577/- on account of non-payment of service tax on income from operations for the period from October 2011 – March 2014.

In terms of the SCN, Rosmerta Technologies Limited was required to show cause as to why:

- (i) Out of total service tax payable amounting to INR 47,01,49,577/-, service tax amounting to INR 84,42,366/- already deposited by Rosmerta Technologies Limited, should not be appropriated.
- (ii) Service tax amounting to INR 46,19,07,211/- (including education cess and secondary and higher education cess), as detailed above should not be demanded and recovered from Rosmerta Technologies Limited under *proviso* to Section 73(1) of Finance Act, 1994 r/w Section 66, 66B and 68 further r/w Section 91 and 95 of Finance Act, 2004 and Section 136, and 140 of Finance Act, 2007.
- (iii) Interest, as applicable should not be charged and recovered from Rosmerta Technologies Limited under Section 75 of Finance Act.
- (iv) Penalty, under Section 76, 77 (2) and 78 of the Finance Act should not be levied on Rosmerta Technologies Limited for failure to pay Service Tax; and non-filing of ST-3 return, as applicable.

As per the response to the SCN, Rosmerta Technologies Limited submitted that:

- (i) SCN not maintainable in law;
- (ii) Issues under the SCN are already covered in a judgement of the Hon’ble High Court of Madhya Pradesh, at Jabalpur in the case of Commissioner of Customs and C.EX., Bhopal vs. Smart Chip Limited reported in 2015(39) STR197(MP). As per the judgement, the Hon’ble Court held that the activities referred to in the SCN i.e., issuance of smart card based vehicles RCs, is a service rendered by the Assessee to the Transport Department pertains to discharge of statutory functions by the Department under the Motor Vehicles Act, 1988 and the same does not amount to customer care, promotion, marketing of services, incidental or auxiliary to support services.

After considering the response to SCN by the Rosmerta Technologies Limited, the Ld. Commissioner on 31.12.2015 decided as under:

- (i) Out of the total demand of INR 47,01,49,577/-, the Ld. Commissioner confirmed the demand of INR 23,98,87,510/- and dropped the demand of INR 23,02,62,067/-,
- (ii) The Ld. Commissioner ordered that INR 6,38,18,933/- which has already been deposited by Rosmerta Technologies Limited under the Business Auxiliary Service, be appropriated towards service tax liability,
- (iii) The Ld. Commissioner ordered for the recovery of additional service tax of INR 17,60,68,577/- on revenue earned from issuance of smart card registration certificates post July 2012,
- (iv) Imposed a penalty of INR 10,000/- u/s 77 of the Finance Act, 1994, and
- (v) Imposed further penalty of INR 17,60,68,577/- u/s 78 of the Finance Act, 1994 which is equivalent to additional service tax demand as detailed under Sr. No. (iii) above.

**Current Status:** Pending adjudication



**Next Date of Hearing:** 20.01.2025

**Financial Exposure:** It should be noted that in the said appeal before CESTAT, no effective order passed since a Civil Writ Petition bearing CWP No. 4825 of 2020 [Please refer case brief under Sr. No. 1.B. below Rosmerta Technologies Limited vs. Union of India & Anr. CWP No. 4825 of 2020 Hon'ble High Court of Punjab and Haryana] has been filed by Rosmerta Technologies Limited on the same cause of action under Sabka Vishwas - (Legacy Dispute Resolution) Scheme, 2019 which is being heard by Hon'ble High Court of Punjab and Haryana at Chandigarh.

In relation to the financial exposure on Rosmerta Technologies Limited, please refer to our case brief under Sr. No. 1.B. below.

**1.B. ROSMERTA TECHNOLOGIES LIMITED VS. UNION OF INDIA & ANR.; CWP NO. 4825 OF 2020**

**HON'BLE HIGH COURT OF PUNJAB AND HARYANA**

**Case Brief:** The present Writ Petition bearing C.W.P. No. 4825 of 2020 has been filed by Rosmerta Technologies Limited before the Hon'ble High Court of Punjab and Haryana under Article 226/227 of the Constitution of India wherein it is aggrieved by the orders of the Designated Committee through Principal Commissioner, GST, Gurugram ("**Respondent No. 2**") whereby the estimated amount payable by Rosmerta Technologies Limited under Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019 ("**Scheme**") has been determined. Rosmerta Technologies Limited being eligible to file a declaration under the Scheme had filed its declaration on December 13, 2019 before the Respondent No. 2 by calculating its tax dues.

Rosmerta Technologies Limited had disputed the demand of INR 23,98,87,510/- arising out of the Order dated 31.12.2015 passed by the Commissioner of Service Tax, Delhi-IV, Gurgaon ("**Ld. Commissioner**") against which appeal bearing ST/224/2016 is pending before the Customs, Excise and Service Tax Appellate Tribunal, Chandigarh ("**CESTAT**").

In the present matter, Rosmerta Technologies Limited submitted with the Respondent No. 2, the calculation to the tune of INR 4,28,74,820/- i.e., amounts of service tax payable under the Scheme. However, the Respondent No. 2 *vide* order dated 07.02.2020 has estimated the service tax payable under the Scheme to be INR 7,47,84,288.50/-.

In view of the above, Rosmerta Technologies Limited preferred the present Writ Petition seeking issuance of the following directions:

- (i) Writ of Certiorari for quashing the Order dated 07.02.2020 passed by the Respondent No. 2 whereby it has been determined that estimated amount payable by Rosmerta Technologies Limited under the Scheme in an illegal manner outside the purview of provisions of Finance (No.2) Act, 2019; and / or
- (ii) Writ of Mandamus, directing the Respondent No. 2 to accept declaration dated 31.12.2019 filed by Rosmerta Technologies Limited under the Scheme and issue a discharge certificate therein; and / or

**Case Status:** Pending adjudication;

**Next Date of Hearing:** 30.01.2024

**Financial Exposure:** The maximum financial exposure of Rosmerta Technologies Limited in relation to the above matter could be to the maximum extent of INR 7,47,84,288.50/-.

## **2. ROSMERTA TECHNOLOGIES LIMITED VS. THE ASSISTANT COMMISSIONER ETC.**

**STR/315/2019, STR/319/2019, STR/320/2019/**

### **HON'BLE HIGH COURT OF RAJASTHAN (JAIPUR BENCH)**

**Case Brief:** The National Informatics Center Services Incorporation *vide* an order dated 01.11.2013 sub-contracted the works to Rosmerta Technologies Limited, received from the Government of Rajasthan for providing services of issuance of smart based driving licenses and registration certificates on SARATHI / VAHAN software in the State of Rajasthan.

Subsequently, the Assistant Commissioner Tax Officer, Anti Evasion Zone, Jaipur (“**Assistant Commissioner**”) conducted a survey of the business premises of Rosmerta Technologies Limited on 13.02.2016 and *vide* an order dated 10.03.2017 imposed a cumulative VAT demand of INR 2,88,30,620/- including interest and penalty for the financial years 2013-14, 2014-15, 2015-16 on Rosmerta Technologies Limited for printing of smart card-based registration certificates and driving licenses.

That Rosmerta Technologies Limited challenged the said order of the Assistant Commissioner in separate appeals for the financial years 2013-14, 2014-15, 2015-16 before Appellate Authority I, Commercial Taxes, Jaipur (“**Appellate Authority**”). The Appellate Authority *vide* an order dated 26.07.2017 allowed the appeal of Rosmerta Technologies Limited holding that smart cards were not “**goods**” within the meaning of Rajasthan Value Added Tax Act, 2003 (“**Act**”).

That, the Assistant Commissioner aggrieved by the Order dated 26.07.2017 of the Appellate Authority, filed separate appeals for the financial years 2013-14, 2014-15, 2015-16 before the Rajasthan Tax Board, Ajmer (“**Rajasthan Tax Board**”). The Rajasthan Tax Board *vide* its order dated 19.08.2019 allowed the appeals and incorrectly held that the supply of smart card-based registration certificates and driving licenses would be considered as a works contract for the purposes of the Act and hence under the works contracts, the transfer of goods would be subject to VAT.

The present Sales Tax Revision Petitions (“**Petitions**”) have been filed by Rosmerta Technologies Limited under Section 84 of the Act challenging the order dated 19.08.2019 passed by Rajasthan Tax Board.

That, it is the case of Rosmerta Technologies Limited that the preparation of smart based registration certificates and driving licenses is only a service and does not amount to any transfer of goods. That, it was submitted that Rosmerta Technologies Limited has already paid service tax in respect of the said services.

That, the Hon'ble High Court *vide* its order dated 26.11.2019 granted an interim relief to the Rosmerta Technologies Limited by staying the operation of the impugned order dated 19.08.2019 passed by the Rajasthan Tax Board.

**Case Status:** Pending adjudication;

**Next Date of Hearing:** 19.12.2024

**Financial Exposure:** The maximum financial exposure of Rosmerta Technologies Limited in relation to the above matter could be to the extent of 30% of the VAT demand (i.e. INR 2,88,30,620/-).

### **3. ROSMERTA TECHNOLOGIES LIMITED VS. OFFICE OF ASSISTANT COMMISSIONER, DIVISION EAST 1, GST GURUGRAM, MUDIT SQUARE**

**ASSISTANT COMMISSIONER, DIVISION EAST 1, GST GURUGRAM, MUDIT SQUARE; DL-II/ST/DIV- VI/R-29/ RECOVERY (APPL)/ ROSMERTA/ 06/2015/2872 (SHOW CAUSE NOTICE)**

**Case Brief:** The present proceedings are pending before the Assistant Commissioner, GST Gurugram which has issued a Show Cause Notice dated 19.01.2018 to Rosmerta Technologies Limited, demanding service tax amount of INR 25,63,616/- along-with interest and penalty for the period 2014-15, 2015-16 and 2016-17 for difference in turnover, basis the balance sheets for the said financial years.

Rosmerta Technologies Limited submitted its reply to the said Show Cause Notice on 23.02.2018 and the matter is pending for final decision.

**Case Status:** Pending adjudication.

**Next Date of Hearing:** Not available.

**Financial Exposure:** The maximum financial exposure of Rosmerta Technologies Limited in relation to the above matter could be to the maximum extent of INR 25,63,616/-.

## **IV. LITIGATION INVOLVING OUR PROMOTER TRUST**

### **A. CASES FILED AGAINST THE PROMOTER TRUST**

1.	Litigation involving Criminal Laws:	<b>NIL</b>
2.	Litigation involving Civil Laws:	<b>NIL</b>
3.	Litigation Involving Actions by Statutory/Regulatory Authorities:	<b>NIL</b>
4.	Disciplinary Actions by Authorities:	<b>NIL</b>
5.	Litigation involving Tax Liability	
(i)	Direct Tax:	<b>NIL</b>
(ii)	Indirect Tax:	<b>NIL</b>

**B. CASES FILED BY THE PROMOTER TRUST**

- |      |   |            |
|------|---|------------|
| 1.   | Litigation involving Criminal Laws:                               | <b>NIL</b> |
| 2.   | Litigation involving Civil Laws:                                  | <b>NIL</b> |
| 3.   | Litigation Involving Actions by Statutory/Regulatory Authorities: | <b>NIL</b> |
| 4.   | Disciplinary Actions by Authorities:                              | <b>NIL</b> |
| 5.   | Litigation involving Tax Liability:                               |            |
| (i)  | Direct Tax:   | <b>NIL</b> |
| (ii) | Indirect Tax:   | <b>NIL</b> |

**IV. LITIGATION INVOLVING OUR DIRECTORS**
**A. CASES FILED AGAINST THE DIRECTORS**

- |       |   |            |
|-------|---|------------|
| 1.    | Litigation involving Criminal Laws:                               | <b>NIL</b> |
| 2.    | Litigation involving Civil Laws:                                  | <b>NIL</b> |
| 3.    | Litigation Involving Actions by Statutory/Regulatory Authorities: | <b>NIL</b> |
| 4.    | Disciplinary Actions by Authorities:                              | <b>NIL</b> |
| 5.    | Litigation involving Tax Liability                                |            |
| (iii) | Direct Tax:   | <b>NIL</b> |
| (iv)  | Indirect Tax:   | <b>NIL</b> |

**B. CASES FILED BY THE DIRECTORS**

- |    |   |            |
|----|---|------------|
| 1. | Litigation involving Criminal Laws:                               | <b>NIL</b> |
| 2. | Litigation involving Civil Laws:                                  | <b>NIL</b> |
| 3. | Litigation Involving Actions by Statutory/Regulatory Authorities: | <b>NIL</b> |
| 4. | Disciplinary Actions by Authorities:                              | <b>NIL</b> |
| 5. | Litigation involving Tax Liability:                               |            |

- (iii) Direct Tax: **NIL**
- (iv) Indirect Tax: **NIL**

**V. MATERIAL DEVELOPMENT OCCURRING AFTER LAST BALANCE SHEET DATE I.E., SEPTEMBER 30, 2024**

Except as disclosed in Restated Financial Statements, there are no material developments occurring after last balance sheet date i.e., September 30, 2024.

**VI. DISCLOSURES PERTAINING TO WILFUL DEFAULTERS**

Neither our Company, nor our Promoters, and 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.

**VII Outstanding Creditors as September 30, 2024**

*(Rupees in thousand)*

<b>Particulars</b>	<b>Number of Creditors</b>	<b>Balance</b>
Total Outstanding dues to Micro and Small & Medium Enterprises	13	1647
Total Outstanding dues to Creditors other than Micro and Small & Medium Enterprises	151	258162

➤ **Details of Outstanding Overdues to material Creditors as at September 30, 2024**

*(Rupees in thousand)*

<b><u>Sr. No</u></b>	<b><u>Particulars</u></b>	<b><u>Amount</u></b>
		<b><u>NIL</u></b>

## **GOVERNMENT AND OTHER APPROVALS**

*In view of the licenses / permissions / approvals / no-objections / certifications / registrations, (collectively “Authorisations”) listed below, our Company can undertake this Issue and our current business activities and to the best of our knowledge, no further approvals from any governmental or regulatory authority or any other entity are required to undertake this Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Red Herring Prospectus. It must be distinctly understood that, in granting these approvals, the GoI, the RBI or any other authority 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. For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled “Key Industry Regulation and Policies” beginning on page 204 of the Red Herring Prospectus.*

### **CORPORATE APPROVALS FOR THIS ISSUE**

1. The Board of Directors have, pursuant to resolutions passed at its meeting held on June 29, 2024 has approved the initial public offering of 1,40,36,000 Equity Shares of face value of INR 2/- (Rupees Two only) each fully paid-up of the Company for cash, subject to the approval by the shareholders of the Company under Section 62 (1) (c) of the Companies Act 2013.
2. The Shareholders have, pursuant to the resolution dated July 01, 2024 under section 62 (1) (c) of the Companies Act 2013, authorized the Issue.

### **IN-PRINCIPLE APPROVAL**

The Company has obtained approval from BSE vide its letter dated October 23, 2024 to use the name of BSE in this Offer document for listing of equity shares on SME Platform of BSE. BSE is the Designated Stock Exchange.

### **AGREEMENTS WITH NSDL AND CDSL**

1. The Company has entered into an agreement dated June 11, 2024, with the Central Depository Services (India) Limited (CDSL), and the Registrar and Transfer Agent, who, in this case, is, Link Intime India Private Limited for the dematerialization of its shares.
2. The Company has also entered into an agreement dated May 31, 2024, with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who, in this case is, Link Intime India Private Limited for the dematerialization of its shares.
3. The Company’s International Securities Identification Number (ISIN) is INE0X7H01029.

**INCORPORATION DETAILS OF OUR COMPANY**

S.N.	Authorisation granted	Issuing Authority	CIN	Date of Issue	Valid Up to
1.	Certificate of Incorporation in the name of “ <i>Rosmerta Digital Services Private Limited</i> ”	ROC, Delhi	U74999DL2021PTC386542	September 14, 2021	Perpetual
2.	Certificate of Incorporation for conversion from Private to Public company in the name of “ <i>Rosmerta Digital Services Limited</i> ”	ROC, Delhi	U74999DL2021PLC386542	June 03, 2024	Perpetual

**TAX RELATED AUTHORISATIONS OF COMPANY**

S.N.	Authorization Granted	Issuing Authority	Registration No./Reference No./License No./Application No.	Date of Issue	Valid Up to
1.	Permanent Account Number	Income Tax Department, GoI	AALCR2813G	September 14, 2021	Perpetual
2.	Tax Deduction Account Number	Income Tax Department, GoI	RTKR16044A	September 14, 2021	Perpetual
<b>Details of Professional Tax Certification of the Company</b>					
1.	Professional Tax Registration Certificate	State of West Bengal	192174735966	June 13, 2024	Valid till Cancelled
2.	Professional Tax Registration Certificate	State of Jharkhand	20860314340	June 27, 2024	Valid till Cancelled
3.	Professional Tax Registration Certificate	State of Odisha	21855508452	July 18, 2024	Valid till Cancelled
4.	Professional Tax Registration Certificate	State of Maharashtra	27882356079P	May 31, 2024	Valid till Cancelled
5.	Professional Tax Registration Certificate	State of Karnataka	372297561	May 28, 2024	Valid till Cancelled
6.	Professional Tax Registration Certificate	State of Telangana	PT36AALCR2813G1ZE	July 08, 2024	Valid till Cancelled
7.	Professional Tax Registration Certificate	State of Kerala	*	*	Valid till Cancelled
8.	Professional Tax Registration Certificate	State of Madhya Pradesh	78699301811	July 17, 2024	Valid till Cancelled
9.	Professional Tax Registration Certificate	State of Andhra	1293/2024-25	August 01, 2024	Valid till Cancelled

		Pradesh			
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\* The Professional Tax payment is made online on the website using the User ID and Password of our company. Further, no registration number has been issued.

<b>Details of GST Registration of the Company</b>					
<b>Sr. No.</b>	<b>Authorisation Granted</b>	<b>Issuing Authority</b>	<b>Registration Number / Reference Number / License Number</b>	<b>Date of issue</b>	<b>Valid Up to</b>
1.	GST Registration Certificate (Delhi)	Goods and Services Tax Department, Delhi, Ward 105	07AALCR2813G1ZF	October 12, 2021	Valid till cancelled
2.	GST Registration Certificate (Himachal Pradesh)	Assistant Commissioner State Taxes and Excise, Mandi-I, Himachal Pradesh	02AALCR2813G1ZP	December 30, 2021	Valid till cancelled
3.	GST Registration Certificate (Rajasthan)	Assistant Commissioner, Rajasthan	08AALCR2813G1ZD	October 31, 2022	Valid till cancelled
4.	GST Registration Certificate (Uttar Pradesh)	Superintendent, Prayagraj Sector-13	09AALCR2813G1ZB	February 22, 2023	Valid till cancelled
5.	GST Registration Certificate (West Bengal)	Superintendent, Alipore	19AALCR2813G1ZA	March 28, 2023	Valid till cancelled
6.	GST Registration Certificate (Jharkhand)	Jharkhand	20AALCR2813G1ZR	January 1, 2022	Valid till cancelled
7.	GST Registration Certificate (Odisha)	Superintendent, Bhubaneswar I Circle	21AALCR2813G1ZP	October 17, 2022	Valid till cancelled
8.	GST Registration Certificate (Maharashtra)	State Tax Officer, Aurangabad	27AALCR2813G1ZD	May 29, 2024	Valid till cancelled
9.	GST Registration Certificate (Karnataka)	Superintendent, LGSTO 262-Mangalore	29AALCR2813G1Z9	August 8, 2023	Valid till cancelled
10.	GST Registration Certificate (Telangana)	Superintendent, Hyderabad Rural STU-1	36AALCR2813G1ZE	July 13, 2023	Valid till cancelled
11.	GST Registration Certificate (Andhra Pradesh)	Superintendent, Indrakeeladri	37AALCR2813G1ZC	February 3, 2023	Valid till cancelled



12.	GST Registration Certificate (Haryana)	Gurugram	06AALCR2813G1ZH	June 22, 2023	Valid till cancelled
13.	GST Registration Certificate (Madhya Pradesh)	Superintendent, Jabalpur – I	23AALCR2813G1ZL	January 26, 2022	Valid till cancelled
14.	GST Registration Certificate (Kerala)	Superintendent, Taxpayer Services Circle, Mannuthy	32AALCR2813G1ZM	March 5, 2023	Valid till cancelled
15.	GST Registration Certificate (Tamil Nadu)	Asst. Commissioner, Maraimalainagar, Tamil Nadu	33AALCR2813G1ZK	November 4, 2022	Valid till cancelled

#### DETAILS OF TRADE LICENSE OBTAINED BY THE COMPANY

S.N.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Valid Upto
1.	Trade License (West Bengal)	Maheshtala Municipal Corporation	0917P660524127899	July 18, 2024	July 17, 2025
2.	Trade License (Telangana)	Greater Hyderabad Municipal Corporation	0055-322-0113	July 02, 2024	December 31, 2024
3.	Trade License (Madhya Pradesh)	District Labour Office, Jabalpur	JABA240613SE005863	July 12, 2024	Valid until Cancelled
4.	Trade License (Andhra Pradesh)	Machilipatnam Municipal Corporation	ROC No: 03429-2024-WP.	June 26, 2024	March 31, 2025
5.	Trade License (Jharkhand)	Ranchi Municipal Corporation	RAN607202024170552	July 20, 2024	July 19, 2025
6.	Trade License (Hyderabad)	Greater Hyderabad Municipal Corporation	0055- 322-0113	July 02, 2024	Valid till December 31, 2024

7.	Trade License (Odisha)	Bhubhaneswar Municipal Corporation	BMC/TL-2024/55610 (TL24071100772)	July 30, 2024	March 31, 2025
8.	Trade License (Tamil Nadu)	Tamparam City Municipal Corporation	009/2024/01/011/0005507	July 25, 2024	March 31, 2025

## LABOUR LAW RELATED APPROVALS

### DETAILS OF REGISTRATION OF THE COMPANY UNDER THE SHOPS AND ESTABLISHMENT ACT

S.NO.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Valid Upto
01.	Registration under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 (EPF)	Employees' Provident Fund Organization Ministry of Labour & Employment, Government of India	DLCPM2465342000	September 14, 2021	Valid till Cancelled
02.	Registration under Employees' State Insurance Act, 1948 (ESIC)	Sub-Regional Office, Employees' State Insurance Corporation Office, F-2/3, Okhla Phase-1, New Delhi	Code No. 20001425640000999	September 14, 2021	Valid till Cancelled
S.N.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Valid Upto
1.	Registration under Delhi Shops and Establishments Act, 1954,	Labour Department, Government of National Capital Territory of Delhi	2024131476	June 12, 2024	June 11, 2045
2.	Registration under Himachal Shops and Establishment	Labour Department, Government of Himachal Pradesh	4201L2324E108	July 01, 2024	December 31, 2028

	s Act, 1969				
3.	Registration under Rajasthan Shops and Commercial Establishments Act, 1958	Labour Department, Government of Rajasthan	SCA/2024/14/134211	July 02, 2024	Valid until Cancelled
4.	Registration under Uttar Pradesh Shops and Establishments Act, 1962	Labour Department, Government of Uttar Pradesh (Lucknow)	UPSA28760049	May 31, 2024	Valid until Cancelled
5.	Registration under Uttar Pradesh Shops and Establishments Act, 1962	Labour Department, Government of Uttar Pradesh (Allahabad)	UPSA46719854	July 04, 2024	Valid until Cancelled
6.	Registration under West Bengal Shops and Commercial Establishments Act, 1963,	Labour Department, Government of West Bengal	KL04282N2024000753	May 29, 2024	Valid Until Cancelled
7	Registration under Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017	Labour Department, Government of Maharashtra (Mumbai)	24102003189997	July 04, 2024	Valid Until Cancelled
8	Registration under Maharashtra Shops and Establishments (Regulation of Employment and	Labour Department, Government of Maharashtra (Pune)	2431000318922486	June 11, 2024	Valid Until Cancelled

	Conditions of Service) Act, 2017				
9.	Registration under Karnataka Shops and Establishments Act, 1961	Labour Department, Government of Karnataka	6/75/CE/0011/2024	June 21, 2024	December 31, 2028
10.	Registration under Telangana Shops and Establishments Act, 1954,	Labour Department, Government of Telangana.	SEA/HYD/ACL/A2/08 75120/2024	May 28, 2024	December 31, 2024
11.	Registration under Andhra Pradesh Shops and Establishments Act, 1988	Labour Department, Government of Andhra Pradesh.	AP-06-35-007- 03565656	May 24, 2024	December 31, 2027
12.	Registration under Haryana Shops and Establishments Act, 1958,	Labour Department, Government of Haryana – Corporate Office	PSA/REG/GGN/LI- GGN-10/0333914	May 23, 2024	Valid until Cancelled
13.	Registration under Haryana Shops and Establishments Act, 1958,	Labour Department, Government of Haryana – Back Office	PSA/REG/GGN/LI- GGN-10/0334033	July 12, 2024	Valid until Cancelled
14.	Registration under Madhya Pradesh Shops and Establishments Act, 1958.	Labour Department, Government of Madhya Pradesh	JABA240613SE00586 3	July 12, 2024	Valid until Cancelled
15.	Registration under Tamil Nadu Shops and Commercial Establishments Act, 1947	Labour Department, Government of Tamil Nadu	TN/AILTBM/NFSH/68 -24-02548	July 16, 2024	July 15, 2029
16.	Registration under Odisha Shops and Commercial Establishments Act, 1956	Labour Department, Government of Odisha	KHU/OSCE/2024/0076 27	August 08, 2024	Valid until cancelled

## BUSINESS RELATED CERTIFICATIONS

Our Company has received the following significant government and other approvals pertaining to our business:

S.N.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Valid upto
01.	Udyam Registration Certificate	Ministry Of Micro, Small and Medium Enterprises	UDYAM-DL-10-0016747	September 20, 2021	Valid till Cancelled
02.	Importer-Exporter Code (IEC)	Office of the Additional Director General of Foreign Trade, CLA Delhi	AALCR2813G	February 9, 2024	Valid till Cancelled
03.	LEI Certification	LEI Register India Private Limited	9845005754E8D4ACF730	June 13, 2024	June 13, 2025
<b>FIRE SAFETY CERTIFICATIONS OBTAINED BY THE COMPANY</b>					
1.	Fire Safety Certificate (New Delhi)	Government of National Capital Territory of Delhi, Headquarters: Delhi Fire Service: New Delhi – 110 001	No. F-6/DFS/MS/ND/2023/48	September 21, 2023	September 21, 2026
2.	Fire Safety Certificate (Gurugram, Haryana)	Fire Station Officer Gurgaon	Memo No. FS/2022/25	January 27, 2022	January 27, 2027
3.	Fire Safety Certificate (Haryana)	Assistant Divisional Fire Officer / Fire Station Officer	Memo No. FS/2023/100	May 06, 2023	May 05, 2026

**Material licenses/Statutory Approvals for which our Company has applied for, which are required for the proposed expansion.**

Our Company do not have any pending licenses, permissions, and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies which applied for but not yet received, except the following:

S.N.	Authorization Applied	Issuing Authority	Application No./Receipt No.	Date of Application
<b>Details of Professional Tax Certification applied by the Company</b>				
1.	Professional Tax Registration Certificate	State of Tamil Nadu	009/CP/24-25/0051327	July 19, 2024
<b>Details of Trade Licenses applied by the Company</b>				
1.	Trade License (Himachal Pradesh)	Labour Department, Government of Himachal Pradesh	60241	June 26, 2024
2.	Trade License (Pune, Maharashtra)	Labour Department, Government of Maharashtra	103324250006905	July 18, 2024
<b>Details of Shops and Establishment Certificates applied by the Company</b>				
1.	Registration under Kerala Shops and Commercial Establishments Act, 1960	Labour Department, Government of Kerela	460623	May 28, 2024
<b>Details of Fire Safety Certificates applied by the Company</b>				
1.	Fire Safety Certificate (West Bengal)	P&AR Department, West Bengal	211862406300002821	June 27, 2024
2.	Fire Safety Certificate (Rajasthan)	Local Self Government, Government of Rajasthan	LSG/JAIPUR GREATER/FIRENO C/2024-25/34561	July 01, 2024
3.	Fire Safety Certificate (Odisha)	Directorate of Fire Services, Home Guards & Civil Defence, Odisha	FSR12041300120240000079	June 28, 2024
4.	Fire Safety Certificate (Uttar Pradesh)	Uttar Pradesh Fire and Emergency Services Department	202406252019062	June 25, 2024
5.	Fire Safety Certificate (Kozhikode, Kerala)	Kozhikode Beach Fire and Safety	FRS/11/KKD/25064/2024/SITE	July 01, 2024
6.	Fire Safety Certificate (Karnataka)	Karnataka State Fire and Emergency Safety Department	KSFES-10581/24-25	July 02, 2024

*\*License applied physically vide application dated July 18, 2024 at the office of concerned Government authorities.*

*Note: Some of the approvals are in the name of Rosmerta Digital Services Private Limited and the Company is in the process of taking all the approval in the new name of the Company i.e. Rosmerta Digital Services Limited.*

**IT MUST, HOWEVER BE, DISTINCTLY UNDERSTOOD THAT IN GRANTING THE ABOVE- MENTIONED APPROVALS, THE CENTRAL GOVERNMENT, STATE GOVERNMENT, RBI AND OTHER AUTHORITIES DO NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS.**

*This space has been left blank intentionally.*

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

1. The Board of Directors have, pursuant to resolution passed at its meeting held on June 29, 2024 has approved the initial public offering of 1,40,36,000 Equity Shares of face value of INR 2/- (Rupees Two only) each fully paid-up of the Company for cash, subject to the approval by the shareholders of the Company under Section 62 (1) (c) of the Companies Act 2013.
2. The Shareholders have, pursuant to the resolution dated July 01, 2024 under section 62 (1) (c) of the Companies Act 2013, authorized the Board to take decisions in relation to this Issue.
3. The Company has obtained approval from BSE vide its letter dated October 23, 2024 to use the name of BSE in this Offer document for listing of equity shares on SME Platform of BSE. BSE is the Designated Stock Exchange.
4. Our Board has approved this Draft Red Herring Prospectus through its resolution dated July 20, 2024.
5. Our Board has approved this Red Herring Prospectus through its resolution dated November 01, 2024.
6. We have also obtained all necessary contractual approvals required for this Issue. For further details, refer to the chapter titled “*Government and Other Approvals*” beginning on page no. 339 of this Red Herring Prospectus.

### Prohibition by SEBI

Our Company, Directors, Promoters, members of the Promoter Group and Group Entities or the Director and Promoter of our Promoter Companies, have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

The companies, with which Promoters, Directors or persons in control of our Company were or are associated as promoters, directors or persons in control of any other company have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

### Prohibition by RBI or Governmental authority

Our Company, our Promoters or their relatives (as defined under the Companies Act) and our Group Entities have confirmed that they have not been declared as wilful defaulters by the RBI or any other government authority and there are no violations of securities laws committed by them in the past or no proceeding thereof pending against them.

Our directors have not been declared as wilful defaulter by RBI or any other government authority and there have been no violation of securities laws committed by them in the past or no proceedings thereof



are pending against them.

### **Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018**

In view of the General Circular No. 07/2018 dated September 6, 2018 and General Circular No. 8/ 2018 dated September 10, 2018 issued by the Ministry of Corporate Affairs, Government of India, our Company, and our Promoter Group will ensure compliance with the Companies (Significant Beneficial Ownerships) Rules, 2018, upon notification of the relevant forms, as may be applicable to them.

### **Directors associated with the Securities Market**

We confirm that none of our directors are associated with the securities market in any manner and no action has been initiated against these entities by SEBI in the past five (5) years preceding the date of this Red Herring Prospectus.

### **ELIGIBILITY FOR THIS ISSUE**

Our Company is eligible for the Offer in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018 as **the post Offer face value capital is more than Rs.1,000 Lakh, but upto 2,500 Lakh**. Our Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

### **We confirm that:**

- a) In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Issue ***will be hundred percent underwritten and that the BRLMs to the Offer will underwrite at least 15% of the Total Issue Size***. For further details pertaining to said underwriting please refer to “General Information” Underwriting on page 60 of this Red Herring Prospectus.
- b) In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight (8) 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 (8) days, be liable to repay such application money with interest as prescribed under Section 40 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
- c) In accordance with Regulation 246 of the SEBI (ICDR) Regulations, the BRLMs shall ensure that the Issuer shall file a copy of the Red Herring Prospectus/ Prospectus with SEBI along with a due diligence certificate including additional confirmations as required to SEBI at the time of filing the Red Herring Prospectus/ Prospectus with the Registrar of Companies.
- d) In accordance with Regulation 261 of the SEBI (ICDR) Regulations, ***the BRLMs will ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of equity shares offered in this Issue***. For further details of market making arrangement, please refer to the section titled “General Information”, “Details of the Market Making Arrangements for this Issue” on page 69 of this Red Herring Prospectus.

- e) In accordance with Regulation 228 (a) of the SEBI (ICDR) Regulations, Neither the issuer, nor any of its promoters, promoter group or directors are debarred from accessing the capital market by the Board.
- f) In accordance with Regulation 228 (b) of the SEBI (ICDR) Regulations, none of the promoters or directors of the issuer is a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- g) In accordance with Regulation 228 (c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoters or directors is a wilful defaulter or fraudulent borrower.
- h) In accordance with Regulation 228 (d) of the SEBI (ICDR) Regulations, None of the Issuer's promoters or directors is a fugitive economic offender.
- i) In accordance with Regulation 230 (1) (a) of the SEBI (ICDR) Regulations, Application is being made to BSE and BSE is the Designated Stock Exchange.
- j) In accordance with Regulation 230 (1) (b) of the SEBI (ICDR) Regulations, the Company has entered into agreement with depositories for dematerialization of specified securities already issued and proposed to be issued.
- k) In accordance with Regulation 230 (1) (c) of the SEBI (ICDR) Regulations, all the present Equity share Capital fully Paid Up.
- l) In accordance with Regulation 230 (1) (d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialized form.

**BSE ELIGIBILITY NORMS:**

1. **The Issuer should be a Company incorporated under the Companies Act, 2013/1956.**

Our Company has been incorporated under the Companies Act, 2013 on 14 September, 2021.

2. **The post issue paid up capital of the company (face value) shall not be more than ₹ 25 crores.**

The post issue paid up capital of the Company (face value) will not be more than Rs. 25 Crores.

3. **Track Record:**

1. **The Company should have a track record of at least 3 (three) years.**

Our company has completed 3 (three) years since incorporation.

**On the basis of restated financial statements:**

(Amount in Rupees Thousands)

Particulars	For the period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the period ended March 31, 2022
Net Profit as per Restated Financial Statement	1,48,372	1,05,652	16,187	(301)

2. The Company should have operating profit (earnings before interest, depreciation and tax) from operations for at least 2 financial years preceding the application and that the Company has track record of 3 years & the net-worth of the Company should be positive.

(Amount in Rupees Thousands)

Particulars	For the period ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the period ended March 31, 2022
Operating profit (earnings before interest, depreciation and tax)	1,99,504	1,53,627	30,466	273
Net-worth	7,09,934	122,132	15,916	(201)

3. The Net tangible assets in the last preceding (full) financial year is Rs.1,19,147 Thousands.

#### 4. Leverage Ratio

The Leverage ratio (Total Debts to Total Equity) of the Company as on March 31, 2024 was 0.26:1 which less than the limit of 3:1.

#### 5. Name Change

We confirm that there has been no name change within the last one year.

We confirm that our business activity suggests the name of our company, i.e., Rosmerta Digital Services Limited, contributes more than 50% of the revenue, calculated on restated basis, for the preceding one full financial year.

#### 6. Disciplinary action

We confirm that there is no regulatory action of suspension of trading against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals.

We confirm that the Promoter(s) or directors are not the promoter(s) or directors (other than independent directors) of compulsory delisted companies by the Exchange and the applicability of consequences of compulsory delisting are not attracted or companies that are suspended from trading on account of non-compliance.

We confirm that the Directors of our Company are not disqualified/ debarred by any of the Regulatory Authority.

## **7. Other Requirements**

- We confirm that 100% of the Promoter's shareholding in the Company is in Dematerialised form.
- The company shall mandatorily facilitate trading in demat securities and will entered into an agreement with both the depositories. Also, the Equity Shares allotted through this Issue will be in dematerialized mode.
- Our Company has a live and operational website.
- We confirm that the composition of the board of directors is in compliance with the requirements of Companies Act, 2013 at the time of in-principle approval.
- Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- We confirm that we have computed Net worth as per the definition given in SEBI (ICDR) Regulations.
- We confirm that the company has not been referred to NCLT under IBC and there is no winding up petition against the company, which has been admitted by the court.
- There has been no change in the promoter/s of the Company in the preceding one year from date of filing application to BSE for listing on SME segment.
- There has been no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.

## **8. Default**

We confirm that there has not been any pending defaults in respect of payment of interest and/or principal to the debenture/ bond/ fixed deposit holders by the applicant company, promoters/ promoting company(ies), Subsidiary Companies.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the SME Platform.

## **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE RED HERRING PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS NAMEDLY NARNOLIA FINANCIAL SERVICES**

**LIMITED AND BEELINE CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS, NARNOLIA FINANCIAL SERVICES LIMITED AND BEELINE CAPITAL ADVISORS PRIVATE LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS, NARNOLIA FINANCIAL SERVICES LIMITED AND BEELINE CAPITAL ADVISORS PRIVATE LIMITED, SHALL FURNISH TO SEBI A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 01, 2024, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY 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 LEAD MANAGERS ANY IRREGULARITIES OR LAPSES IN THE RED HERRING PROSPECTUS.**

#### **DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGERS**

Our Company, its Directors and the BRLMs accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website [www.rosmertadigital.com](http://www.rosmertadigital.com), [www.narnolia.com](http://www.narnolia.com), <https://beelinemb.com/> and would be doing so at his or her own risk.

#### **CAUTION**

The BRLMs accepts no responsibility, save to the limited extent as provided in the Agreement for Issue management, the Underwriting Agreement and the Market Making Agreement. Our Company, our Directors and the BRLMs shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centers, *etc.* The BRLMs and its associates and affiliates may engage in transactions with and perform services for, our Company and their respective associates in the ordinary course of business & have engaged

and may in future engage in the provision of financial services for which they have received, and may in future receive, compensation.

Investors who apply in this 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 and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company and the BRLMs and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

### **Disclaimer in Respect of Jurisdiction**

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, 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, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakh, pension funds with minimum corpus of Rs.2,500 Lakh and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The 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 Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Delhi only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Red Herring Prospectus had been filed with BSE Platform for its observations and SME Platform gave its observations on the same. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this 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 this Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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 U.S Securities Act and in compliance with applicable laws, legislations and Red Herring Prospectus in each jurisdiction, including India.

#### **Disclaimer Clause of the SME Platform of BSE**

BSE has given vide its letter dated October 23, 2024 permission to this Company to use its name in this offer document as one of the stock exchange on which this company's securities are proposed to be listed on the SME Platform. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. BSE does not in any manner:

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed on completion of Initial Public Offer or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoter, its management or any scheme or project of this Company;
- iv. warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker (s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE, whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.
- v. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- vi. The Company has chosen the SME platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE / other regulatory authority. Any use of the SME platform and the related services are subject to Indian Laws and Courts exclusively situated in Mumbai.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF U.S. SECURITIES ACT.**

The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (U.S. 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), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale 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 application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGERS**

For details regarding the price information and the track record of the past Issues handled by the BRLMs to the Issue as specified in Circular reference no. CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by the SEBI, please refer to Annexure A to the Red Herring Prospectus and the website of the BRLMs at [www.narnolia.com](http://www.narnolia.com) and <https://beelinemb.com/>.

### **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGERS**

#### **ANNEXURE-A**

#### **Disclosure of Price Information of Past Issues Handled by Book Running Lead Managers**

#### **NARNOLIA FINANCIAL SERVICES LIMITED:**

**TABLE 1**

S. No.	Issuer Name	Issue Size (Rs. in Cr.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/-% change in closing price, [+/-% change in closing benchmark]- 30th calendar days from listing	+/-% change in closing price, [+/-% change in closing benchmark]- 90th calendar days from listing	+/-% change in closing price, [+/-% change in closing benchmark]- 180th calendar days from listing
<b>Initial Public Offering - Main Board</b>								
<b>N.A.</b>								
<b>Initial Public Offering – SME Exchange</b>								
1.	Inspire Films Limited	21.23	59	05 October 2023	67.85	(3.28%) (1.61) %	(6.57%) 10.09%	(53.43%) 14.88%
2.	Womancart Limited	9.56	86	27 October 2023	122.85	43.85% 3.92%	16.24% 12.10%	3.42% 17.61%
3.	Supreme Power	46.67	65	29	102.90	81.17%	18.42%	225.46%



	Equipments Limited			December 2023		(1.74%)	2.74%	9.84%
4.	Akanksha Power and Infrastructure Limited	27.49	55	03 January 2024	65.10	93.79%	29.03%	124.19%
						1.56%	4.35%	12.20%
5.	Addictive Learning Technology Limited	6016	140	30 January 2024	294.50	(6.84%)	(4.87%)	(7.31%)
						1.00%	5.03%	15.40%
6.	Radiowalla Network Limited	14.25	76	05 April 2024	120.15	4.45%	5.78%	(2.50%)
						(0.40%)	7.94%	12.15%
7.	Z-Tech (India) Limited	37.30	110	05 June 2024	100.00	185.90%	254.60%	N.A.
						7.53%	11.76%	(10.87%)
8.	Aesthetik Engineers Limited	26.47	58	16 August 2024	110.20	(31.13%)	N.A.	N.A.
						3.43%	5.03%	
9.	Share Samadhan Limited	24.06	74	16 September 2024	73.05	N.A.	N.A.	N.A.
10.	Divyadhan Recycling Industries Limited	24.17	64	04 October 2024	84.00	N.A.	N.A.	N.A.

**TABLE 2**

**Summary statement of price information of past public issues handled by Narnolia Financial Services Limited.**

Financial Year	Total no. of IPOs	Total Amount of Funds raised. (Rs. Cr.)	No. of IPOs trading at discount-30th calendar days from listing			No. of IPOs trading at premium-30th calendar days from listing			No. of IPOs trading at discount-180th calendar days from listing			No. of IPOs trading at premium-180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2023-24	8	304.92	-	-	3	3	1	1	1	-	1	3	1	1
2024-25	5	126.25	-	1	-	1	-	1	-	-	-	-	-	1

Note: Listing date is considered for calculation of total number of IPO's in the respective financial year.

*This space has been left blank intentionally.*

**BEELINE CAPITAL ADVISORS PRIVATE LIMITED**
**TABLE 1**

Sr. No.	Issuer Name	Issue Size (₹ in Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark ) 30th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180th Calendar Days from Listing
1.	Beacon Trusteeship Limited	32.52	60.00	June 04, 2024	90.00	117.67% (+10.98)	N.A.	N.A.
2.	United Cotfab Limited	36.28	70.00	June 24, 2024	75.00	0.24% (+3.99%)	N.A.	N.A.
3.	Didigul Farm Product Limited	34.83	54.00	June 27, 2024	102.60	109.54% (+2.79%)	N.A.	N.A.
4.	Sati Polycast Limited	17.36	130.00	July 22, 2023	259.00	62.00% (+0.77%)	N.A.	N.A.
5.	V.L.Infraprojects Limited	18.52	42.00	July 30, 2024	79.80	148.81% (+0.78%)	N.A.	N.A.
6.	Ashapura Logistic Limited	52.66	144.00	August 06, 2024	185.00	-3.16% (+5.03%)	N.A.	N.A.
7.	Positron Energy Limited	51.21	250.00	August 20, 2024	475.00	N.A.	N.A.	N.A.
8.	Indian Phosphate Limited	67.36	99.00	September 03, 2024	188.10	N.A.	N.A.	N.A.
9.	Mach Conferences and Events Limited	125.28	225	September 11, 2024	300.00	N.A.	N.A.	N.A.
10.	S D Retail Limited	64.97	131	September 27, 2024	145	N.A.	N.A.	N.A.

**TABLE 2**

**Summary statement of price information of past public issues handled by Beeline Capital Advisors Private Limited**

**SME IPO:**

Financial Year	Total No. of IPOs	Total Funds Raised (₹ 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%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2024-25	16	656.42	-	-	2	9	-	1	-	-	-	-	-	-
2023-24	21	770.18	-	-	3	13	3	2	-	2	2	9	1	1
2022-23	12	232.94	-	1	2	3	2	4	-	1	1	3	2	5
2021-22	N.A.													

**MAIN BOARD IPO:**

Financial Year	Total No. of IPOs	Total Funds Raised (₹ 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%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2023-24	NIL													
2022-23	NIL													
2021-22	N.A.													

Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

**Notes:**

- Issue size derived from Prospectus/final post issue reports, as available.
- The CNX NIFTY is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.
- Price on BSE is considered for all of the above calculations as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.
- In case 30th/90th/180th day is not a trading day, closing price of the previous trading day has been considered.
- Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

**LISTING**

Application will be made to the BSE for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The SME Platform of BSE Limited has given its in-principle approval for using its name in our Offer documents vide its letter no. LO\SME-IPO\CG\IP\134\2024-25 dated October 23, 2024.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE, our Company will forthwith repay, without interest, all moneys received from the Applicant in pursuance of the Red Herring Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Offer Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within Three Working Days from the Offer Closing Date.

### **Impersonation**

*Attention of the Applicants is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:*

*“Any person who:*

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

*shall be liable for action under section 447.*

*The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (U.S. 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), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale 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 application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.*

### **CONSENTS**

Consents in writing of:(a) the Directors, Statutory Auditor & Peer Reviewed Auditor, the Company Secretary & Compliance Officer, Chief Financial Officer, Banker to the Company and (b) BRLMs,

Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue to act in their respective capacities have been/or will be obtained (before filing Red Herring prospectus to ROC) and will be filed along with a copy of the Red Herring Prospectus with the RoC, as required under Section 26 of the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus and such consent and report is not withdrawn up to the time of delivery of this Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus with BSE.

### **EXPERT OPINION**

Except the report of the Peer Review Auditor on (a) the restated financial statements; (b) statement of tax benefits, Audit reports by Peer Review Auditors for period ended on 30<sup>th</sup> September, 2024; 31<sup>st</sup> March 2024, 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022, our Company has not obtained any other expert opinion, our Company has not obtained any other expert opinion. All the intermediaries, including Merchant Bankers, has relied upon the appropriacy and authenticity of the same.

### **PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE INCORPORATION**

We have not made any previous rights and/or public issues since incorporation and are 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).

### **PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH**

Other than as detailed under chapter titled “Capital Structure” beginning on page 72 of the Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

### **COMMISSION AND BROKERAGE ON PREVIOUS ISSUES**

Since this is the IPO of the Equity Shares by our 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 our Equity Shares in the five years preceding the date of this Red Herring Prospectus.

### **PREVIOUS CAPITAL ISSUE DURING THE PREVIOUS THREE YEARS BY LISTED SUBSIDIARIES, GROUP COMPANIES AND ASSOCIATES OF OUR COMPANY**

None of our Group Companies and Associates are listed and have undertaken any public or rights issue in the three (3) years preceding the date of this Red Herring Prospectus.

### **PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/ RIGHTS ISSUE OF THE LISTED SUBSIDIARIES OF OUR COMPANY**

The Company has no subsidiary company as on the date of Red Herring Prospectus.

## **OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY**

Other than as detailed under chapter titled “Financial Indebtedness” beginning on page 305 of the Red Herring Prospectus, our Company has no outstanding debentures.

As on the date of the Red Herring Prospectus, our Company has no outstanding bonds or redeemable preference shares.

## **OPTION TO SUBSCRIBE**

Equity Shares being offered through this Red Herring Prospectus can be applied for in dematerialized form only.

## **STOCK MARKET DATA FOR OUR EQUITY SHARES**

Our Company is an Unlisted Issuer in terms of the SEBI (ICDR) Regulations, and this Offer is an Initial Public Offering in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

## **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Memorandum of Understanding between the Registrar and us will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Offer may be addressed to the Registrar with a copy to the Company Secretary and Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection center where the application was submitted. All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection center of the SCSB where the Bid-cum-Application Form was submitted by the ASBA Applicant.

## **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company or the Registrar to the Offer or the SCSB in case of ASBA Applicant shall redress routine investor grievances. We estimate that the average time required by us or the Registrar to this Offer for the redressal of routine investor grievances will be 12 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Mr. Kuntal Kar as the Company Secretary and Compliance Officer and may be contacted at the following address:

**ROSMERTA DIGITAL SERVICES LIMITED**

402, 4th Floor, World Trade Tower, Barakhamba Lane, Connaught Place, Central Delhi, New Delhi, Delhi, India, 110001

Tel: +91-92894 80509

E-Mail: [cs@rosmertadigital.com](mailto:cs@rosmertadigital.com)

Website: [www.rosmertadigital.com](http://www.rosmertadigital.com)

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Offeror post-Offer related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, *etc.*

**EXEMPTION FROM COMPLYING ANY PROVISION OF SECURITIES LAW**

As on the date of this Red Herring Prospectus, our company has not obtained exemption from complying any provision of Securities law.

*This space is left blank intentionally.*

## SECTION VIII – ISSUE INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, Memorandum and Articles, the terms of this Draft Red- Herring Prospectus, Red Herring Prospectus, Prospectus, Abridged Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note (CAN) and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, BSE, ROC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in accordance with the 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) facility for making payment. 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, SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023, 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+3 days. 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.

The SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023, has introduced reduction of timeline for listing of shares in public issue from existing T+6 days to T+3 days. This circular shall be applicable on voluntary basis for public issues opening on or after September 1, 2023, and Mandatory for public issues opening on or after December 1, 2023. As on the date of this Red herring prospectus, the mandatory T+3 timelines are applicable.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.



## **The Issue**

The Issue consists of a Fresh Issue by our Company. Expenses for the Issue shall be borne by our Company in the manner specified in “Objects of the Issue” on page 91 of this Red Herring Prospectus.

## **Ranking of Equity Shares**

The Equity Shares being Offered/Allotted in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum & Articles of Association, SEBI ICDR Regulations and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this issue will be entitled to dividends, Voting Power and other corporate benefits, if any, declared by our Company after the date of allotment in accordance with Companies Act, 2013 and the Articles of Association of the Company.

## **Authority for the Issue**

This Issue has been authorized by a resolution of the Board passed at their meeting held on June 29, 2024, subject to the approval of shareholders through a special resolution to be passed pursuant to section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EGM of the Company held on July 01, 2024.

## **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per the provisions of the Companies Act, 2013. Dividends, if any, declared by our Company after the date of Allotment will be payable to the transferee who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For further details, please refer to the chapter titled Dividend Policy beginning on pages 283 of this Red Herring Prospectus.

## **Face Value and Issue Price**

The face value of each Equity Share is Rs. 2/- and the Offer Price at the lower end of the Price Band is Rs. 140/- per Equity Share and at the higher end of the Price Band is Rs. 147/- per Equity Share. The Anchor Investor Offer Price is Rs. 147/- per Equity Share.

The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid-cum-Application Forms available at the website of the Stock Exchange. The Offer Price shall be determined by our Company, in consultation with the BRLM, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of the Book Building Process.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

### **Compliance with the disclosure and accounting norms**

Our Company shall comply with all the applicable disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholder**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws and regulations; and the Articles of Association of our Company; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum and Articles of Association of the Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see “Main Provisions of Articles of Association” on page 417 of this Red Herring Prospectus.

### **Allotment only in Dematerialized form**

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialized form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form. In this context, two agreements have been signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Red Herring Prospectus:

- Tripartite agreement dated June 11, 2024, among CDSL, our Company and the Registrar to the Issue; and
- Tripartite agreement dated May 31, 2024, among NSDL, our Company and the Registrar to the Issue.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of a body corporate shall be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of 1000 Equity Shares and the same may be modified by the BSE Limited from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be

done in multiples of 1000 Equity Shares subject to a minimum allotment of 1000 Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

### **Minimum Application value, Market Lot and Trading Lot**

In accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000/- (Rupees One Lakh) per application.

The trading of the Equity Shares will happen in the minimum contract size of 1000 Equity Shares and the same may be modified by the SME Platform of BSE from time to time by giving prior notice to investors at large. For further details, see “Issue Procedure” on page 374 of this Red Herring Prospectus.

### **Minimum Number of Allottees**

Further in accordance with Regulation 268(1) of SEBI ICDR Regulations, 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 SCSBs shall be unblocked within four (4) working days of closure of Issue.

### **Joint Holders**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

### **Jurisdiction**

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in India.

The Equity Share have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **Nomination Facility to the 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 an 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/transfer/alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon production of such evidence, as may be required by the Board, elect either:

1. to register himself or herself as the holder of the equity shares; or
2. to make such transfer of the equity shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the equity shares, and if the notice is not complied with within a period of ninety (90) days, the Board 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 in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Applicants require changing of their nomination, they are requested to inform their respective depository participant.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for the lock-in of the pre-Issue capital of our Company, Promoters minimum contribution as provided in “Capital Structure” on page 72 of this Red Herring Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer “Main Provisions of Articles of Association” on page 417 of this Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the BRLMs are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

### **Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of 1000 shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261(5) of the SEBI ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE.

### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company. Application by eligible NRIs, FPIs Registered with SEBI, VCFs, AIFs registered with SEBI and QFIs. It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

### **Withdrawal of the Issue**

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The BRLMs through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA applicant within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Red Herring Prospectus with the Stock Exchange.

### **Minimum Subscription**

This Offer is not restricted to any minimum subscription level. This Offer is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriter within sixty days from the date of closure of the Offer, the Issuer shall forthwith refund the entire subscription amount received within the time limit as prescribed under the SEBI (ICDR) Regulations and Companies Act, 2013.

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the issuer fails to obtain listing or trading permission from the stock exchanges where the specified securities were to be listed, it shall refund through verifiable means the entire monies received within four (4) days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within four (4) days after the issuer becomes liable to repay it the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent. per annum.

In terms of Regulation 260 of the SEBI ICDR Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer to the chapter titled “General Information” on page 60 of this Red Herring Prospectus.

Further, in accordance with Regulation 267 of the SEBI ICDR Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Further, in accordance with Regulation 268 of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).

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.

#### **Period of Subscription List of the Public Issue**

<b>Event</b>	<b>Indicative Date</b>
Offer Opening Date	November 18, 2024
Offer Closing Date	November 21, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before November 22, 2024
Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI ID linked bank account*	On or before November 25, 2024
Credit of Equity Shares to Demat Accounts of Allottees	On or before November 25, 2024
Commencement of trading of the Equity Shares on the Stock Exchange	On or before November 26, 2024

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

The above time table is indicative and does not constitute any obligation on our Company and the BRLMs Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue by our Company 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.

*\*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated in accordance with*

*applicable law by the intermediary responsible for causing such delay in unblocking, for which period shall start from the day following the receipt of a complaint from the Bidder. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 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 shall be deemed to be incorporated in the deemed agreement of the Bank with the SCSBs to the extent applicable, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable.*

*The SEBI is in the process of streamlining and reducing the post Offer timeline for initial public offerings. Any circulars or notifications from the SEBI after the date of the Red Herring Prospectus may result in changes to the abovementioned timelines. Further, the issue procedure is subject to change to any revised circulars issued by the SEBI to this effect. The BRLMs will be required to submit reports of compliance with listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.*

*In terms of the UPI Circulars, in relation to the Offer, the BRLMs will submit report of compliance with T+3 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.*

*The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 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.*

Bids and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time)

during the Issue Period at the Bidding Centers mentioned in the Bid cum Application Form.

Standardization of cut-off time for uploading of bids on the Bid/Issue closing date:

- i. A standard cut-off time of 3.00 p.m. for acceptance of bids.
- ii. A standard cut-off time of 4.00 p.m. for uploading of bids received from other than retail individual applicants.
- iii. A standard cut-off time of 5.00 p.m. for uploading of bids received from only retail individual applicants, which may be extended up to such time as deemed fit by BSE Limited after taking into account the total number of bids received up to the closure of timings and reported by BRLMs to BSE Limited within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

### **Migration to Main Board**

Our company may migrate to the main board of BSE Limited at a later date subject to the following:

- a. *If the Paid-up Capital of our Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor 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), our Company shall apply to BSE Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- b. *If the paid-up Capital of our company is more than Rs. 10 Crores but below Rs. 25 Crores, our Company 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 Promoters in favor 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 issued and transferred through this Issue are proposed to be listed on the SME Platform of BSE Limited (BSE) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the SME Platform of BSE Limited (BSE). For further details of the market making arrangement please refer to chapter titled General Information beginning on page 60 of this Red Herring Prospectus.

### **Option to receive securities in Dematerialized Form**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.



## ISSUE PROCEDURE

*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 the BRLMs would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus.*

*All Applicants shall review the “General Information Document for Investing in Public Issues” prepared and issued in accordance with the circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 notified by SEBI, suitably modified from time to time, if any, and the UPI Circulars (“General Information Document”), highlighting the key rules, procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI Regulations. The General Information Document will also be available on the websites of the Stock Exchange and the BRLM, before opening of the Issue. 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 investor eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) Allocation of shares; (iii) Payment Instructions for ASBA Applicants; (iv) Issuance of CAN and Allotment in the Offer; (v)*

*General instructions (limited to instructions for completing the Application Form); (vi) Submission of Application Form; (vii) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (viii) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (vi) mode of making refunds; and (vii) interest in case of delay in Allotment or refund.*

*The SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 01, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase-I was effective till June 30, 2019.*

*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 six 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 Red Herring 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.*

### **REDUCTION OF TIMELINE FOR LISTING OF SHARES IN PUBLIC ISSUE FROM EXISTING T+6 DAYS TO T+3 DAYS**

*The SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023, has introduced reduction of timeline for listing of shares in public issue from existing T+6 days to T+3 days. This circular shall be applicable on voluntary basis for public issues opening on or after September 1, 2023, and Mandatory for public issues opening on or after December 1, 2023.*

*Consequent to extensive consultation with the market participants and considering the public comments received pursuant to consultation paper on the aforesaid subject matter, it has been decided to reduce the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the requirement of 6 working days (T+6 days); ‘T’ being issue closing date.*

*The T+3 timeline for listing shall be appropriately disclosed in the Offer Documents of public issues.*

*Notwithstanding anything contained in Schedule VI of the ICDR Regulations, the provisions of this circular shall be applicable:*

- On voluntary basis for public issues opening on or after September 1, 2023, and*
- Mandatory for public issues opening on or after December 1, 2023.*

*The timelines prescribed for public issues as mentioned in SEBI circulars dated November 1, 2018, June 28, 2019, November 8, 2019, March 30, 2020, March 16, 2021, June 2, 2021, and April 20, 2022, shall stand modified to the extent stated in this Circular.*

*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 effective to public issues opening on or after from May 01, 2021. However, said circular has been modified pursuant to SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in which certain applicable procedure w.r.t. SMS Alerts, Web portal to CUG etc. shall be applicable to Public Issue opening on or after January 1, 2022 and October 1, 2021 respectively and the provisions of this circular, as amended, are deemed to form part of this Red Herring Prospectus. Additionally, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the time period for refund of application monies from 15 days to four days. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders in initial public offerings (opening on or after May 01, 2022) whose application sizes are up to Rs. 5,00,000/- shall use the UPI Mechanism.*

*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 BSE 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 BSE.*

*ASBA Applicants are required to submit ASBA Applications to the selected branches / offices of the RTAs, DPs, Designated Bank Branches of SCSBs. 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 <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer to the above-mentioned SEBI link. The list of Stock Brokers, Depository Participants (“DP”), Registrar to an Issue and Share Transfer Agent (“RTA”) that have been notified by BSE to act as intermediaries for submitting Application Forms are provided on <http://www.bseindia.com>. For details on their designated branches for submitting Application Forms, please refer the above mentioned BSE website.*

*Our Company, the Promoter and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus.*

## **BOOK BUILT PROCEDURE**

The Issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company may, in consultation with the BRLM, allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic

Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15.00% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the offer 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 BRLMs and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spillover from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

Investors should note that according to Section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. It is mandatory to furnish the details of the Applicant's depository account along with Application Form. The Application Forms which do not have the details of the Applicants' depository account, including the DP ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Application Forms which do not have the details of the Applicants' PAN, (other than Applications made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges. However, investors may get the specified securities rematerialized subsequent to allotment.

## **AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS**

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Draft Red Herring Prospectus/ Red Herring Prospectus/ Abridged Prospectus/ Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the BRLMs to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of BSE i.e. [www.bseindia.com](http://www.bseindia.com) . Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Red Herring Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

## **PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE**

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to 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 Mechanism, the UPI Circulars proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

- a. Phase I: This phase was applicable from January 01, 2019 and lasted till June 30, 2019. Under this phase, a Retail Individual applicant, besides the modes of Bidding available prior to the UPI Circulars, also had the option to submit the Bid cum Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.
- b. Phase II: This phase commenced on completion of Phase I i.e. with effect from July 1, 2019 and was to be continued for a period of three months or launch of five main board public issues, whichever is later. Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount be continued till further notice. Under this phase, submission of the Application Form by a Retail Individual Applicant through intermediaries 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 Three Working Days during this phase.
- c. 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 Offer is being made under Phase III of the UPI (on a mandatory basis).

All SCSBs offering the facility of making applications in public issues are required to provide a facility to make applications using the UPI Mechanism. Further, in accordance with the UPI Circulars, our Company has appointed ICICI Bank Limited as the 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 Investors into the UPI mechanism.

Pursuant to the UPI Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular

include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints in this regard, the relevant SCSB as well as the post – Offer BRLMs will be required to compensate the concerned investor.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to Rs. 5,00,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than Rs. 200,000 and up to Rs. 5,00,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

For further details, refer to the “General Information Document” available on the websites of the Stock Exchange and the BRLM.

### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of BSE ([www.bseindia.com](http://www.bseindia.com)) at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the office of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process. The Retail Bidding in the Retail Portion can additionally Bid through the UPI Mechanism.

A Retail Individual Investor making applications using the UPI Mechanism shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in the Issue. The SCSBs, upon receipt of the Application Form will upload the Bid details along with the UPI ID in the bidding platform of the Stock Exchange. Applications made by the Retail Individual Investors using third party bank accounts or using UPI IDs linked to the bank accounts of any third parties are liable for rejection. The Bankers to the Issue shall provide the investors' UPI linked bank account details to the RTA for the purpose of reconciliation. Post uploading of the Bid details on the bidding platform, the Stock Exchanges will validate the PAN and demat account details of Retail Individual Investors with

the Depositories.

ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA applicants.

ASBA Bidders (other than RIBs using UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs Bidding in the Retail Portion using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid.

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Red Herring Prospectus.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form
Resident Indians, including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	<b>Blue</b>
Non-Residents including Eligible NRIs, FVCIs, FPIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis	<b>White</b>
Anchor Investors	<b>White</b>

*\*Excluding electronic Bid cum Application Form*

Note:

- ◆ Details of depository account are mandatory and applications without depository account shall be treated as incomplete and rejected. Investors will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities re-materialised subsequent to allotment.
- ◆ The shares of the Company, on allotment, shall be traded on stock exchanges in demat mode only.

- ◆ Single bid from any investor shall not exceed the investment limit/maximum number of specified securities that can be held by such investor under the relevant regulations/statutory guidelines.
- ◆ The correct procedure for applications by Hindu Undivided Families and applications by Hindu Undivided Families would be treated as on par with applications by individuals;

## **ELECTRONIC REGISTRATION OF BIDS**

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchange. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.
- b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchange and as disclosed in the Red Herring Prospectus.
- c) Only Bids that are uploaded on the Stock Exchange Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

## **SUBMISSION AND ACCEPTANCE OF APPLICATION FORMS**

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries:

- a. An SCSB, with whom the bank account to be blocked, is maintained;
- b. A syndicate member (or sub-syndicate member);
- c. A stockbroker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (broker);
- d. A depository participant (DP) (Whose name is mentioned on the website of the stock exchange as eligible for this activity);
- e. A registrar to an issuer and share transfer agent (RTA) (Whose name is mentioned on the website of the stock exchange as eligible for this activity)

The 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 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 investor 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(s) 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</b>	After accepting the application form, respective intermediary shall



<b>submitted by investorsto intermediaries otherthan SCSBs:</b>	capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	After accepting the 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.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants have deemed to have authorised our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Applicants.

#### **WHO CAN APPLY?**

Persons eligible to invest under all applicable laws, rules, regulations and guidelines: -

- Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors as natural/legal guardian;
- 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;
- 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;
- Mutual Funds registered with SEBI;
- 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;
- 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);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non-Institutional applicants category;
- Venture Capital Funds registered with SEBI;
- Foreign Venture Capital Investors registered with SEBI;
- State Industrial Development Corporations;

- 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;
- Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- Provident Funds with minimum corpus of Rs.2,500 Lakh and who are authorized under their constitution to hold and invest in equity shares;
- Pension Funds with minimum corpus of Rs.2,500 Lakh and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- 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;
- Insurance funds set up and managed by army, navy or air force of the Union of India
- Any other person eligible to applying in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

As per the existing regulations, OCBs cannot participate in this Issue.

#### **PARTICIPATION BY ASSOCIATES OF BRLMs**

The BRLMs shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLMs may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion where the allotment is on a proportionate basis. All categories of Applicants, including associates and affiliates of the BRLM, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

#### **AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS**

The Memorandum Form 2A containing the salient features of the Red Herring Prospectus together with the Application Forms and copies of the Red Herring Prospectus may be obtained from the Registered Office of our Company, BRLMs to the Issue and The Registrar to the Issue as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE Limited i.e <https://www.bseindia.com>.

#### **OPTION TO SUBSCRIBE IN THE ISSUE**

- a) As per Section 29(1) of the Companies Act 2013, Investors will get the allotment of Equity Shares in dematerialization form only.
- b) The Equity Shares, on allotment, shall be traded on Stock Exchange in demat segment only.
- c) In a single Application Form any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

## **APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIs**

Application must be made only in the names of individuals, limited companies or Statutory Corporations/institutions and not in the names of minors, foreign nationals, non-residents (except for those applying on non-repatriation), 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, partnership firms or their nominees. In case of HUF;s application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

## **APPLICATION BY MUTUAL FUNDS**

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 reject any application without assigning any reason thereof. Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made. 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 single Company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific funds/Schemes. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

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.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

## **APPLICATIONS BY ELIGIBLE NRI**

Eligible NRIs may obtain copies of Application Form from the members of the Syndicate, the sub-Syndicate, if applicable, the SCSBs, the Registered Brokers, RTAs and CDPs. 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") 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 Application Form.

Bids by Eligible NRIs and Category III FPIs for a Bid Amount of less than Rs. 2,00,000 would be

considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding Rs. 2,00,000 would be considered under the Non-Institutional Category for allocation in the Offer.

In case of Eligible NRIs bidding under the Retail Category through the UPI mechanism, depending on the nature of the investment whether repatriable or non-repatriable, the Eligible NRI may mention the appropriate UPI ID in respect of the NRE account or the NRO account, in the Application Form.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated May 03, 2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 (thirty) days from the date of issue of shares of allotment to NRIs on repatriation basis. Allotment of Equity shares to non-residents Indians shall be subject to the prevailing Reserve Bank of India guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with an income thereon subject to permission of the RBI and subject to the Indian Tax Laws and Regulations and any other applicable laws. The company does not require approvals from FIPB or RBI for the issue of equity shares to eligible NRIs, FIIs, Foreign Venture Capital Investors registered with SEBI and multi-lateral and Bi-lateral development financial institutions.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in color). Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for non-Residents (blue in color). For details of restrictions on investment by NRIs, please refer to the chapter titled “Restrictions on Foreign Ownership of Indian Securities” beginning on page 411 of this Red Herring Prospectus.

#### **APPLICATIONS BY ELIGIBLE FIIs/FPIs**

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered 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 sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations participate in the Issue until the expiry of its registration with SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this Offer in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by 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 sectoral 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.

Further, pursuant to the Master Directions on Foreign Investment in India issued by the RBI dated January 4, 2018 (updated as on March 8, 2019) the investments made by a SEBI registered FPI in a listed Indian company will be reclassified as FDI if the total shareholding of such FPI increases to more than 10% of the total paid-up equity share capital on a fully diluted basis or 10% or more of the paid up value of each series of debentures or preference shares or warrants.

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 investor 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, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised 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. Further, pursuant to a Circular dated November 24, 2014 issued by the SEBI, FPIs are permitted to issue offshore derivative instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI FPI Regulations; and (ii) do not have opaque structures, as defined under the SEBI FPI Regulations. 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. Further, where an investor has investments as FPI and also holds positions as an overseas direct investment subscriber, investment restrictions under the SEBI FPI Regulations shall apply on the aggregate of FPI investments and overseas direct investment positions held in the underlying Indian company.

FPIs who wish to participate in the Offer are advised to use the Application Form for Non-Residents (blue in color). FPIs are required to apply through the ASBA process to participate in the Offer.

#### **APPLICATIONS BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND(AIF), VENTURECAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS**

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended, (the "SEBI VCF Regulations") and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended, among other things prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (the "SEBI AIF Regulations") prescribe, amongst others, the investment restrictions on AIFs.

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 BRLMs will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

#### **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of 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. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. Limited Liability Partnerships can participate in the issue only through the ASBA Process.

#### **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:

1. 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;
2. 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
3. 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 Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time

The above limit of 10.00% shall stand substituted as 15.00% of outstanding equity shares (face value) for insurance companies with investment assets of Rs. 2,500,000 million or more and 12.00% of outstanding equity shares (face value) for insurers with investment assets of Rs. 500,000.00 million or more but less than Rs. 2,500,000.00 million.

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time.

### **APPLICATIONS BY BANKING COMPANIES**

**Applications by Banking Companies:** In case of Applications 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 Application Form, failing which our Company reserves the right to reject any Application without assigning any reason. The investment limit for banking companies in non-financial services Companies as per the Banking Regulation Act, 1949, and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee Company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

**Applications by SCSBs:** SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012, and January 02, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

### **APPLICATION BY PROVIDENT FUNDS/ PENSION FUNDS**

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

### **BIDS BY ANCHOR INVESTORS**

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII

of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

1. Anchor Investor 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 BRLMs before the Bid/Issue Opening Date, through intimation to the Stock Exchange.
7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
8. If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
9. At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
10. Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 90 days on fifty per cent of the shares allotted to the anchor investors from the date of allotment, and a lock-in of 30 days on the remaining fifty per cent of the shares allotted to the anchor investors from the date of allotment.



11. The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLMs and made available as part of the records of the BRLMs for inspection byes.
12. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
13. Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

#### **APPLICATION UNDER POWER OF ATTORNEY**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged 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:

- (a) With respect to applications by VCFs, FVCIs, FIIs 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.
- (b) 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.
- (c) With respect to applications made by provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, 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.

Our 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 our Company, the BRLMs may deem fit.

Our 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 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 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. 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.**

#### **MAXIMUM AND MINIMUM APPLICATION SIZE**

##### **a) For Retail Individual Applicants**

The Application must be for a minimum of 1000 Equity Shares and in multiples of 1000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs. 2,00,000.

##### **b) For Other Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs. 2,00,000 and in multiples of 1000 Equity Shares thereafter. An application cannot be submitted for more than the Net Offer 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 Applicant cannot withdraw its Application after the Offer Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants 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 Red Herring Prospectus.

The above information is given for the benefit of the Applicants. 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. 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.

#### **INFORMATION FOR THE APPLICANTS:**

- a) Our Company will file a copy of Red Herring Prospectus with the Registrar of Companies, Delhi, at least 3 (three) days before the Issue Opening Date.
- b) Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Draft

Red Herring Prospectus/ Red Herring Prospectus and/or the Application Form can obtain the same from our Registered Office or from the office of the BRLM.

- c) Applicants who are interested in subscribing for the Equity Shares should approach the BRLMs or their authorized agent(s) to register their applications.
- d) Applications made in the name of minors and/ or their nominees shall not be accepted.

### **INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM**

The Bids should be submitted on the prescribed Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid cum application form. Bids not so made are liable to be rejected. ASBA Application Forms should bear the stamp of the SCSB's. ASBA Application Forms, which do not bear the stamp of the SCSB, will be rejected.

Applicants residing at places where the designated branches of the Banker to the Issue are not located may submit/mail their applications at their sole risk along with Demand payable at Delhi.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit 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 Limited i.e. [www.bseindia.com](http://www.bseindia.com).

### **BIDDER'S DEPOSITORY ACCOUNT AND BANK DETAILS**

Please note that, providing bank account details in the space provided in the Bid cum application form is mandatory and Bids that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid cum Application Form, 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'). Bidders should carefully fill in their Depository Account details in the Bid cum Application Form.

These Demographic Details would be used for all correspondence with the Bidders including mailing of the CANs / Allocation 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 Bidders 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 BIDS**

- I. During the Bid/ Offer Period, Bidders may approach any of the Designated Intermediaries to register their Bids.

- II. In case of Bidders (excluding NIIs) Bidding at Cut-off Price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- III. For Details of the timing on acceptance and upload of Bids in the Stock Exchange Platform Bidders are requested to refer to the Red Herring Prospectus.

## **BASIS OF ALLOTMENT**

Allotment will be made in consultation with the BSE. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category X number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
  - a) For applications where the proportionate allotment works out to less than 1000 equity shares the allotment will be made as follows:
    1. Each successful applicant shall be allotted 1000 equity shares; and
    2. The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
  - b) If the proportionate allotment to an applicant works out to a number that is not a multiple of 1000 equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of 1000 equity shares subject to a minimum allotment of 1000 equity shares.
  - c) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 1000 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 offer specified under the Capital Structure mentioned in this Red Herring Prospectus.
  - d) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
    1. As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
    2. The balance net offer of shares to the public shall be made available for allotment to

- a) Individual applicants other than retails individual investors and
  - b) Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
3. The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 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 BSE.

The Executive Director / Managing Director of BSE – the Designated Stock Exchange in addition to BRLMs 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.

### **INFORMATION FOR BIDDERS**

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such an Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid. In relation to electronic registration of Bids, the permission given by the Stock Exchange to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the BRLMs are cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

### **GENERAL INSTRUCTIONS**

#### **Do's:**

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- All Bidders should submit their Bids through the ASBA process only

- Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre
- In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Application Form;
- Bidders (other than RIIs bidding through the non-UPI Mechanism) should submit the Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the CRTA at the Designated RTA Locations or CDP at the Designated CDP Locations. RIIs bidding through the non-UPI Mechanism should either submit the physical Application Form with the SCSBs or Designated Branches of SCSBs under Channel I (described in the UPI Circulars) or submit the Application Form online using the facility of 3-in 1 type accounts under Channel II (described in the UPI Circulars);
- Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than RIBs using the UPI Mechanism) in the Application Form;
- RIBs using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Application Form;
- RIBs using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the Bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;
- RIBs bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the Offer;
- RIBs submitting an Application Form using the UPI Mechanism, should ensure that: (a) the bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid is listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
- RIBs submitting a Bid-cum Application Form to any Designated Intermediary (other than SCSBs) should ensure that only UPI ID is included in the Field Number 7: Payment Details in the Application Form;
- RIBs using the UPI Mechanism shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI;
- If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the signature of the First Bidder in case of joint Bids, is included in the Application Forms
- QIBs and Non-Institutional Bidders should submit their Bids through the ASBA process only. Pursuant to SEBI circular dated November 01, 2018 and July 26, 2019, RII shall submit their bid by using UPI mechanism for payment;
- Ensure that the name(s) given in the 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 Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for

all your Bid options;

- Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the 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);
- Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
- Bidders, other than RIBs using the UPI Mechanism, shall ensure that they have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;
- 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 I.T. 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;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- 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;
- Ensure that the category and the investor status is indicated;
- Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their 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 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 Application Form;
- Ensure that the Application Forms are delivered by the Bidders within the time prescribed as per the Application Form and the Red Herring Prospectus;
- Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Application Form;
- 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 Offer;
- 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;
- Ensure that you have correctly signed the authorization/undertaking box in the 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 Application Form at the time of submission of the Bid;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Application Form;
- RIBs shall ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank before 5:00 p.m. before the Bid / Offer Closing Date;
- RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;
- RIBs using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner; and
- Bids by Eligible NRIs and HUFs for a Bid Amount of less than Rs. 200,000 would be considered under the Retail Portion, and Bids for a Bid Amount exceeding Rs. 200,000 would be considered under the Non-Institutional Portion, for the purposes of allocation in the Offer.

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, is liable to be rejected.

**Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form
- Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest
- RIBs should not submit a Bid using the UPI Mechanism, unless the name of the bank where the bank account linked to your UPI ID is maintained, is listed on the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
- RIB should not submit a Bid using the UPI Mechanism, using a Mobile App or UPI handle, not listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application



Amount are blocked in the relevant ASBA Account;

- Do not apply for an Application Amount exceeding Rs. 2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Offer Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the General Index Register number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer.
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a color prescribed for another category of Applicant;
- All Investors submit their applications through the ASBA process only except as mentioned in SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 & SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021;
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.
- Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by RIB Bidders using the UPI Mechanism;  
The Applications should be submitted on the prescribed Application Form is liable to be rejected if the above instructions, as applicable, are not complied with

## **OTHER INSTRUCTIONS**

### **Joint Applications in the case of Individuals**

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

### **Multiple Applications**

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- (i) All applications are electronically strung on first name, address (1<sup>st</sup> line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications.

- (ii) Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- (iii) Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

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.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of know your client norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the BRLMs reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII subaccounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

#### **PERMANENT ACCOUNT NUMBER OR PAN**

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (PAN) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 02, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. **Bid submitted without this information will be considered incomplete and are liable to be rejected.** It is to be specifically noted

that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

## **RIGHT TO REJECT APPLICATIONS**

In case of QIB Applicants, the Company in consultation with the BRLMs may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

## **GROUND FOR REJECTIONS**

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, the bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
- Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form
- Bids submitted on a plain paper
- Bids submitted by RIBs using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI
- ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary
- Bids under the UPI Mechanism submitted by RIBs using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
- Bids submitted without the signature of the First Bidder or sole Bidder
- The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
- Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
- GIR number furnished instead of PAN;
- Bids by RIBs with Bid Amount of a value of more than Rs. 2,00,000;
- Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals
- Bids accompanied by stock invest, money order, postal order or cash; and
- Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchange
- Applications by OCBs;

## **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:

- 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 a fictitious name,

Shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.

### **SIGNING OF UNDERWRITING AGREEMENT**

Vide an Underwriting agreement dated July 24, 2024 this issue is 100% Underwritten.

### **FILING OF THE RED HERRING PROSPECTUS WITH THE ROC**

The Company will file a copy of the Red Herring Prospectus with the Registrar of Companies, Delhi and in terms of Section 26 of Companies Act, 2013.

### **EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL/CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in process of entering following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- i. We have entered into a tripartite agreement between NSDL, the Company and the Registrar to the offer on May 31, 2024.
- ii. We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the offer on June 11, 2024.

The Company's Equity shares bear an ISIN is INE0X7H01029.

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.

- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

## **TERMS OF PAYMENT**

The entire Issue price of Rs. [●] /- 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 or Sponsor Bank to unblock the excess amount paid on Application to the Bidders.

SCSBs or Sponsor Bank 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 or Sponsor Bank. The applicants should note that the arrangement with Banker to the Issue or the Registrar or Sponsor Bank 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 Applicants.

## **PAYMENT MECHANISM FOR APPLICANTS**

The Bidders shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form sent by the Sponsor Bank. The SCSB or Sponsor Bank 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 or for unsuccessful Bids, 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 Applicant, 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 Offer 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 offer 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. SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to Rs. 5,00,000, may use UPI.

## **PAYMENT BY STOCK INVEST**

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 05, 2003; the option to use the stock invest instrument in lieu of cheques or banks for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

## **PAYMENT INTO ESCROW ACCOUNT(S) FOR ANCHOR INVESTORS**

Our Company, in consultation with the BRLM, 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 favor of:

- (a) In case of resident Anchor Investors: “[●]”; and
- (b) In case of Non-Resident Anchor Investors: “[●]”.

Anchor Investors should note that the escrow mechanism is not prescribed by the SEBI and has been established as an arrangement between our Company and the Syndicate, if any the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors

## **PRE-ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013 and Regulation 264 of SEBI (ICDR) Regulations, 2018, the company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI 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. In the pre-issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013 and Regulation 264 of SEBI (ICDR) Regulations, 2018, shall be in the format prescribed in Part A of Schedule VI of the SEBI Regulations.

## **ISSUANCE OF ALLOTMENT ADVICE**

On the Designated date, the SCSBs shall transfer the funds represented by allocation of equity shares into public issue account with the banker to the issue. Upon approval of the basis of the allotment by the Designated Stock Exchange, the Registrar to the Issue shall upload the same on its website. On the basis of approved basis of allotment, the issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their respective depository participants to accept the equity shares that may be allotted to them pursuant to the issue. Pursuant to confirmation of such corporate actions the Registrar to the Issue will dispatch allotment advice to the applicants who have been allotted equity shares in the issue. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.

The Company will issue and dispatch letters of allotment/ securities certificates and/ or letters of regret or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

**DESIGNATED DATE**

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the 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.

**NAMES OF ENTITIES RESPONSIBLE FOR FINALISING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER**

The authorized employees of the Stock Exchange, along with the BRLMs and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

**METHOD OF ALLOTMENT AS MAY BE PRESCRIBED BY SEBI FROM TIME TO TIME**

Our Company will not make any allotment in excess of the Equity Shares offered through the offer document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. The allotment of Equity Shares to applicants other than to the Retail Individual Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size.

**DISPOSAL OF APPLICATION AND APPLICATION MONIES AND INTEREST IN CASE OF DELAY**

The company shall ensure the dispatch of allotment advice, instruction to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the allotment to the stock exchange within one (1) working day of the date of allotment of equity shares.

The company shall use best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at SME platform of BSE, where the equity shares are proposed to be listed are taken with Three (3) working days of the closure of the issue.

**MODE OF REFUNDS**

a) In case of ASBA Applicants: Within 2 (Two) Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application, for any excess amount blocked on Application, for any ASBA application withdrawn, rejected or unsuccessful or in the event of withdrawal or failure of the Offer

b) In the case of Applications from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/ or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched

by registered post. The Company may not be responsible for loss, if any, incurred by the applicant on account of conversion of foreign currency.

c) In case of Other Investors: Within six Working Days of the Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Investors. In case of Investors, the Registrar to the Offer may obtain from the depositories, the Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Investors in their Investor Application Forms for refunds. Accordingly, Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, may be liable to compensate the Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

### **MODE OF MAKING REFUNDS FOR APPLICANTS OTHER THAN ASBA APPLICANTS**

The payment of refund, if any, may be done through various modes as mentioned below:

(i) NECS - Payment of refund may be done through NECS for Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the applicant as obtained from the Depository.

(ii) NEFT - Payment of refund may be undertaken through NEFT wherever the branch of the Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Applicants' through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

(iii) Direct Credit – Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;

(iv) RTGS – Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS. The IFSC code shall be obtained from the demographic details. Investors should note that on the basis of PAN of the applicant, DP ID and beneficiary account number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Investors' account details, IFSC code, MICR code and occupation (hereinafter referred to as "Demographic Details"). The bank account details for would be used giving refunds. Hence, Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at their sole risk and neither the BRLMs or the Registrar to the Issue or the Escrow Collection Bank nor the Company shall have any responsibility and undertake any liability for the same; (IV) Please note that refunds, on account of our Company not receiving the minimum subscription, shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank. For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Investors may refer to Red Herring Prospectus.



## **INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND**

The Issuer shall make the Allotment within the period prescribed by SEBI. The Issuer shall pay interest at the rate of 15% per annum if Allotment is not made and refund instructions have not been given to the clearing system in the disclosed manner/instructions for unblocking of funds in the ASBA Account are not dispatched within such times as maybe specified by SEBI.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated in accordance with applicable law. 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 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds

## **UNDERTAKINGS BY OUR COMPANY**

The Company undertakes the following:

1. That if our Company do not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice in the newspapers to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers in which the Pre-Issue advertisement was published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
2. That if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC / SEBI, in the event our Company subsequently decides to proceed with the Issue;
3. That the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily;
4. That all steps shall be taken to ensure that listing and commencement of trading of the Equity Shares at the Stock Exchange where the Equity Shares are proposed to be listed are taken within Three Working Days of Issue Closing Date or such time as prescribed;
5. 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;
6. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within Two Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.
7. That no further Issue of Equity Shares shall be made till the Equity Shares issued through this Red Herring Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.
8. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.
9. That if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be 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 ICDR Regulations and applicable law for the delayed period;
10. That the letter of allotment/ unblocking of funds to the non-resident Indians shall be dispatched

within specified time; and

## **UTILIZATION OF ISSUE PROCEEDS**

Our Board 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 Section 40 of the Companies Act, 2013;
2. Details of all monies utilized out of the issue referred to in point 1 above shall be disclosed and continued to be disclosed till the time any part of the issue proceeds remains unutilized under an appropriate separate head in the balance-sheet of the issuer indicating the purpose for which such monies had been utilized;
3. Details of all unutilized monies out of the Issue referred to in 1, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of SEBI (Listing Obligations & Disclosure Requirements) 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. Our Company undertakes that the complaints or comments received in respect of the Offer shall be attended by our Company expeditiously and satisfactorily.

## **WITHDRAWAL OF THE ISSUE**

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue, in whole or any part thereof at any time after the Issue Opening Date but before the Allotment, with assigning reason thereof. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared within Two days of Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for such decision and. The LM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

1. The final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and
2. The final RoC approval of the Prospectus after it is filed with the concerned RoC.

If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an initial public offering of Equity Shares, our Company shall file a fresh Draft Red Herring prospectus with stock exchange.

## **EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has entered into following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- (a) We have entered into tripartite agreement dated May 31, 2024, between NSDL, the Company and the Registrar to the Issue;
- (b) We have entered into tripartite agreement dated June 21, 2024, between CDSL, the Company and the Registrar to the Issue;

The Company's Equity shares bear an ISIN INE0X7H01029.

- An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.
- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

## **COMMUNICATIONS**

All future communications in connection with the Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated intermediary to the Issue where the Application 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.

## **ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS**

**In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the BRLMs are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form**

**is correctly filled up, as described in this section.**

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. Our Company and the BRLMs are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA 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 [http://www.sebi.gov.in/cms/sebi\\_data/attachdocs/1480483399603.html](http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html). For details on designated branches of SCSB collecting the Application Form, please refer to the above-mentioned SEBI link.

### **ASBA PROCESS**

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant (ASBA Account) is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the LM.

ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

### **Who can apply?**

Please note that, in accordance with the 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) facility for making payment. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors

applying in public Issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor.

### **Mode of Payment**

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB. Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted. After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date. On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue. The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

### **Unblocking of ASBA Account**

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the Public Issue Account as per the provisions of section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account. However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

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## **RESTRICTION 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 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 sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI.

**As per the existing policy of the Government of India, OCBs cannot participate in this Issue. The Equity Shares offered in the Issue have not been and will not be registered under the 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 Securities Act and applicable U.S. state securities laws.**

**Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be “qualified institutional investors” (as defined in Rule 144A under the Securities Act) pursuant to Rule 144A under the Securities Act or other applicable exemption under the Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulations under the Securities Act and the applicable laws of the jurisdictions where such offers and sales occur.**

**The above information is given for the benefit of the Applicants. Our Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this 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.**

## ISSUE STRUCTURE

*This Issue has been made in terms of Regulation 229(2) of Chapter IX of SEBI ICDR Regulations whereby, our post-issue face value capital is more than ten crore rupees and upto twenty-five crore rupees. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE Limited). For further details regarding the salient features and terms of this Offer, please refer to the chapter titled "Terms of the Issue" and "Issue Procedure" beginning on page 365 and 374 of this Red Herring Prospectus.*

### Present Issue Structure

Initial Public Offer of Upto 1,40,36,000 Equity Shares of Rs. 2/- each ("Equity Shares") of Rosmerta Digital Limited (the "Company") for cash at a price of Rs. [●]/- per equity share (the "Issue Price"), aggregating to Rs. [●] Lakhs ("The Offer). Out of the Issue, Upto 7,03,000 equity shares aggregating to Rs. [●] Lakhs will be reserved for subscription by Market Maker ("Market Maker Reservation Portion"). The Issue less the Market Maker Reservation Portion i.e., Issue of Upto 1,33,33,000 equity shares of face value of Rs. 2.00/- each at an issue price of Rs. [●]/- per equity share aggregating to Rs. [●] Lakhs is hereinafter referred to as the "Net Issue". The Issue and the net Issue will constitute 26.44% and 25.12%, respectively of the Post Issue paid up equity share capital of our company.

Particulars of the Issue	Market Maker Reservation Portion	QIBs	Non – Institutional Investors	Retail Individual Investors
Number of Equity Shares available for allocation	Upto 7,03,000 Equity shares	Up to 66,64,000 Equity shares	Up to 2,001,000 Equity shares	Up to 4,668,000 Equity shares
Percentage of Issue Size available for allocation	5.01% of the issue size	Not more than 50.00% of the Net offer size shall be available for allocation to QIBs. However, up to 5.00% of net QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Fund only. Up to 60.00% of the QIB Portion may be available for	Not less than 15.00% of the Offer shall be available for allocation.	Not less than 35.00% shall be available for allocation.

		allocation to Anchor Investors and one third of the Anchor Investors Portion shall be available for allocation to domestic mutual funds only.		
Basis of Allotment	Firm Allotment	Proportionate as follows (excluding the Anchor Investor Portion: (a) up to 1,33,000 Equity Shares, shall be available for allocation on a proportionate basis to Mutual Funds only; and; (b) 26,66,000 Equity shares shall be allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above 39,98,000 Equity Shares may be allocated on a discretionary basis to Anchor Investors For further details please refer to the section titled "Issue Procedure" beginning on page 374.	Proportionate	Allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details see, "Issue Procedure" on page 374.
Mode of Application	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Retail Investors using Syndicate ASBA).			



Minimum Bid Size	1000 Equity Shares in multiple of 1000 Equity shares	Such number of Equity Shares and in multiples of 1000 Equity Shares that the Bid Amount exceeds Rs. 200,000.	Such number of Equity Shares and in multiples of 1000 Equity Shares that the Bid Amount exceeds Rs. 200,000.	1000 Equity Shares in multiple of 1000 Equity shares so that the Bid Amount does not exceed Rs. 2,00,000.
Maximum Application Size	1000 Equity Shares	Such number of Equity Shares in multiples of 1000 Equity Shares not exceeding the size of the Net Issue, subject to applicable limits.	Such number of Equity Shares in multiples of 1000 Equity Shares not exceeding the size of the issue (excluding the QIB portion), subject to limits as applicable to the Bidder.	Such number of Equity Shares in multiples of 1000 Equity Shares so that the Bid Amount does not exceed Rs. 2,00,000.
Mode of Allotment	Dematerialized Form			
Trading Lot	1000 Equity Shares, however, the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	1000 Equity Shares and in multiples thereof	1000 Equity Shares and in multiples thereof	1000 Equity Shares and in multiples thereof
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank through the UPI Mechanism that is specified in the ASBA Form at the time of submission of the ASBA Form.			

**Note:**

- In case of joint application, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Applicant would be required in the Application Form and such First Applicant would be deemed to have signed on behalf of the joint holders.*
- Applicants will be required to confirm and will be deemed to have represented to our Company, the BRLM, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.*
- SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.*

## Lot Size

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the Circular) standardized the lot size for Initial Public Offer proposing to list on SME exchange/platform and for the secondary market trading on such exchange/platform, as under:

Issue Price (in Rs. )	Lot Size (No. of shares)
Upto 14	10000
More than 14 upto 18	8000
More than 18 upto 25	6000
More than 25 upto 35	4000
More than 35 upto 50	3000
More than 50 upto 70	2000
More than 70 upto 90	1600
More than 90 upto 120	1200
More than 120 upto 150	1000
More than 150 upto 180	800
More than 180 upto 250	600
More than 250 upto 350	400
More than 350 upto 500	300
More than 500 upto 600	240
More than 600 upto 750	200
More than 750 upto 1000	160
Above 1000	100

Further to the Circular, at the initial public offer stage the Registrar to Issue in consultation with BRLM, our Company and BSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the initial public offer lot size at the application/allotment stage, facilitating secondary market trading.

\*50% of the shares offered are reserved for applications below Rs.2.00 lakh and the balance for higher amount applications.

## WITHDRAWAL OF THE ISSUE

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right to not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper, where the Registered office of the Company is situated.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The

notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approval of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the registration of Draft Red Herring Prospectus/ Red Herring Prospectus with RoC.

## **JURISDICTION**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Delhi.

## **ISSUE PROGRAMME**

<b>ISSUE OPENING DATE</b>	NOVEMBER 18, 2024
<b>ISSUE CLOSING DATE</b>	NOVEMBER 21, 2024

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue closing date when applications will be accepted only between 10.00 a.m. to 2.00 p.m.

In case of discrepancy in the data entered in the electronic book vis a vis the data contained in the physical bidform, for a particular bidder, the detail as per physical application form of that bidder may be taken as the final data for the purpose of allotment.

Standardization of cut-off time for uploading of applications on the issue closing date:

- (a) A standard cut-off time of 3.00 PM for acceptance of applications.
- (b) A standard cut-off time of 4.00 PM for uploading of applications received from non-retail applicants i.e. QIBs, HNIs and employees (if any).

A standard cut-off time of 5.00 PM for uploading of applications received from only retail applicants, which may be extended up to such time as deemed fit by Stock Exchanges after taking into account the total number of applications received upto the closure of timings and reported by BRLMs to the Exchange within half an hour of such closure.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

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## **SECTION IX – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION**

### **THE COMPANIES ACT, 2013 COMPANY LIMITED BY SHARES ARTICLES OF ASSOCIATION<sup>1</sup> OF ROSMERTA DIGITAL SERVICES LIMITED**

#### **Applicability of Table F**

The regulations contained in Table “F” in the Schedule I to the Companies Act, 2013, shall apply to the Rosmerta Digital Services Limited (“**Company**”) only in so far as the same are not provided for or are not inconsistent with these Articles.

The regulations for the management of the Company and for the observance of the members thereof and their representatives shall be such as are contained in these Articles subject however to the exercise of the statutory powers of the Company in respect of repeal, additions, alterations, substitution, modifications and variations thereto by special resolution as prescribed by the Companies Act, 2013.

#### **Definitions and Interpretation**

##### **Definitions**

In the interpretation of these Articles the following words and expressions shall have the following meanings unless repugnant to the subject or context.

“Act” means the Companies Act, 2013 along with the relevant Rules made there under, in force and any statutory amendment thereto or replacement thereof and including any circulars, notifications and clarifications issued by the relevant authority under the Companies Act, 2013 Reference to Act shall also include the Secretarial Standards issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980.

“Annual General Meeting” shall mean a General Meeting of the holders of Equity Shares held annually in accordance with the applicable provisions of the Act.

“Articles” shall mean these articles of association as adopted or as amended from time to time.

“Auditors” shall mean and include those persons appointed as such by the Company in terms of the provisions of the Companies Act, 2013.

“Board” or “Board of Directors” shall mean the collective board of directors of the Company, as duly called and constituted from time to time, in accordance with Law and the provisions of these Articles.

“Board Meeting” shall mean any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with law and the provisions of these Articles.

“Beneficial Owner” means the beneficial owner as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996, as amended.

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<sup>1</sup> These Articles of Association were adopted pursuant to shareholders Special Resolution passed at the extra-ordinary general meeting of the Company dated 30<sup>th</sup> April, 2024 in supersession of the earlier articles in the then extant articles of association of the Company.

“Business Day” shall mean a day on which scheduled commercial banks are open for normal banking business;

“Capital” or “Share Capital” shall mean the Equity Share Capital of any face value together with all rights, differential rights, obligations, title, interest and claim in such Shares and includes all subsequent issue of such Shares of whatever face value or description, bonus Shares, conversion Shares and Shares issued pursuant to a stock split or the exercise of any warrant, option or other convertible security of the Company.

“Chairman” shall mean such person as is nominated or appointed in accordance with Article 28 herein below.

“Companies Act, 1956” shall mean the Companies Act, 1956 (Act I of 1956), to the extent that such provisions have not been repealed or superseded by the Companies Act, 2013 or de-notified.

“Company” or “this Company” shall mean Rosmerta Digital Services Limited.

“Company Secretary” or “Secretary” means a Company Secretary as defined in clause (c) of subsection (1) of Section 2 of the Company Secretaries Act, 1980 (56 of 1980) who is appointed by a Company to perform the functions of the Company Secretary under the Act.

“Committees” shall mean committee of the Board of Directors.

“Debenture(s)” means Debenture(s) as defined in sub-section (30) of Section 2 of the Act.

“Depositories Act” shall mean The Depositories Act, 1996 and shall include any statutory modification or re-enactment thereof.

“Depository” means a depository as defined in clause (e) of sub-section (1) of section 2 of the Depositories Act, 1996.

“Director” shall mean any director of the Company, including alternate directors, independent directors and nominee directors appointed in accordance with the Law and the provisions of these Articles.

“Dividend” shall include interim and final dividends.

“Equity Share Capital” means in relation to the Company, its Equity Share capital within the meaning of Section 43 of the Act, as amended from time to time.

“Equity Shares” shall mean fully paid-up equity shares of the Company having or any other issued Share Capital of the Company that is reclassified, reorganized, reconstituted or converted into equity shares of the Company

“Executor” or “Administrator” shall mean a person who has obtained probate or letters of administration, as the case may be, from a court of competent jurisdiction and shall include the holder of a succession certificate authorizing the holder thereof to negotiate or transfer the Shares or other Securities of the deceased Shareholder and shall also include the holder of a certificate granted by the Administrator-General appointed under the Administrator Generals Act, 1963.

“Employee Stock Option” shall have the same meaning as provided under in sub-section (37) of Section 2 of the Act.

“Extraordinary General Meeting” shall mean an extraordinary general meeting of the holders of

Equity Shares duly called, constituted and any adjourned holding thereof in accordance with the provisions of the Act.

“Financial Year” shall mean any fiscal year of the Company, beginning on April 1 of each calendar year and ending on March 31 of the following calendar year.

“General Meeting” means any duly convened meeting of the Shareholders of the Company and includes an extra-ordinary general meeting.

“Independent Director” means an independent director referred to in sub-section (6) of section 149 of the Act and applicable provisions of the SEBI Regulations.

“Key Managerial Personnel (KMP)” shall mean the persons as defined in sub-section (51) of Section 2 of the Act.

“Law/Laws” shall mean all applicable provisions of all (i) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, circulars, notifications, ordinances or orders of any governmental authority, Regulatory authority and SEBI, (ii) governmental approvals, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any governmental authority, (iv) rules or guidelines for compliance, of any stock exchanges, (v) international treaties, conventions and protocols, and (vi) Indian GAAP or Ind-AS or any other generally accepted accounting principles.

“Memorandum” shall mean the Memorandum of Association of the Company, as amended from time to time.

“Office” shall mean the Registered Office of the Company.

“Ordinary Resolution” shall have the meaning assigned to it in Section 114 of the Act.

Paid-up” shall include the capital credited as paid up.

“Person” shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal personality).

“Postal Ballot” means voting by post or through any electronic mode as per the provisions of sub-section (65) of section 2 of the Act.

“Register of Members” shall mean the register of members to be kept pursuant to Section 88 of the Act.

“Registrar” shall mean the Registrar of Companies of the State in which the Registered Office of the Company is for the time being situated.

“Rules” shall mean the rules made under the Act and as notified from time to time.

“SEBI” shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992 and amendment made thereof.

“SEBI Regulations” shall mean all the regulations, rules, circulars, notifications, orders, advisory including all forms of communication and amendments, modification or re-enactment to any thereof as applicable to the Company and issued by the SEBI, from time to time.

“Securities” or “securities” shall mean the securities as defined in Securities Contracts (Regulation)

Act, 1956 or any amendment as may be made from time to time.

“Share” or “shares” shall mean any share issued in the Share Capital of the Company, including Equity Shares and preference shares.

“Shareholder” or “member” shall mean any shareholder of the Company, from time to time. “

“Shareholders’ Meeting” shall mean any meeting of the Shareholders of the Company, including Annual General Meetings as well as Extraordinary General Meetings, convened from time to time in accordance with the Act, applicable Laws and the provisions of these Articles.

“Stock Exchanges” shall mean BSE, the National Stock Exchange of India Limited and any other stock exchange in India where the Securities of the Company are listed.

“Special Resolution” shall have the meaning assigned to it in Section 114 of the Act, as amended from time to time.

“Tribunal” means the National Company Law Tribunal constituted under Section 408 of the Act.

“Working Days” shall mean all days in a week except Sunday, Saturdays and other public holidays.

### **Interpretation**

In these Articles (unless the context requires otherwise):

References to a person shall, where the context permits, include such person’s respective successors, legal heirs and permitted assigns.

In “Writing” and “Written” include printing, lithography and other modes of representing or reproducing words in a visible form including electronic mode as provided in the Information Technology Act, 2000 as amended from time to time.

Words importing persons shall include bodies corporate, corporations, companies, individuals, sole proprietorship, unincorporated association, unincorporated organization, association of persons, partnership, joint venture, governmental authority, Hindu undivided family, trust, union, organization or any other entity that may be treated as a person under applicable Law (whether registered or not and whether or not having separate legal personality) and where the context permits, shall also include such person’s respective successors, legal heirs and permitted assigns.

The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.

References to articles and sub-articles are references to Articles and sub-articles of and to these Articles unless otherwise stated and references to these Articles include references to the articles and sub-articles herein.

Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings. Wherever the words “include,” “includes,” or “including” is used in these Articles, such words shall be deemed to be followed by the words “without limitation”.

The terms “hereof”, “herein”, “hereto”, “hereunder” or similar expressions used in these Articles mean and refer to these Articles and not to any particular Article of these Articles, unless expressly stated otherwise

Reference to statutory provisions shall be construed to include reference to any rules, regulations or other subordinate legislation made under the statute and shall, unless the context otherwise requires and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.

Any reference to an agreement or other document shall be construed to mean a reference to the agreement or other document, as amended or novated from time to time.

In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail.

#### Public Company

The Company is a public company as defined under Section 2 (71) of the Act, limited by shares.

Article No.	Title	Content
3	Expressions in the Act and these Articles	Save as aforesaid, any words or expressions defined in the Act or the Depositories Act or the SEBI Regulations (as applicable), shall, as the case may be, if not inconsistent with the subject or context, bear the same meaning in these Articles.
4A	Share capital and variation of rights	<p>The authorised Share Capital of the Company shall be such amount and be divided into such shares as may be defined from time to time, be provided in Clause V of the Memorandum of Association of the Company as altered from time to time, with such rights, privileges and conditions respectively attached thereto as may be from time to time and the Company may reclassify, subdivide, consolidate and increase the Share Capital from time to time, as may be thought fit, and upon the subdivision of Shares, apportion the right to participate in profits in any manner as between the Shares resulting from the subdivision.</p> <p>The Company has the power, from time to time, to increase or reduce its subscribed, authorised, issued and paid-up Share Capital, in accordance with the provisions of the Act, applicable Laws and these Articles.</p> <p>The Share Capital of the Company may be classified into Shares with differential rights as to dividend, voting or otherwise in accordance with the applicable provisions of the Act, Rules, and Law, from time to time.</p> <p>The Board may, subject to the relevant provisions of the Act and these Articles, allot and issue Shares as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in or about the formation of the Company or in respect of an acquisition and/or in the conduct of its business or for any goodwill provided to the Company; and any Shares which may be so allotted may be issued as fully/partly Paid-up Shares and if so issued shall be deemed as fully/partly Paid-up Shares.</p> <p>Except so far as otherwise provided by the conditions of issue or by these Articles, any Share Capital raised by the creation of new Shares, shall be considered as part of the existing Share Capital and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.</p>



		<p>Any application signed by or on behalf of an applicant for Shares in the Company, followed by an allotment of any Shares therein, shall be an acceptance of Shares within the meaning of these Articles and every person who thus or otherwise accepts any Shares and whose name is on the Register of Members, shall for the purposes of these Articles, be a Shareholder.</p> <p>The money, (if any), which the Board shall, on the allotment of any Shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them, shall immediately on the insertion of the name of the allottee, in the Register of Members as the name of the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.</p>
4B	Share at the disposal of the Directors	<p>Subject to the provisions of Section 62 and other applicable provisions of the Act, and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased Capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to Persons in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with section 53 of the Act) at such time as they may, from time to time, think fit to give to any person or persons the option or right to call for any shares either at par or premium or at a discount subject to the provisions of the Act during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid up shares.</p> <p>Provided that option or right to call shares shall not be given to any person or persons without the sanction of the Company in General Meeting.</p> <p>Subject to applicable Law, the Directors are hereby authorised to issue Equity Shares or Debentures (whether or not convertible into Equity Shares) for offer and allotment to such of the officers, employees and workers of the Company as the Directors may decide or the trustees of such trust as may be set up for the benefit of the officers, employees and workers in accordance with the terms and conditions of such scheme, plan or proposal as the Directors may formulate. Subject to the consent of the Stock Exchanges and SEBI, the Directors may impose the condition that the shares in or debentures of the Company so allotted shall not be transferable for a specified period.</p> <p>If, by the conditions of allotment of any share, the whole or part of the amount thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who, for the time being, shall be the registered holder of</p>

		<p>the shares or by his executor or administrator.</p> <p>Every Shareholder, or his heirs, Executors, or Administrators shall pay to the Company, the portion of the Capital represented by his share or shares which may for the time being remain unpaid thereon in such amounts at such time or times and in such manner as the Board shall from time to time in accordance with the Articles require or fix for the payment thereof.</p>
4C	Further issue of Share Capital	<p>Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered</p> <p>to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the Paid-up Share Capital on those shares by sending a letter of offer subject to the following conditions, namely:</p> <p>the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 (fifteen) days or such lesser number of the day as may be prescribed under law and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;</p> <p>the offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the shares offered to him or any of them in favour of any other Person; and the notice referred to in Article 4(C)(a) (i) above shall contain a statement of this right;</p> <p>after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company</p> <p>to employees under a scheme of employees' stock option, subject to Special Resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under Law; or</p> <p>to any persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in sub-articles (i) or Article (ii) above, either for cash or for a consideration other than cash at a price determined in the manner provided under the regulations issued by SEBI in this regard.</p> <p>Subject to the applicable provisions of the Act, nothing in (a) shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the Company to convert such debentures or loans into shares in the Company: Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in general meeting.</p>
5	Preference Shares	The Company, subject to the applicable provisions of the Act,

		shall have the power to issue on a cumulative or noncumulative basis, preference shares in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit.
6.	Brokerage & Underwriting	<p>Subject to the applicable provisions of the Act, the Company may at any time pay a commission to any person in connection with the subscription or procurement of subscription to its securities, whether absolute or conditional, for any shares or Debentures in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014.</p> <p>The Company may also, on any issue of shares or Debentures, pay such reasonable brokerage as may be lawful.</p>
7	Company's Lien on shares/ Debentures	<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 or this clause.</p> <p>For the purposes of enforcing such a lien, the Board may sell such partly Paid-up shares, subject thereto in such manner as the Board shall think fit, and for that purpose may cause to be issued, a duplicate certificate in respect of such shares and may authorise one of their Shareholders to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to said shares be affected by any irregularity or invalidity in the proceedings in reference to the sale of such shares;</p> <p>Provided that no sale of such Shares shall be made: unless a sum in respect of which the lien exists is presently payable; or until the expiration of 14 (fourteen) days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency. The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently</p>

		<p>payable as existed upon the shares before the sale) be paid to the Person entitled to the shares at the date of the sale. The fully paid Shares shall be free from all lien and that in the case of partly paid Shares, the Company's lien, if any, shall be restricted to monies called or payable at a fixed time in respect of such shares</p> <p>No Shareholder shall exercise any voting right in respect of any shares or Debentures registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien. Subject to the Act and these Articles, the right of lien under this Article 7 shall extend to other Securities</p>
8	Calls	<p>Subject to the provisions of Section 49 of the Act, the terms on which any shares may have been issued and allotted, the Board may, from time to time, by a resolution passed at a meeting of the Board, make such call as it thinks fit upon the Shareholders in respect of all money unpaid on the shares held by them respectively and each Shareholder shall pay the amount of every call so made on him to the Person or Persons and Shareholders and at the times and places appointed by the Board. A call may be made payable by instalments. Provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting.</p> <p>14 (fourteen) days' notice in writing at the least of every call (otherwise than on allotment) shall be given by the Company specifying the time and place of payment, provided that before the time for payment of such call, the Board may revoke or postpone the same.</p> <p>The call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be made payable by the Shareholders whose names appear on the Register of Members on such date as shall be fixed by the Board.</p> <p>The joint holder of a share shall be jointly and severally liable to pay all instalments and calls due in respect thereof.</p> <p>The Board may, from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the Shareholders who, from residence at a distance or other cause the Board may deem fairly entitled to such extension; but no Shareholders shall be entitled to such extension save as a matter of grace and favour.</p> <p>If any Shareholder or allottee fails to pay the whole or any part of any call or instalment, due from him on the day appointed for payment t hereof, or any such extension thereof, he shall be liable to pay interest on the same from the day appointed for the payment to the time of actual payment at 10 (ten) per cent per annum or such lower rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Shareholder and the Board shall be at liberty to waive payment of such interest either wholly or in part.</p> <p>Any sum, which by the terms of issue of a share or otherwise, becomes payable on allotment or at any fixed date or by instalments at a fixed time whether on account of the nominal</p>

		<p>value of the share or by way of premium shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue or otherwise the same became payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of call, interest, expenses, forfeiture or otherwise shall apply as if such sum became payable by virtue of a call duly made and notified.</p> <p>On the trial or hearing of any action or suit brought by the Company against any Shareholder or his legal representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Shareholder in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder, or one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the shares; that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Shareholder or his representatives so sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt and the same shall be recovered by the Company against the Shareholder or his representative from whom it is ought to be recovered, unless it shall be proved, on behalf of such Shareholder or his representatives against the Company that the name of such Shareholder was improperly inserted in the Register of Members or that the money sought to be recovered has actually been paid.</p> <p>The Company may enforce a forfeiture of shares under Article 11 below notwithstanding the following : (i) a judgment or a decree in favour of the Company for calls or other money due in respect of any share; (ii) part payment or satisfaction of any calls or money due in respect of any such judgement or decree; (iii) the receipt by the Company of a portion of any money which shall be due from any Shareholder to the Company in respect of his shares; and (iv) any indulgence granted by the Company in respect of the payment of any such money.</p> <p>The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act) agree to and receive from any Shareholder willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or so much thereof as from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares in respect of which such advance has been made, the Company may pay interest, as the Shareholder paying such sum in advance and the Board may agree upon; provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. Provided always that if at any time after the payment of any</p>
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		<p>such money the rate of interest so agreed to be paid to any such Member appears to the Board to be excessive, it shall be lawful for the Board from time to time to repay to such Member so much of such money as shall then exceed the amount of the calls made upon such shares in the manner determined by the Board. Provided also that if at any time after the payment of any money so paid in advance, the Company shall go into liquidation, either voluntary or otherwise, before the full amount of the money so advanced shall have become due by the members to the Company, on instalments or calls, or in any other manner, the maker of such advance shall be entitled (as between himself and the other Members) to receive back from the Company the full balance of such moneys rightly due to him by the Company in priority to any payment to members on account of capital, in accordance with and subject to the provisions of the Act.</p> <p>No Shareholder shall be entitled to voting rights in respect of the money (ies) so paid by him until the same would but for such payment, become presently payable.</p> <p>The provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company.</p>
9	Transfer and Transmission of shares	<p>The Company shall record in the Register of Members fairly and distinctly particulars of every transfer or transmission of any share, Debenture or other Security held in a material form. There shall be a common form of transfer in accordance with Act and rules made thereunder.</p> <p>Subject to provisions of the Act, Depositories Act and other applicable laws, transfer or transmission, as the case may be, of Shares in the Company shall only be allowed in dematerialized form.</p> <p>Subject to the provisions of the Act, a person entitled to a share by transmission shall, subject to the right of the Board to retain such Dividends as hereinafter provided in these Articles be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the shares.</p> <p>The Board shall have power on giving not less than 7 (seven) days prior notice or such lesser period as may be specified by SEBI, by advertisement in a vernacular newspaper and in an English newspaper in the city, town or village in which the Office of the Company is situated and by publishing a notice on the website of the Company, to close the transfer books, the Register of Members and/or Register of Debenture-holders at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year, as it may deem expedient.</p> <p>Subject to the provisions of Sections 58 of the Act, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may, refuse to issue the letter of confirmation in case of transmission by operation of law of the right to, any Securities or interest of a Shareholder in the Company. The Company shall, within 30 (thirty) days from the date on which the intimation of such transmission, was delivered to the Company, send a notice of refusal to the person giving notice of such transmission, giving reasons for such</p>

		<p>refusal.</p> <p>Provided that the issuance of letter of confirmation shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.</p> <p>In case of the death of any one or more Shareholders named in the Register of Members as the joint-holders of any shares, the survivors shall be the only Shareholder(s) recognized by the Company as having any title to or interest in such shares, but nothing therein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other Person.</p> <p>Subject to applicable Laws, the Executors or Administrators or holder of the succession certificate or the legal representatives of a deceased Shareholder, (not being one of two or more joint-holders) or his nominee(s), shall be the only Shareholders recognized by the Company as having any title to the shares registered in the name of such Shareholder, and the Company shall not be bound to recognize such Executors or Administrators or the legal representatives unless such Executors or Administrators or legal representatives shall have first obtained probate or letters of administration or succession certificate, as the case may be, from a duly constituted court in India.</p> <p>Subject to the provisions of Articles , the Act and other applicable Laws, any Person becoming entitled to shares in consequence of the death, lunacy, bankruptcy of any Shareholder or Shareholders, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board, (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, be registered himself as the holder of the shares after obtaining necessary letter of confirmation.</p> <p>A Person becoming entitled to a share by reason of the death or insolvency of a Shareholder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a Shareholder in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>The provision of these Articles shall be subject to the applicable provisions of the Act, the Rules and any requirements of Law. Such provisions shall mutatis mutandis apply to the transfer or transmission by operation of Law to other Securities of the Company.</p>
10	Dematerialisation of Securities	<p>Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing Securities, rematerialize its Securities held in the Depositories and/or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, and the rules framed</p>

		<p>thereunder, if any.</p> <p>Subject to the applicable provisions of the Act, the Company may exercise an option to issue, dematerialize, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned, and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act.</p> <p>If a Person opts to hold his Securities with a Depository, the Company shall intimate such Depository the details of allotment of the Securities and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.</p> <p>Securities in Depositories to be in fungible form:      All Securities held by a Depository shall be dematerialized and be held in fungible form. Nothing contained in Sections 88, 89 and 186 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners</p> <p>Rights of Depositories &amp; Beneficial Owners:      Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the Registered Owner for the purposes of effecting transfer of ownership of Securities on behalf of the Beneficial Owner.</p> <p>Save as otherwise provided in (i) above, the Depository as the Registered Owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.</p> <p>Every person holding shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Shareholder of the Company.</p> <p>The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository.</p> <p>Except as ordered by a court of competent jurisdiction or as may be required by Law required and subject to the applicable provisions of the Act, the Company shall be entitled to treat the person whose name appears on the Register as the holder of any share or whose name appears as the Beneficial Owner of any share in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such shares or (except only as by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any share in the joint names of any two or more persons or the survivor or survivors of them, subject to these Articles.</p> <p>Register and Index of Beneficial Owners:      The Company shall cause to be kept a register and index of members with details of Shares and Debentures held in</p>
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		<p>materialized and dematerialized forms in any media as may be permitted by Law including any form of electronic media.</p> <p>The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India a register resident in that state or country.</p> <p><b>Cancellation of Certificates upon surrender by Person</b></p> <p>Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name of the Depository as the registered owner in respect of the said Securities and shall also inform the Depository accordingly.</p> <p><b>Service of Documents:</b></p> <p>Notwithstanding anything contained in the Act or these Articles to the contrary, where Securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.</p> <p><b>Allotment of Securities dealt with in a Depository:</b></p> <p>Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details of allotment of relevant Securities thereof to the Depository immediately on allotment of such Securities.</p> <p><b>Certificate Number and other details of Securities in Depository:</b> Nothing contained in the Act or these Articles regarding the necessity of having certificate number/distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.</p> <p><b>Provisions of Articles to apply to Shares held in Depository:</b> Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act.</p> <p><b>Depository to furnish information:</b> Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by Law and the Company in that behalf.</p> <p><b>Option to opt out in respect of any such Security:</b></p> <p>Subject to compliance with applicable Law, if a Beneficial Owner seeks to opt out of a Depository in respect of any Security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository and on fulfilment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.</p> <p><b>Overriding effect of this Article:</b></p>
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		<p>Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository and on fulfilment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.</p> <p>Overriding effect of this Article:          Provisions of this Article will have full effect and force not withstanding anything to the contrary or inconsistent contained in any other Articles.</p>
11	Forfeiture of Shares	<p>If any member fails to pay any call or instalment of a call or any part thereof or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or instalment or any part thereof or other money remain unpaid or a judgment or decree in respect thereof remain unsatisfied, give notice to such Shareholder or his legal representatives requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment. The notice shall name a day, (not being less than 14 (fourteen) days from the date of service of notice), and a place or places on or before which such call or instalment or such part or other money as aforesaid and interest thereon, (at such rate as the Board shall determine and payable from the date on which such call or instalment ought to have been paid), and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable, will be liable to be forfeited.</p> <p>If the requirements of any such notice as aforesaid are not be complied with, any share in respect of which such notice has been given, may at any time, thereafter before payment of all calls, instalments, other money due in respect thereof, interest and expenses as required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all Dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act.</p> <p>When any share shall have been so forfeited, notice of the forfeiture shall be given to the Shareholder on whose name it stood immediately prior to the forfeiture or if any of his legal representatives or to any of the Persons entitled to the shares by transmission, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.</p> <p>Any share so forfeited shall be deemed to be the property of the Company and may be sold; re-allotted, or otherwise disposed of either to the original holder thereof or to any other Person upon</p>

		<p>such terms and in such manner as the Board shall think fit.</p> <p>Any Shareholder whose shares have been forfeited shall, cease to be a shareholder of the Company and notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, instalments, interest and expenses and other money owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine and the Board may enforce, (if it thinks fit), payment thereof as if it were a new call made at the date of forfeiture.</p> <p>The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.</p> <p>A duly verified declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all Persons claiming to be entitled to the shares.</p> <p>Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some Person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.</p> <p>Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relevant shares shall, (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Shareholder), stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.</p> <p>The Board may, at any time, before any share so forfeited shall have been sold, re- allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.</p> <p>The Directors may subject to the provisions of the Act, accept a surrender of any share certificates from or by any Shareholder desirous of surrendering them on such terms as the Directors think fit.</p>
12	Alteration of Share Capital	Subject to these Articles and Section 61 of the Act, the Company may from time to time, by an Ordinary Resolution in General Meeting from time to time, alter the conditions of its

		<p>Memorandum as follows, that is to say, it may:</p> <p>increase its Share Capital by such amount as it thinks expedient; consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares;</p> <p>Provided that no consolidation and division which results in changes in the voting percentage of Shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner;</p> <p>convert all or any of its fully Paid-up shares into stock, and reconvert that stock into fully Paid-up shares of any denomination;</p> <p>subdivide its existing Shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so, however, that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and</p> <p>cancel its Shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its Share Capital by the amount of the shares so cancelled. Cancellation of shares in pursuance of this Article shall not be deemed to be reduction of Share Capital within the meaning of the Act.</p>
13	Reduction of Share Capital	<p>The Company may, subject to the applicable provisions of the Act and applicable SEBI Regulations, from time to time by a Special Resolution, reduce its Capital, any capital redemption reserve account and the securities premium account in any manner for the time being authorized by Law. This Article is not to derogate any power the Company would have under Law, if it were omitted</p>
14	Power of Company to purchase its own securities	<p>Pursuant to a resolution of the Board or a Special Resolution of the Shareholders, as required under the Act, the Company may purchase its own Equity Shares or other Securities, as may be specified by the Act read with Rules made there under from time to time, by way of a buy- back arrangement, in accordance with Sections 68, 69 and 70 of the Act, the Buy Back Rules and subject to compliance with the applicable Laws out of (i) its free reserves; or (ii) the securities premium account; or (iii) the proceeds of the issue of any Shares or other specified securities or (iv) otherwise specified by the law for the time being in force</p>
15	Power to modify rights	<p>Where, the Capital, is divided (unless otherwise provided by the terms of issue of the shares of that class) into different classes of shares, all or any of the rights and privileges attached to each class may be varied, subject to the provisions of Section 48 of the Act and applicable Laws, and whether or not the Company is being wound up, be varied provided the same is affected with consent in writing of the holders of not less than three-fourths of the issued shares of that class or by way of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class.</p> <p>To every such separate meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons</p>

		<p>holding at least one-third of the issued shares of the class in question.</p> <p>The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking <i>pari passu</i> therewith.</p>
16	Registers to be maintained by the Company	<p>The Company shall keep and maintain at its registered office or such other place as may be allowed under the Act and the Rules, all statutory registers (as and when required) namely, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of contracts and arrangements etc., minutes book of General Meeting , for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules.</p> <p>The registers and documents referred to in (a) and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all Working Days, other than Saturdays, at the registered office of the Company or any other place where the register ,documents or copies of the annual return are kept in the manner as prescribed under the Act and the Rules, by the persons entitled thereto under the Act and Rules, on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.</p> <p>Copy or extract of the registers and documents referred to in (a) and copies of annual return, if allowed under the Act or the Rules, can be obtained from the registered office of the Company or any other place where the register, documents or copies of the annual return are kept in the manner as prescribed under the Act and the Rules by the persons entitled thereto, on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.</p> <p>The foreign register (if any) shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, <i>mutatis mutandis</i>, as is applicable to the register of members.</p> <p>The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, <i>mutatis mutandis</i>, as is applicable to the register of members.</p> <p>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.</p>
17	Shares and Share certificates	<p>The Company shall issue, re-issue and issue share certificate, as the case may be in accordance with the provisions of the Act and other applicable Laws.</p> <p>The Company shall be entitled to dematerialise its existing Shares, rematerialise its Shares held in the depository and/or to offer its fresh shares in a dematerialised form pursuant to the Depositories Act, and the regulations framed there under, if any.</p> <p>The provisions of this Article shall <i>mutatis mutandis</i> apply to Debentures and other Securities of the Company.</p>

		<p>When a new share certificate has been issued in pursuance of these Articles, it shall be in the form and manner stated under the Companies (Share Capital and Debentures) Rules, 2014.</p> <p>All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may authorize for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.</p> <p>The Secretary of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates including the blank forms of the share certificate referred to in sub article (e) of this Article.</p> <p>All books referred to in sub-article (f) of this Article, shall be preserved in the manner specified in the Companies (Share Capital and Debentures) Rules, 2014.</p> <p>If any Shares stands in the names of 2 (two) or more Persons, the Person first named in the Register of Members shall as regards receipt of Dividends or bonus, or service of notices and all or any other matters connected with the Company except voting at meetings and the transfer of shares, be deemed the sole holder thereof, but the joint holders of such Shares shall be severally as well as jointly liable for the payment of all deposits, instalments and calls due in respect of such Shares, and for all incidents thereof according to these Articles.</p> <p>Except as ordered by a court of competent jurisdiction or as may be required by Law, the Company shall be entitled to treat the Shareholder whose name appears on the Register of Members as the holder of such Equity Shares or whose name appears as the beneficial owner of such Equity Shares in the records of the Depository, as the absolute owner thereof and accordingly shall not be bound to recognise any benami, trust or equity or equitable, contingent or other claim to or interest in such Equity Shares on the part of any other Person whether or not such Shareholder shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any Equity Shares in the joint names of any 2 (two) or more Persons or the survivor or survivors of them. The Company shall not be bound to register more than 3 (three) persons as the joint holders of any share except in the case of executors or trustees of a deceased member.</p>
18	Nomination by securities holders	<p>Every holder of Securities of the Company holding the Securities in physical form may, at any time, nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as his nominee in whom the Securities of the Company held by him shall vest in the event</p>



		<p>of his death.</p> <p>Where the Securities of the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014 or rules issued under the Depositories Act, a Person as their nominee in whom all the rights in the Securities of the Company shall vest in the event of death of all the joint holders.</p> <p>Notwithstanding anything contained in any other Law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the Securities of the Company, where a nomination made in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, purports to confer on any Person the right to vest the Securities of the Company, the nominee shall, on the death of the holder of Securities of the Company or, as the case may be, on the death of the joint holders become entitled to all the rights in Securities of the holder or, as the case may be, of all the joint holders, in relation to such Securities of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014.</p> <p>Where the nominee is a minor, the holder of the Securities concerned, can make the nomination to appoint in prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014, any Person to become entitled to the Securities of the Company in the event of his death, during the minority.</p> <p>The transmission of Securities of the Company by the holders of such Securities and transfer in case of nomination shall be subject to and in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014.</p>
19	Borrowing Powers	<p>Subject to the provisions of Sections 73, 179 and 180, and other applicable provisions of the Act and these Articles, the Board may, from time to time, at its discretion by resolution passed at the meeting of a Board the Board shall:</p> <ul style="list-style-type: none"> <li>accept or renew deposits from Shareholders;</li> <li>borrow money by way of issuance of Debentures;</li> <li>borrow money otherwise than on Debentures;</li> <li>accept deposits from Shareholders either in advance of calls or otherwise; and</li> </ul> <p>generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company. Provided, however, that where the money to be borrowed together with the money already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the Paid-up capital of the Company, its free reserves and securities premium, the Board shall not borrow such money without the consent of the Company by way of a Special Resolution in a General Meeting.</p> <p>Subject to the provisions of these Articles, the payment or repayment of money borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the resolution of the Board (not by circular resolution) shall</p>

		<p>prescribe including by the issue of bonds, perpetual or redeemable Debentures or debenture-stock, or any mortgage, charge, hypothecation, pledge, lien or other security on the undertaking of the whole or any part of the property of the Company (including its uncalled Capital), both present and future and Debentures and other Securities may be assignable free from any equities between the Company and the Person to whom the same may be issued.</p> <p>Subject to the applicable provisions of the Act and these Articles, any bonds, Debentures, debenture-stock or other Securities may if permissible in Law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, drawing, attending (but not voting) at the General Meeting, allotment of shares, appointment of Directors or otherwise. Provided that Debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages and charges specifically affecting the property of the Company; and shall cause the requirements of the relevant provisions of the Act in that behalf to be duly complied with within the time prescribed under the Act or such extensions thereof as may be permitted under the Act, as the case may be, so far as they are required to be complied with by the Board. Company shall have the power to keep in any state or country outside India a branch register of debenture holders resident in that state or country.</p> <p>Any capital required by the Company for its working capital and other capital funding requirements may be obtained in such form as decided by the Board from time to time.</p> <p>The Company shall also comply with the provisions of the Companies (Registration of Charges) Rules, 2014 in relation to the creation and registration of aforesaid charges by the Company.</p>
20	Conversion of shares into stock and reconversion	<p>The Company in general meeting may, by Ordinary Resolution, convert any Paid-up shares into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interests, in the same manner and subject to the same regulations as those subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstances will admit. The Company may, by an Ordinary Resolution, at any time reconvert any stock into Paid-up shares of any denomination. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however such</p>

		<p>minimum shall not exceed the nominal account from which the stock arose.</p> <p>The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards Dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose, but no such privileges or advantages, (except participation in the Dividends and profits of the Company and in the assets on winding-up), shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.</p> <p>Where the shares are converted into stock, such provisions of these Articles as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock -holder” respectively.</p>
21	Capitalisation of Profits	<p>The Company in General Meeting may, upon the recommendation of the Board, may resolve:</p> <p>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 Company’s profit and loss account or otherwise, as available for distribution, and that such sum be accordingly set free from distribution in the manner specified herein below in sub-article (c) as amongst the Shareholders who would have been entitled thereto, if distributed by way of Dividends and in the same proportions.</p> <p>The sum aforesaid shall not be paid in cash but shall be applied either in or towards:</p> <p>paying up any amounts for the time being unpaid on any shares held by such Shareholders respectively;</p> <p>paying up in full, un-issued shares of the Company to be allotted, distributed and credited as fully Paid up, to and amongst such Shareholders in the proportions aforesaid; or partly in the way specified in sub-article (i) and partly in the way specified in sub-article (ii).</p> <p>A securities premium account may be applied as per Section 52 of the Act, and a capital redemption reserve account may, duly be applied in paying up of unissued shares to be issued to Shareholders of the Company as fully paid bonus shares</p>
22	Resolution for capitalisation of Reserves and issue of fractional certificate	<p>The Board shall give effect to a Resolution passed by the Company in pursuance of this Article 21.</p> <p>Whenever such a Resolution as aforesaid shall have been passed, the Board shall:</p> <p>make all appropriation and applications of undivided profits (resolved to be capitalized thereby), and all allotments and issues of fully paid shares or Securities, if any; and generally do all acts and things required to give effect thereto.</p> <p>The Board shall have full power:</p> <p>to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of Shares or Debentures becoming distributable in fraction; and to authorize any person, on behalf of all the Shareholders</p>

		<p>entitled thereto, to enter into an agreement with the Company providing for the allotment to such Shareholders, credited as fully paid up, of any further Shares or Debentures to which they may be entitled upon such capitalization or (as the case may require) for the payment of by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any parts of the amounts remaining unpaid on the shares.</p> <p>Any agreement made under such authority shall be effective and binding on all such shareholders.</p>
23	Annual General Meeting	<p>In accordance with the provisions of Section 96 of the Act, the Company shall in each year hold a General Meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings. Further, subject to the provisions of the Act, not more than 15 (fifteen) months' gap shall elapse between the dates of two consecutive Annual General Meetings.</p>
24	Venue, Day and Time for holding Annual General Meeting	<p>Every Annual General Meeting shall be called during business hours as specified under the Act or Rules on a day that is not a national holiday, and shall be held at the Office of the Company or at some other place within the city, town or village in which the Office of the Company is situated, as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.</p> <p>Every Shareholder of the Company shall be entitled to attend the Annual General Meeting either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.</p>
25	Notice of General Meetings	<p>Number of days' notice of General Meeting to be given: As per the provisions of section 101 of the Act, a General Meeting of the Company may be called by giving not less than 21 (twenty-one) days clear notice in writing or in electronic mode, excluding the day on which notice is served or deemed to be served and the date of meeting. However, a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode, in case of annual general meeting, by not less than 95 (ninety-five) percent of the Shareholders entitled to vote at that meeting and in case of any other general meeting, by members of the company holding majority in number of members entitled to vote and who represent not less than ninety-five per cent. of such part of the paid-up share capital of the company as gives a right to vote at the meeting. The notice of every meeting shall be given to:</p> <p>Every Shareholder, legal representative of any deceased Shareholder or the assignee of an insolvent member of the Company,          Auditor or Auditors of the Company,          All Directors and          Such other persons as required under the Act</p> <p>The accidental omission to give any such notice as aforesaid to</p>

		<p>any of the Shareholders, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.</p> <p>Notice of meeting to specify place, etc., and to contain statement of business: Notice of every meeting of the Company shall specify the place, date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat shall be given in the manner prescribed under Section 102 of the Act.</p> <p>Resolution requiring Special Notice: With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 115 of the Act.</p> <p>Notice of Adjourned Meeting when necessary: When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting in accordance with the applicable provisions of the Act.</p> <p>Notice when not necessary: Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</p> <p>The notice of the General Meeting shall comply with the provisions of Companies (Management and Administration) Rules, 2014.</p>
26	Requisition of Extraordinary General Meeting	<p>The Board may, whenever it thinks fit, call an Extraordinary General Meeting or it shall do so upon a requisition received from such number of Shareholders who hold, on the date of receipt of the requisition, not less than one-tenth of such of the Paid up Share Capital of the Company as on that date carries the right of voting and such meeting shall be held at the Office or at such place and at such time as the Board thinks fit.</p> <p>Any valid requisition so made by Shareholders must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.</p> <p>Upon the receipt of any such valid requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within 21 (twenty -one) days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than 45 (forty-five) days from the date of deposit of the requisition, the requisitionists or such of their number as represent either a majority in value of the Paid up Share Capital held by all of them or not less than one-tenth of such of the Paid-up Share Capital of the Company as is referred to in Section 100 of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.</p> <p>Any meeting called under the foregoing sub-articles by the requisitionists, shall be called in the same manner, as nearly as possible, as that in which a meeting is to be called by the Board. No General Meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which</p>

		<p>has not been mentioned in the notice or notices by which it was convened.</p> <p>The Extraordinary General Meeting called under this Article shall be subject to and in accordance with the provisions under the Act read with the Companies (Management and Administration) Rules, 2014.</p>
27	No Business to be transacted in General Meeting if Quorum is not present	<p>The quorum for the General Meeting shall be in accordance with Section 103 of the Act. Subject to the provisions of Section 103(2) of the Act, if such a quorum is not present within half an hour from the time set for the Shareholders' Meeting, the meeting if convened by or upon the requisition of Members, shall stand dissolved but in case of any other General Meeting shall be adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday at the same time and place or to such other day at such other time and place as the Board may determine and the agenda for the adjourned General Meeting shall remain the same. If at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called.</p>
28	Chairman	<p>As per the provisions of section 104 of the Act the Chairman of the Board shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the Chair, then the Directors present shall elect one of them as Chairman. If no Director is present or if all the Directors present decline to take the Chair, then the Shareholders present shall elect one of their members to be the Chairman of the meeting. No business shall be discussed at any General Meeting except the election of a Chairman while the Chair is vacant.</p>
29	Chairman can adjourn the General Meeting	<p>The Chairman may, with the consent given in the meeting at which a quorum is present (and if so directed by the meeting) adjourn the General Meeting from time to time and from place to place within the city, town or village in which the Office of the Company is situate but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p>
30	Demand or Poll	<p>At any General Meeting, a resolution put to the vote of the General Meeting shall, unless voting is carried out electronically, be decided by way of show of hands. Before or on the declaration of the result of the voting on any resolution by a show of hands, a poll may be carried out in accordance with the applicable provisions of the Act electronically. Unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, of passing of such resolution or otherwise.</p>

		<p>In the case of equal votes, the Chairman shall have a casting vote in addition to the vote or votes to which he may be entitled as a Shareholder.</p> <p>If a poll is demanded as aforesaid, the same shall subject to anything stated in these Articles be taken at such time, (not later than forty-eight hours from the time when the demand was made), and place within the city, town or village in which the Office of the Company is situate and either by a show of hands or by ballot or by postal ballot, as the Chairman shall direct and either at once or after an interval or adjournment, or otherwise and the result of the poll shall be deemed to be the decision of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.</p> <p>Where a poll is to be taken, the Chairman of the meeting shall appoint such number of scrutinizers as prescribed under the Act and Rules to scrutinise the votes given on the poll and to report thereon to him. The Chairman shall have power at any time before the result of the poll is declared, to remove a scrutinizer from office and fill vacancies in the office of scrutinizer arising from such removal or from any other cause.</p> <p>Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment, shall be taken at the meeting forthwith.</p> <p>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.</p> <p>A Shareholder may appoint a proxy either for (i) the purposes of a particular meeting (as specified in the instrument) or (ii) for any adjournment thereof or (iii) it may appoint a proxy for the purposes of every meeting of the Company, or (iv) of every meeting to be held before a date specified in the instrument for every adjournment of any such meeting.</p> <p>A Shareholder present by proxy shall be entitled to vote only on a poll.</p> <p>Every instrument of proxy whether for a specified meeting or otherwise should, as far as circumstances admit, be in any of the forms set out under Section 105 and other provisions of the Act and in the Companies (Management and Administration) Rules, 2014.</p> <p>A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office before the meeting.</p> <p>No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such</p>
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		<p>objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.</p> <p>The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be in the sole judge of the validity of every vote tendered at such poll.</p> <p>The Company shall cause minutes of the proceedings of every General Meeting to be kept by making within 30 (thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.</p> <p>The book containing the Minutes of proceedings of General Meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge.</p> <p>All matters arising at a General Meeting of the Company, other than as specified in the Act or these Articles if any, shall be decided by a majority vote</p> <p>Any corporation which is a Shareholder of the Company may, by resolution of the Board or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Shareholder in the Company (including the right to vote by proxy).</p> <p>The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, applicable SEBI Regulations or any other Law, if applicable to the Company.</p>
31.	Directors	<p>Subject to the applicable provisions of the Act, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen). However, the Company may at any time appoint more than 15 (fifteen) directors after passing Special Resolution at a General Meeting. The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the applicable SEBI Regulations. The Board shall have an optimum combination of executive and Independent Directors with at least 1 (one) woman Director, as may be prescribed by Law from time to time.</p> <p>Subject to Article 32(a), Sections 149, 152 and 164 of the Act and other provisions of the Act, the Company may increase or reduce the number of Directors.</p> <p>The Company may, and subject to the provisions of Section 169 of the Act, remove any Director before the expiration of his period of office and appoint another qualified Director. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.</p> <p>At least one Director shall reside in India for a total period of</p>



		not less than 182 (one hundred and eighty-two) days or for such number of days as may be notified by the Government from time to time in each Financial Year
32	Chairman of the Board of Directors	The members of the Board shall elect any one of them as the Chairman of the Board. The Chairman shall preside at all meetings of the Board and the General Meeting of the Company. The Chairman shall have a casting vote in the event of a tie. If for any reason the Chairman is not present at the meeting or is unwilling to act as Chairman, the members of the Board shall appoint any one of the remaining Directors as the Chairman.
33.	Appointment of Alternate Directors	Subject to Section 161 of the Act, the Board shall be entitled to nominate an alternate director to act for a director of the Company during such director's absence for a period of not less than 3 (three) months from India. The Board may appoint such a person as an Alternate Director to act for a Director (hereinafter called "the Original Director") (subject to such person being acceptable to the Chairman) during the Original Director's absence. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of the office of the Original Director is determined before he so returns to India, any provisions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director.
34.	Casual Vacancy and Additional Directors	Subject to the applicable provisions of the Act and these Articles, the Board shall have the power at any time and from time to time to appoint any qualified Person to be a Director either as an addition to the Board or to fill a casual vacancy but so that the total number of Directors shall not at any time exceed the maximum number fixed under Article 31. Any Person so appointed as an addition shall hold office only up to the earlier of the date of the next Annual General Meeting or at the last date on which the Annual General Meeting should have been held but shall be eligible for appointment by the Company as a Director at that meeting subject to the applicable provisions of the Act.
35	Debenture Directors	If it is provided by a trust deed, securing or otherwise, in connection with any issue of Debentures of the Company, that any Person/lender or Persons/lenders shall have power to nominate a Director of the Company, then in the case of any and every such issue of Debentures, the Person/lender or Persons/lenders having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to a Debenture Director. A Debenture Director may be removed from office at any time by the Person/lender or Persons/lenders in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture

		Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company, but shall automatically cease and vacate office as a Director if and when the Debentures are fully discharged
36	Independent Directors	The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed SEBI Regulations.
37	Nominee Directors	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 or by the Central Government or the State Government by virtue of its shareholding in a Government Company.
38	Period of holding of office by Nominee Directors	The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds or continues to hold Debentures/shares in the Company as a result of underwriting or by direct subscription or private placement or the liability of the Company arising out of the guarantee is outstanding or pursuant to any private arrangement between the Company and institution and the Nominee Director/s so appointed in exercise of the said powers shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold Debentures/ shares in the Company or on the satisfaction of liability of the Company arising out of any guarantee furnished by the Corporation.
39	Appointment of Special Directors	On behalf of the Company, whenever Directors enter into a contract with any Government, Central, State or Local, any Bank or Financial institution or any person or persons (hereinafter referred to as “the appointer”) for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or entering into any other arrangement whatsoever the Directors shall have, subject to the provisions of Section 152 of the Act, the power to agree that such appointer shall have right to appoint or nominate by notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such Director or Directors may not be liable to retire by rotation nor be required to hold any qualification shares. The Directors may also agree that any such Director or Directors may be removed from time to time by the appointer entitled to appoint or nominate them and the appointer may appoint another or others in his or their place and also fill in any vacancy which may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatsoever. The

		Directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Directors of the Company including payment of remuneration and travelling expenses to such Director or Directors as may be agreed by the Company with the appointer.
40	No Qualification Shares for Directors	A Director shall not be required to hold any qualification shares of the Company
41	Remuneration of Directors	<p>Subject to the applicable provisions of the Act, the Rules, Law including the provisions of the SEBI Regulations, a Managing Director or Managing Directors, and any other Director/s who is/are in the whole-time employment of the Company may be paid remuneration either by a way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, subject to the limits prescribed under the Act.</p> <p>Subject to the applicable provisions of the Act, a Director (other than a Managing Director or an executive Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the Central Government from time to time for each meeting of the Board or any Committee thereof attended by him or remuneration in form of commission or fixed fees in accordance with the applicable provisions of the Act and the Rules.</p> <p>The remuneration payable to each Director for every meeting of the Board or Committee of the Board attended by them shall be such sum as may be determined by the Board from time to time within the maximum limits prescribed from time to time by the Central Government pursuant to the first proviso to Section 197 of the Act.</p> <p>All fees/compensation to be paid to non-executive Directors including Independent Directors shall be as fixed by the Board subject to Section 197 and other applicable provisions of the Act, the Rules thereunder and of these Articles. Notwithstanding anything contained in this Article, the Independent Directors shall not be eligible to receive any stock options.</p>
42	Special remuneration for extra services rendered by a Director	If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board. Such remuneration may either be in addition, to or in substitution for his remuneration otherwise provided, subject to the applicable provisions of the Act.
43	Miscellaneous expenses of Directors	In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel and other expenses properly incurred by them (a) in attending and returning from meetings of the Board of Directors or any

		committee thereof or general meetings of the company; or (b) in connection with the business of the Company. The rules in this regard may be framed by the Board of Directors from time to time.
44	Continuing Directors	The continuing Directors may act notwithstanding any vacancy in their body, but if, and so long as their number is reduced below the minimum number fixed by Article 31 hereof, the continuing Directors may act for the purpose of increasing the number of Directors to that number, or for summoning a General Meeting, but for no other purpose.
45	Disqualification and Vacation of office by a Director	A person shall not be eligible for appointment as a Director of the Company if he incurs any of the disqualifications as set out in section 164 and other relevant provisions of the Act. Further, on and after being appointed as a Director and subject to the provisions of the Act, the office of a Director shall ipso facto be vacated on the occurrence of any of the circumstances under section 167 and other relevant provisions of the Act. Subject to the applicable provisions of the Act, the resignation of a director shall take effect from the date on which the notice is received by the company or the date, if any, specified by the director in the notice, whichever is later.
46	Retirement of Directors by rotation	At every Annual General Meeting of the Company, one third of such of the Directors as are liable to retire by rotation in accordance with section 152 of the Act (excluding Independent Directors), or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re- election. The Directors to retire by rotation shall be those who have been longest in office since their last appointment but as between persons who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Provided that and to the extent permissible under the Act and subject to the terms and condition of the appointment, the Managing Director, Joint Managing Director, Deputy Managing Director, Manager, Independent Directors and Whole-Time Director(s) appointed or such other directors nominated pursuant to Articles 35 and 37 hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.
47	Managing Director(s) / Whole Time Director(s) / Executive Director(s) / Manager	Subject to the provisions of Section 203 of the Act and other applicable provisions of the Act and of these Articles, the Board may appoint from time to time one or more of their Directors to be the Managing Director or Joint Managing Director or Whole Time Director or Deputy Managing Director or Manager of the Company on such terms and on such remuneration (in any manner, subject to it being permissible under the Act) as the Board may think fit in accordance with the applicable provisions of the Act and the Rules thereunder. Subject to the provisions of the Act, the Managing Director or Joint Managing

		<p>Director or Wholetime Director or Deputy Managing Director or Manager of the Company so appointed by the Board shall not while holding that office, be subject to retirement by rotation or taken into account in determining the rotation of retirement of directors unless otherwise provided in the terms and conditions of their appointment, but their office shall be subject to determination ipso facto if they cease from any cause to be a director or if the company in General Meeting resolve that their tenure of the office of Managing Director or Joint Managing Director or Wholetime Director or Deputy Managing Director or Manager be so determined.</p> <p>Subject to the approval of the Board of Directors of the Company, the Chairman of the Board of Directors of the Company can hold the position of the Managing Director and / or the Chief Executive Officer of the Company at the same time.</p>
48	Power and duties of Managing Director(s)/ Whole Time Director(s) / Executive Director(s)/ Manager	<p>Subject to the provisions of the Act, the Directors, may from time to time entrust and confer upon a Managing Director, whole time director(s), executive director(s) or managers for the time being such of the powers exercisable upon such terms and conditions and with such restrictions as they may think fit either collaterally with or to the exclusion of and in substitution for all or any of their own powers and from time-to-time revoke, withdraw, alter or vary ail or any of such powers.</p>
49	Power to be exercised by the Board only by meeting	<p>Subject to the provisions of the Act, the Board shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolutions passed at the meeting of the Board:</p> <p>to make calls on Shareholders in respect of money unpaid on their shares;</p> <p>to authorise buy-back of securities under Section 68 of the Act;</p> <p>to issue securities, including debentures, whether in or outside India;</p> <p>to borrow money(ies);</p> <p>to invest the funds of the Company;</p> <p>to grant loans or give guarantee or provide security in respect of loans; and</p> <p>any other matter which may be prescribed under the Act, Companies (Meetings of Board and its Powers) Rules, 2014 and the applicable SEBI Regulations to be exercised by the Board only by resolutions passed at the meeting of the Board.</p> <p>The Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, or to any person permitted by Law the powers specified in sub clauses (d) to (f) above. In respect of dealings between the company and its bankers the exercise by the company of the powers specified in clause (d) shall mean the arrangement made by the company with its bankers for the borrowing of money by way of overdraft or cash credit or otherwise and not the actual day to day operation on overdraft, cash credit or other accounts by means of which the arrangement so made is actually availed of.</p> <p>The aforesaid powers shall be exercised in accordance with the provisions of the Companies (Meetings of Board and its</p>

		<p>Powers) Rules, 2014 and shall be subject to the restrictions on the powers of the Board under section 180 of the Act.</p>
50	<p>Proceedings of the Board of Directors</p>	<p>At least 4 (four) Board Meetings shall be held in any calendar year and there should not be a gap of more than 120 (one hundred twenty) days between two consecutive Board Meetings.</p> <p>The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio-visual means, as may be prescribed under the Act, which are capable of recording and recognising the participation of the Directors and of recording and storing the proceedings of such meetings along with date and time. However, such matters as provided under the Companies (Meetings of Board and its Powers) Rules, 2014 shall not be dealt with in a meeting through video conferencing or other audio-visual means. Any meeting of the Board held through video conferencing or other audio-visual means shall only be held in accordance with the Companies (Meetings of Board and its Powers) Rules, 2014.</p> <p>The Secretary, as directed by a Director, or any other Director shall, as and when directed by the Chairman or a Director convene a meeting of the Board by giving a notice in writing to every Director in accordance with the provisions of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014. At least 7 (seven) days' notice of every meeting of the Board shall be given in writing to every Director for the time being at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. A meeting of the Board may be convened in accordance with these Articles by a shorter notice in case of any urgent matters as directed by the Chairman or the Managing Director or the Executive Director, as the case may be, subject to the presence of 1 (one) Independent Director in the said meeting. If an Independent Director is not present in the said meeting, then decisions taken at the said meeting shall be circulated to all the Directors and shall be final only upon ratification by one Independent Director. Such notice or shorter notice may be sent by post or by fax or e-mail depending upon the circumstances. At any Board Meeting, each Director may exercise 1 (one) vote. The adoption of any resolution of the Board shall require the affirmative vote of a majority of the Directors present at a duly constituted Board Meeting.</p>
51	<p>Quorum for Board Meeting</p>	<p>Subject to the provisions of Section 174 of the Act, the quorum for each Board Meeting shall be one-third of its total strength or two directors, whichever is higher, and the presence of Directors by video conferencing or by other audio-visual means shall also be counted for the purposes of calculating quorum. Provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested present at the meeting being not less than two, shall be the quorum during such meeting.</p>

		<p>If a meeting of the Board could not be held for want of quorum, then the meeting shall automatically stand adjourned to such other time as may be fixed by the Chairman.</p>
52	Casting Vote	<p>Questions arising at any meeting of the Board, other than as specified in these Articles and the Act, if any, shall be decided by a majority vote. In the case of an equality of votes, the Chairman shall have a second or casting vote. 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.</p>
53	Powers of the Board	<p>Subject to the applicable provisions of the Act, these Articles and other applicable provisions of Law:</p> <p>The Board shall be entitled to exercise all such power and to do all such acts and things as the Company is authorised to exercise and do under the applicable provisions of the Act or by the Memorandum and Articles of association of the Company.</p> <p>The Board is vested with the entire management and control of the Company, including as regards any and all decisions and resolutions to be passed, for and on behalf of the Company.</p> <p>Provided that the Board shall not, except with the consent of the Company by a Special Resolution: -</p> <p>Sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking. The term ‘undertaking’ and the expression ‘substantially the whole of the undertaking’ shall have the meaning ascribed to them under the provisions of Section 180 of the Act;</p> <p>Remit, or give time for repayment of, any debt due by a Director;</p> <p>Invest otherwise than in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation; and</p> <p>Borrow money(ies) where the money(ies) to be borrowed together with the money(ies) already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of businesses), will exceed the aggregate of the paid-up capital of the Company, its free reserves and securities premium account.</p> <p><b>Certain Powers of the Board</b></p> <p>Without prejudice to the general powers conferred by the last preceding Article 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 last preceding Article and other provisions of the Act, it is hereby declared that the Directors shall have the following powers, that is to say, power:</p> <p>To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the company.</p>

		<p>Payment out of Capital: To pay and charge to the capital account of the company any commission or interest lawfully payable thereout under the provisions of Sections 40(6) of the Act,</p> <p>To acquire property: Subject to Sections 179 and 188 of the Act to purchase or otherwise acquire for the Company any property, rights, privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they think fit, and in any such purchases or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory,</p> <p>To pay for property, etc.: At their discretion and subject to the provisions of the Act, to pay for any property, rights, or privileges acquired or services rendered in the Company either wholly or partially, in cash or in shares, bonds, debentures, mortgages, or other securities of the such amount credited as paid up thereon as may be agreed upon and any such bonds; debentures, mortgages or other securities may be either, specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.</p> <p>To secure contracts: To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.</p> <p>To accept surrender of shares: To accept from any member, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed.</p> <p>To appoint Trustees: To appoint any person to accept and to hold in trust for the Company any property belonging to the Company, or in which it is interested, or for any other purposes; and to execute and 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.</p> <p>To bring and defend actions: To institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers or otherwise payment or satisfaction of any debts due, and of any claims or demands by or against the Company, and to refer any differences to arbitration, and observe and perform any awards made thereon.</p> <p>To act in insolvency matters: To act on behalf of the Company in all matters relating to bankrupts and insolvents.</p> <p>To give receipts: To make and give receipts, releases and other discharges for moneys payable to the Company, and for the claims and demands of the Company.</p> <p>To invest moneys: Subject to the provisions of Sections 179, 180 (1) (c), 185, and 186 of the Act, to invest, deposit and deal with any moneys of the Company not immediately required for the purpose thereof, upon such security (not being 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 49 of the Act, all investments shall be made and held in the Company's own</p>
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		<p>name.</p> <p>To provide for Personal Liabilities: 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 surety; for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit; and any such mortgage may contain a power of sale, and such other powers, provisions, covenants and agreements as shall be agreed upon.</p> <p>To authorise acceptances: To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give necessary authority for such purpose.</p> <p>To distribute bonus: To distribute by way of bonus amongst the staff of the Company a share in the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as part of the working expenses of the Company.</p> <p>To provide for welfare of employees: 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 dependants or connections of such persons by building or contributing to the building of houses, dwellings or chawls or by grants of moneys, pensions, gratuities, allowances, bonus or other payments; or by creating and from time to time subscribing or contributing to provident and other associations, institutions or funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and subject to the provisions of Section 180 of the Act. To subscribe or contribute or otherwise to assist or to guarantee money to any charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation, or of public and general utility or otherwise.</p> <p>To create reserve fund : Before recommending any dividend to set aside, out of the profits of the Company such sums as they may think proper for depreciation or to a Depreciation Fund or to an Insurance Fund or as a Reserve Fund or Sinking Fund or any special fund to meet contingencies or to repay debentures or debenture-stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the preceding clause), as the Board may in their absolute discretion think conducive to the interest of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other than shares of the Company) as they think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for</p>
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		<p>the benefit of the Company, in such manner and for such purposes as the Board in their absolute discretion, think, conducive to the interest of the company notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the company might rightly be applied or expended, and to divide the reserve fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of the Reserve Fund into such special funds as the Board may think fit, with full power to transfer the whole or any portion of a Reserve Fund or division of a Reserve Fund and with full power to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the company or in the purchase or repayment of debentures or debenture- stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however 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.</p>
54	Committees and delegation by the Board	<p>The Company shall constitute such Committees as may be required under the Act, applicable provisions of Law and the applicable SEBI Regulations. Without prejudice to the powers conferred by the other Articles and so as not to in any way to limit or restrict those powers, the Board may, subject to the provisions of Section 179 of the Act, delegate any of its powers to the Managing Director(s), the executive director(s) or manager or the chief executive officer of the Company. The Managing Director(s), the executive director(s) or the manager or the chief executive officer(s) as aforesaid shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on them by the Board and all acts done by them in exercise of the powers so delegated and in conformity with such regulations shall have the like force and effect as if done by the Board.</p> <p>Subject to the applicable provisions of the Act, the requirements of Law and these Articles, the Board may delegate any of its powers to Committees of the Board consisting of such member or members of the Board as it thinks fit, and it may from time-to-time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes. Every Committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.</p> <p>The meetings and proceedings of any such Committee of the Board consisting of more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulation made by the Directors under the last preceding Article.</p>

55	Acts of Board or Committee valid notwithstanding informal appointment	All acts undertaken at any meeting of the Board or of a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it may afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director. Provided that nothing in this Article shall be deemed to give validity to the acts undertaken by a Director after his appointment has been shown to the Company to be invalid or to have been terminated
56	Passing of resolution by circulation	No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft form, together with the necessary papers, if any, to all the Directors, or members of the Committee, as the case may be, at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or members, who are entitled to vote on the resolution. However, in case one-third of the total number of Directors for the time being require that any resolution under circulation must be decided at a meeting, the Chairman shall put the resolution to be decided at a meeting of the Board. A resolution mentioned above shall be noted at a subsequent meeting of the Board or the Committee thereof, as the case may be, and be recorded in the minutes of such meeting.
57	Minutes of the proceedings of the meeting of the Board	The Company shall prepare, circulate and maintain minutes of each Board Meeting in accordance with the Act and Rules and such minutes shall contain a fair and correct summary of the proceedings conducted at the Board Meeting. The minutes kept and recorded under this Article shall also comply with the provisions of Secretarial Standard 1 issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980 and approved as such by the Central Government and applicable provisions of the Act and Law.
58	The Secretary	Subject to the provisions of Section 203 of the Act, the Board may, from time to time, appoint any individual as the Secretary of the Company to perform such functions, which by the Act or these Articles for the time being of the Company are to be performed by the Secretary and to execute any other duties which may from time to time be assigned to him/ her by the Board. The Board may also at any time appoint some individual (who need not be the Secretary), to maintain the Registers required to be kept by the Company.

59	Dividend	<p>The profits of the Company, subject to any special rights relating thereto being created or authorised to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the Shareholders in proportion to the amount of Capital Paid-up or credited as Paid-up and to the period during the year for which the Capital is Paid-up on the shares held by them respectively. Provided always that, (subject as aforesaid), any Capital Paid-up on a Share during the period in respect of which a Dividend is declared, shall unless the Directors otherwise determine, only entitle the holder of such Share to an apportioned amount of such Dividend as from the date of payment.</p> <p>Subject to the provisions of Section 123 of the Act, the Company in General Meeting may declare Dividends, to be paid to Shareholders according to their respective rights and interests in the profits. No Dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may, declare a smaller Dividend, and may fix the time for payments not exceeding 30 (thirty) days from the declaration thereof.</p> <p>No Dividend shall be declared or paid otherwise than out of profits of the Financial Year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Act or out of the profits of the Company for any previous Financial Year or years arrived at after providing for depreciation in accordance with the provisions of the Act and remaining undistributed, or out of both, and provided that the declaration of the Board as to the amount of the net profits shall be conclusive.</p> <p>Subject to Section 123, the Board may, from time to time, pay to the Shareholders such interim Dividend as in their judgment the position of the Company justifies.</p> <p>Where Capital is paid in advance of calls upon the footing that the same shall carry interest, such Capital shall not whilst carrying interest, confer a right to participate in profits or Dividend.</p> <p>Subject to the rights of Persons, if any, entitled to shares with special rights as to Dividend, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof Dividend is paid but if and so long as nothing is paid upon any shares in the Company, Dividends may be declared and paid according to the amount of the shares. No amount paid or credited as paid on shares in advance of calls shall be treated for the purpose of this Article as paid on shares. All Dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the Dividend is paid, but if any shares are issued on terms providing that it shall rank for Dividend as from a particular date such shares shall rank for Dividend accordingly.</p> <p>Subject to the applicable provisions of the Act and these Articles, the Board may retain the Dividends payable upon</p>
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		<p>shares in respect of any Person, until such Person shall have become a Shareholder, in respect of such shares or until such shares shall have been duly transferred to him.</p> <p>Any one of several Persons who are registered as the joint - holders of any Share may give effectual receipts for all Dividends or bonus and payments on account of Dividends or bonus or sale proceeds of fractional certificates or other money(ies) payable in respect of such shares.</p> <p>Subject to the applicable provisions of the Act, no Shareholder shall be entitled to receive payment of any interest or Dividends in respect of his Share(s), whilst any money may be due or owing from him to the Company in respect of such Share(s); either alone or jointly with any other Person or Persons; and the Board may deduct from the interest or Dividend payable to any such Shareholder all sums of money so due from him to the Company.</p> <p>Subject to Section 126 of the Act, a transfer of shares shall not pass the right to any Dividend declared thereon before the registration of the transfer.</p> <p>No unpaid Dividend shall bear interest as against the Company.</p>
60	Unpaid or Unclaimed Dividend	<p>Subject to the provisions of the Act, if the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, transfer the total amount of dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the Company in that behalf in any scheduled bank.</p> <p>Subject to provisions of the Act, any money so transferred to the unpaid Dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. "Investors Education and Protection Fund".</p> <p>Subject to the provisions of the Act, no unpaid or unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law.</p>
61	Accounts and Board's Report	<p>The Company shall prepare and keep the books of accounts or other relevant books and papers and financial statements for every Financial Year which give a true and fair view of the state of affairs of the Company, including its branch office or offices, if any, in accordance with the Act, Rules and as required under applicable Law.</p> <p>In accordance with the provisions of the Act, along with the financial statements laid before the Shareholders, there shall be laid a 'Board's report' as to the state of the Company's affairs and as to the amounts, if any, which it proposes to carry to any reserves in such balance sheet and the amount, if any, which it recommends should be paid by way of dividend; and material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end</p>

		<p>of the financial year of the company to which the balance sheet relates and the date of the report. The Board shall also give the fullest information and explanations in its report aforesaid or in an addendum to that report, on every reservation, qualification or adverse remark contained in the auditor's report and by the company secretary in practice in his secretarial audit report. The Company shall comply with the requirements of Section 136 of the Act.</p>
62	Documents and Notices	<p>A document or notice may be given or served by the Company to or on any Shareholder whether having his registered address within or outside India either personally or by sending it by post or by registered post or by courier or by any electronic means to him to his registered address.</p> <p>Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a Shareholder has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due or by cable or telegram and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall be deemed to be effected unless it is sent in the manner intimated by the Shareholder. Such service shall be deemed to have effected in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the document or notice is posted or after a telegram has been dispatched and in any case, at the time at which the letter would be delivered in the ordinary course of post or the cable or telegram would be transmitted in the ordinary course.</p> <p>A document or notice may be given or served by the Company to or on the joint - holders of a Share by giving or serving the document or notice to or on the joint- holder named first in the Register of Members in respect of the Share.</p> <p>Every person, who by operation of Law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which previous to his name and address being entered on the register of Shareholders, shall have been duly served on or given to the Person from whom he derives his title to such Share.</p> <p>Any document or notice to be given or served by the Company may be signed by a Director or the Secretary or some Person duly authorised by the Board for such purpose and the signature thereto may be written, printed, photostat or lithographed.</p> <p>All documents or notices to be given or served by Shareholders on or to the Company or to any officer thereof shall be served or given by sending the same to the Company or officer at the Office by post under a certificate of posting or by registered post or by leaving it at the Office.</p> <p>Where a document is sent by electronic mail, service thereof shall be deemed to be effected properly, where a member has registered his electronic mail address with the Company, Provided that the Company, shall provide each member an</p>

		opportunity to register his email address and change therein from time to time with the Company or the concerned depository. The Company shall fulfil all conditions required by Law, in this regard.
63	Service on Members having no registered address	If a Shareholder does not have registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighbourhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.
64	Notice by Advertisement	Subject to the applicable provisions of the Act, any document required to be served or sent by the Company on or to the Shareholders, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the District in which the Office is situated.
65	Winding up	<p>If the Company shall be wound up, the Liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act divide amongst the Shareholders, in specie or kind the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.</p> <p>For the purpose aforesaid, the Liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Shareholders or different classes of Shareholders.</p> <p>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>
66	Indemnity	Every officer of the company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.
67	Director's etc. not liable for certain acts	Subject to the provision of the Act, no Director, Manager or Officer of the Company shall be liable for the acts, defaults, receipts and neglects of any other Director, Manager or Officer or for joining in any receipts or other acts for the sake of conformity or for any loss or expenses happening to the company through the insufficiency or deficiency of title to any property acquired by order of the directors or for any loss or expenses happening to the Company through the insufficiency or deficiency of any security in or upon which any of the monies of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any monies, securities or effects shall be

		deposited or for any loss occasioned by an error of judgement or oversight on his part, or for any other loss, damage or misfortune whatsoever which shall happen in the execution thereof, unless the same shall happen through the negligence, default, misfeasance, breach of duty or breach of trust of the relevant Director, Manager or Officer.
68	Signing of Cheques	Subject to applicable Law and Section 22 of the Act, all cheques, promissory notes, drafts, bills of exchange, and other negotiable instruments, and all receipts for moneys paid by the company, shall be signed, drawn, accepted or otherwise executed as the case may be, in such manner as the Board shall from time to time by resolution determine
69	Amendment to Memorandum and Articles of Association	The Company may amend its Memorandum of Association and Articles of Association subject to Sections 13, 14 and 15 of the Act and such other provisions of Law, as may be applicable from time-to-time.
70	Secrecy of works or information	No shareholder shall be entitled to visit or inspect the Company's work without permission of the Directors or to require discovery of any information respectively of any details of the Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the Directors will be inexpedient in the interest of the Shareholders of the Company to communicate to the public.
71	Duties of the Officer to observe secrecy	Every Director, Managing Directors, manager, Secretary, Auditor, trustee, members of the committee, officer, servant, agent, accountant or other persons employed in the business of the Company shall, if so required by the Directors before entering upon his duties, or any time during his term of office, sign a declaration pledging himself to observe secrecy relating to all transactions of the Company with its customers and the state of accounts with individuals and all manufacturing, technical and business information of the company and in matters relating thereto and shall by such declaration pledge himself not to reveal any of such matters which may come to his knowledge in the discharge of his official duties except which are required so to do by the Directors or the Auditors, or by resolution of the Company in the general meeting or by a court of law a except so far as may be necessary in order to comply with any of the provision of these Articles or Law.
72	Authorizations	Wherever in the Act it has been provided that the Company or the Board shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company or the Board is so authorized by its Articles, then and in that case these Articles hereby authorize and empower the Company and/ or the Board (as the case may be) to have all such rights, privileges, authorities and to carry out all such transactions as have been permitted by the Act without there being any specific regulation to that effect in these Articles save and except to the extent that any particular right, privilege, authority or transaction has been expressly negated or prohibited by any



		<p>other Article herein).</p> <p>If pursuant to the approval of these Articles, if the Act requires any matter any matter previously requiring a special resolution is, pursuant to such amendment, required to be approved by an ordinary resolution, then in such a case these Articles hereby authorize and empower the Company and its Shareholders to approve such matter by an ordinary resolution without having to give effect to the specific provision in these Articles requiring a special resolution to be passed for such matter.</p>
73	Other Powers	<p>To guarantee or join in guaranteeing either alone or jointly or jointly and severally the payment of money secured by, or payable under, or in respect of any bill of exchange, promissory note, debenture, debenture bond, debenture stock, contract, mortgage, charge, obligation or security executed, entered into or given by the Company, group companies, subsidiaries, or joint venture or otherwise to guarantee or become sureties for the performance of any contracts or obligations of such persons;</p>

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## SECTION X- OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

*The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this 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 to be delivered to the RoC for filing and the documents for inspection referred to hereunder, may be inspected at the Registered office: 402, 4th Floor, World Trade Tower, Barakhamba Lane, Connaught Place, Delhi, India, 110001 and on website of company at [www.rosmertadigital.com](http://www.rosmertadigital.com) from the date of filing this Red Herring Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.*

### MATERIAL CONTRACTS

1. Issue Agreement/ Memorandum of Understanding dated July 19, 2024 between our company and the Book Running Lead Manager.
2. Agreement dated July 19, 2024 between our company and the Registrar to the Issue.
3. Public Issue Agreement dated October 25, 2024, among our Company, the Book Running Lead Manager, The Banker to the Issue/Public Issue Bank/Sponsor Bank, and the Registrar to the Issue.
4. Underwriting Agreement dated July 19, 2024, between our company and the Underwriters.
5. Market making Agreement dated July 19, 2024, between our company, the Book Running Lead Manager and the Market Maker.
6. Agreement between NSDL, our company and the registrar to the issue dated May 31, 2024.
7. Agreement between CDSL, our company and the registrar to the issue dated June 11, 2024.
8. Syndicate Agreement dated October 26, 2024, among our Company, the Book Running Lead Manager and syndicate Member.
9. Collaboration with FCA Automobile Private Limited for sale and distribution of Fiat branded automotive components in India vide agreement dated June 11, 2024.
10. Non-Compete Agreement dated June 21, 2024 between our Corporate Promoter/ Holding Company & our group companies.
11. Agreement dated October 28, 2024 between our company and the Monitoring agency.

### MATERIAL DOCUMENTS FOR THE ISSUE

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Resolutions of the Board of Directors dated June 29, 2024, in relation to the Issue and other related matters.
3. Shareholders' resolution dated July 01, 2024 in relation to the Issue and other related matters.
4. Consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, the Book Running Lead Manager, Registrar to the Issue, Peer review Auditor, Legal Advisor and Market Maker to act in their respective capacities.
5. Peer Review Auditors Report dated July 20, 2024 on Restated Financial Statements of our Company for the period ended June 30, 2024, and for years ended March 31, 2024, 2023, 2022 and 2021.

6. Peer Review Auditors Report ,
7. dated October 28, 2024 on Restated Financial Statements of our Company for the period ended September 30, 2024, and for years ended March 31, 2024, 2023, 2022 and 2021
8. The Report dated July 20, 2024 from the Peer Reviewed Auditors of our Company, confirming the Statement of Possible Tax Benefits available to our Company and its Shareholders as disclosed in this Draft Red Herring Prospectus.
9. The Report dated October 28, 2024 from the Peer Reviewed Auditors of our Company, confirming the Statement of Possible Tax Benefits available to our Company and its Shareholders as disclosed in this Draft Red Herring Prospectus.
10. The Report dated July 20, 2024, by Legal Advisor to the Company confirming status of Outstanding Litigation and Material Development.
11. The Report dated October 28, 2024 by Legal Advisor to the Company confirming status of Outstanding Litigation and Material Development.
12. Copy of approval from BSE SME vide letter dated October 23, 2024 to use the name of BSE in this offer document for listing of Equity Shares on SME Platform of BSE.
13. Due diligence certificate submitted to SEBI dated November 01, 2024, from Book Running Lead Managers to the Issue.
14. Key Performance Indicator Certificate provided by M/s A Y & Co., Chartered Accountants dated October 28, 2024.

*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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## SECTION XI - DECLARATION

We, hereby declare 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 Red Herring Prospectus is contrary to the 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 may be. We further certify that all the statements made in this Red Herring Prospectus are true and correct.

Signed by the Directors of our Company				
S.N.	Name	Category	Designation	Signature
1.	Brijesh Singh	Non-Executive	Director	Sd/-
2.	Mukesh Malhotra	Non-Executive	Director	Sd/-
3.	Sanjay Sharma	Executive	Whole Time Director	Sd/-
4.	Akhil Gupta	Executive	CEO and Whole Time Director	Sd/-
5.	Dilip Harel Mitra Chenoy	Non-Executive	Independent Director	Sd/-
6.	Suneeta Trivedi	Non-Executive	Independent Director	Sd/-
7.	Ashok Kacker	Non-Executive	Independent Director	Sd/-
Signed by the CFO & CS of our Company				
8.	Kuntal Kar	Full-time	Company Secretary & Compliance Officer	Sd/-
9.	Amit Kumar Somani	Full-time	Chief Financial Officer	Sd/-

**Place: Delhi**

**Date: November 01, 2024**